

**SOCIAL MEDIA MARKETING AND BUSINESS GROWTH OF COMMERCIAL
BANKS IN KENYA**

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DECLARATION

This research Project is my own original work and has not been presented for a degree in any other university.

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DEDICATION

This research project is dedicated to my family and my workmates for the love, inspiration, support and prayers throughout my MBA program. God bless you.

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I take this opportunity to acknowledge several people who made completion of this research project a success. Special recognition goes to my supervisor Prof. Justus Munyoki for guidance and valuable suggestions with many hours spent in reading and providing feedback. I also wish to acknowledge the University of Nairobi academic staff, they walked with me and assisted me throughout my course work. Additionally, Ms Winnie Abuor who accorded me support on this great venture. I appreciate you and everyone else who contributed to making this a success.

ABSTRACT

This study investigated the effects of social media marketing on business growth at Commercial Banks in Kenya. To achieve this objective of the study, a descriptive study technique was used.

The target population included the workers in 43 commercial banks. The study used primary data, which was collected using a semi-structured questionnaire. Data was analysed using descriptive statistics. The study established that a statistically significant relationship between business growth of commercial banks, the dependent variable and use of social media marketing independent variables. It further revealed that taking all other independent variables at zero, a 1% increase in use social media marketing leads to improved business growth of commercial banks.

Finally, the study established that better customer service, lower cost of customer service, Improved efficiency of business operations and Supporting product development and Modification include some of the benefits of using social media marketing in commercial banks.

The study therefore recommended that commercial banks should benchmark to borrow best practices, systems and techniques regarding customer relationship management to cut cost and improve on other capabilities, for instance, automatic responses to customer queries through social media. It also recommended further studies to be done on social media marketing and business growth of commercial banks.

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ABBREVIATION

Bsc	BALANCED SCORECARD
CBK	CENTRAL BANK OF KENYA
CFC	CREDIT FINANCE CORPORATION
MFI	MICRO-FINANCE INSTITUTIONS
SIP	SOCIAL INFORMATION PROCESSING
TAM	TECHNOLOGY ACCEPTANCE MODEL

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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The advent of social media was pre-empted by technological advances especially involving the evolution of the computer as well as Internet and the telephone. All these factors lead up to a socio-technical revolution characterized by virtual interactions as well as communications. Kaplan and Haenlein (2010) allude that social media refers to interactive web applications that permit the making and exchange of user produced content. Social media alludes to the utilization of online networking stages to promote items and services to with the objective of selling the product or service (Felix, Rauschnabel & Hinsch, 2016). Business growth refers to the improvements made by an organization over a period of time. This can be looked at in terms of market share or number of customers, asset base, increasing revenues, decreasing operating costs and increasing profits. Business growth also refers to the actual output of a business as compared to the aims and objectives. It comprises three defined areas of firm outcomes namely financial growth, product market growth and shareholder return (Delmar, 2007).

This study anchored on the following theories; Social information processing theory; Adaptive structuration theory and the theory of planned behavior. Social information processing theory which explains online interpersonal communication without non-verbal prompts and creates and oversees relationships in computer interceded conditions (Walther, 1992). Adaptive structuration theory clarifies how social frameworks adjust to new technologies.

The social perspectives include groups and associations that utilize the information technology for their work (DeSanctis & Poole, 1994). Subsequently, they establish a viewpoint about the purpose and use of the technological innovation, and ways it can be connected to their purposes. These viewpoints can differ broadly across classes. These observations impact the way technology is utilized and consequently mediate its effect on group results. The theory of planned behavior clarifies that particular behavior towards perceived behavioral control and subjective standards anticipate the behavior of a man's conduct (Ajzen, 1991).

Social media marketing is an exciting new frontier in the marketing sphere and as such, multiple books and studies have been published on social media as a marketing tool. Internationally, Wire (2010) found that 18% of social media users look to social media as core information discovery tool because they trust what their friends say and social media provides the perfect platform. Barnes (2008) surveyed individuals mostly in the age group of 25-55 years and found that 70% revealed they take part in this pre-buy conduct—utilizing online networking to find out about the client mind offered by an organization while considering a buy, 84% detailed that they consider the nature of client care in view of web-based social networking locales' client assessments at any rate now and again amid their own examination and examination when settling on a buy choice. Frost & Sullivan (2011) have written a white paper on social media customer engagement on how contact center organizations can integrate social media in their operations but have not analyzed the strategic competitive advantage in customer care using social media. Rajesh (2009) has also analyzed how social media can be integrated into contact centers but he does not show how social media gives firms strategic advantage.

The adoption of social media marketing by commercial banks has been on the rise due to the social media inventions. These inventions were originated at different times but developed almost concurrently to bring about the current connectivity witnessed in the world today. From the invention of the phone in the 18th century to currently when 60% of the world population owns a mobile phone, it is projected that by 2019, over 5 billion people will own a mobile phone. The increase in connectivity became the boon for social media platforms from classmates.com in 1995 to the current popular networking sites established in 2002 and onwards like Facebook, linked in, Instagram, twitter, YouTube and many other emerging apps which are getting established and still evolving into aspects of virtual and augmented reality. These social media websites mostly are characterized by simple user interfaces with features accessed by the user to upload content as well as receive information. These developments in information technology have prompted the desire to find out the effect of social media marketing on business growth among commercial banks in Kenya.

1.1.1 Concept of Social Media Marketing

Kaplan and Haenlein (2010) construe social media as a collection of Internet based functions that depend on the ideas and technology of Web 2.0, which allows the exchange of and creation of user produced content. Social media marketing involves the active usage of social media platforms as marketing tools to promote a product or a service. The platforms incorporate data tools, enabling their clients, who advertise through them, to establish and gauge the effectiveness of social media use as a marketing tool. The social media websites enable interactions and establishment of relationships online (Felix, Rauschnabel & Hinsch, 2016).

Bratton and Evans (2012) stipulate that expanding on the individual empowerment and the freedom that the web offers, consumers are effectively interfacing with each other and talking about everything, and all the while, reinforcing advertising efforts by specifically sharing their own encounters and thoughts on the social web. It provides a platform where buyers interact with adored associations and the things they offer. Sagacious publicists are turning online networking and the opportunity to exhibit without utilizing advancements. Innovation associated upgrades, for instance, the ascent of successful web seeking instruments, drove mobile phones publicists' ability to accomplish clients over new touch centers (Shankar et al. 2011).

Companies address a myriad of external groups, shareholders and stakeholders through social media, including; customers (both current and potential), the general public, shareholders, current and future employees among others. This essentially places social media marketing at the fore front of providing solutions to organizations where reaching their clients (and their clients reaching them) is a concern. It makes it imperative for all organizations to create and continue to monitor and develop an online presence which will provide an avenue to communicate with (advertise) to their clients as well as receive real time feedback on the processes, products, services and develop a framework through which client concerns can be addressed and responded to.

1.1.2 Business Growth

Business growth involves tracking the performance of a business over a specified period of time. The areas of interest would include three specific areas of firm outcomes namely financial growth, product market growth and shareholder return (Delmar, 2007).

The number of possible indicators of business growth include total revenue are utilized in empirical analysis; asset/ resource growth is utilized as growth indicator. However, measuring growth in assets/resources might be risky for measuring firm size in businesses where intangible assets are critical for the procedure of economic growth and where firms in the sample have altogether different capital forces.

Business growth is majorly influenced by firm/ product life cycle. The growth stage in the life cycle is part of the corporate existence or life cycle for all businesses. How the business is managed during the growth stage is critical since this determines how the business performs against its competitors within the designated markets and contributes to business success. For A relatively mature businesses line like Commercial Banks, continuous and consistent business growth is crucial as an organic center for renewing business as well as ideas for product improvement, determining marketing content as well as ensuring repeat business and creation of relationships with clients (Zehir, 2012).

Business growth is characterized by the activities or features below; Increase in production (for manufacturers); Increase in sales; Increase in number of customers; Increase in promotions; Increase in profits; Adding new products and services; A dynamic strategic plan to ensure growth increase; Increased competitive advantage; Increased innovation; Development of corporate image; Creation of market opportunities; Optimum utilization of available resources; Product diversification (moving into new markets) and Mergers, amalgamations and take overs.

1.1.3 Banking Sector in Kenya

According to The Central Bank of Kenya, the monetary and fiscal journey in Kenya goes back to the pre-colonial era. To start with, the spearheading banks focused on financing global exchange along the Europe-South Africa–India pivot. However, they soon broadened operations to tap the opportunities for profitable banking made by a developing cultivating settlers and pioneer merchants in the neighborhood economy to whom they gave deposit and credit facilities. It was inevitable for banking to spread into the interior. As time advanced, the changing scene of saving money started to take note of the passage of completely indigenous banks. Kenya's first completely locally owned commercial bank was the Co-operative Bank of Kenya, which was at first a co-operative society (CBK, 2016).

According to the CBK (2016) Kenya has 42 commercial banks undertaking their operations within the country, which makes banking an increasingly competitive market necessitating the need for each bank to differentiate their offerings as well as service in order to not only remain relevant but also maintain their market share. Licencing and regulation of commercial banks and mortgage finance enterprises is done under the Banking Act, Cap 488. Thereafter, prudential guidelines are provident. While MFIs licensing and regulation is done under Microfinance Act and Regulation, forex bureaus are under Central Bank of Kenya Act, Cap 491 and guidance offered by Foreign Exchange Bureau (CBK, 2016).

The president of Kenya assented into law an alteration of the 2015 Banking Bill on August 2016. The amendment capped loaning interest rates 4% over the base rate set by the Central Bank of Kenya.

Loan cost spreads in Kenya in the past have been thought to be for the most part higher than that of its peers. Kenya's financial inclusion is relatively high, which in turn encourages formal saving. The banking sector is well developed in geographical coverage and products. The use of banking accounts is widespread—more than in any peer country—with almost a quarter of the population saving at a financial institution. Penetration of retail banking has accelerated in recent years: the number of deposit accounts in commercial banks increased from 4.7 million in 2007 to 21.1 million in September 2013. In addition, Kenya's mobile revolution has led to the establishment of mobile saving accounts (M-Shwari), which have recorded a steep increase since their inception.

1.1.4 Commercial Banks in Kenya

The first commercial bank in Kenya was started during the colonial era. British commercial bank began its operations in 1890s. Three banks later established themselves in Kenya. These are; The National bank of India began operations in 1896; In 1910, by the Standard Bank of South Africa (was later broken down to Standard Chartered and Standard Bank); and The National bank of South Africa. In 1925 The Standard Bank of South Africa and The National bank of South Africa merged to form Barclays Bank Dominion Colonial and Overseas which later was renamed Barclays Bank (CBK, 2016a). According CBK (2016a) there are 42 commercial banks and one Mortgage Finance institutions in Kenya. Commercial Banks are guided by the Banking Act and Regulation and Prudential Guidelines provisions. While 39 of the companies are commercial banks, 1 is mortgage finance and two are privately owned.

Banks that are regulated by the Kenyan Government are 3. 25 of the privately-owned banks and the mortgage are local. To be precise, shareholders controlling the banks live in Kenya, whereas 14 are foreign owned.

1.2 Research Problem

Social media marketing is especially critical in the banking industry where there is not much product differentiation post interest rate capping and also based on the fact that financial institutions offer a similar smorgasbord of products across all sectors, hence the constant need for a significant differentiator. It can however, be argued that in the same line of thought, all banks can also access social media platforms as well as social media marketing (Felix, Rauschnabel & Hinsch, 2016). Social media marketing falls under the fourth P which is Promotion as well as the 4th C which is customer communication. In keeping with a need to constantly revise and modernize marketing practices, social media marketing is a crucial and focal area of learning hence the reason for this study (Jain, 2009).

The global banking industry has undergone vast changes in the last two decades. As a result many conventional businessmen are faced with a choice to either of being removed or interruption of their business strategy in order to flourish in future. Simplification of businesses and operational models by large institutions such as banks and capital markets in the past has been useful for both economic purposes and minimize complexities in organizations. The global banking scenario in turn affects Kenya's banking industry. Economic liberalization, globalization and increase in the number of players fighting for the same customer in the industry.

This has led to stiff competition, as the fight for customers seems to be never-ending war. Banks have therefore, ventured on social media marketing strategies to reach prospective customers.

A number of studies have been done on social media marketing and business growth. Nambisan and Baron, (2009) researched on the role of consumer benefits for active community participation in social media while Dholakia et al. (2010) supported the relevance of functional social benefits in the same context. In Kenya, Kimaru (2011) analyzed social media as marketing tool for tourism in Kenya but little has been done on social media as a customer care tool in Kenya. While he focused his study on social media as a marketing tool, he failed to link marketing and market research to customer care and the two are intertwined since customer care is a form of marketing. Customer care is also an excellent market research tool since it presents an organization with a unique opportunity to directly get customer feedback and suggestion on a one on one basis. Similarly, Wakabi (2011) analyzed the practicability of social media marketing in small and medium sized enterprises. Ouke (2013) did a study on significance of social media in enhancing international business in Kenya's Telecommunication industry. Mwangi (2014) did a study on the impact of social media marketing on brand equity at Safaricom Ltd in Kenya.

However, none of these studies covered the effect of social media marketing on business growth among commercial banks in Kenya. Thus, this study sought to study the effect of social media marketing on business growth commercial banks in Kenya.

This study sought to fill knowledge gap by attempting to answer the research questions: What is the effect of social media marketing on business growth commercial banks in Kenya? What is the relationship between social media marketing and business growth?

1.3 Research Objective

The research objective of this study was to establish the effect of social media marketing on business growth at Commercial Banks in Kenya

1.4 Value of the Study

This is significant to different stakeholders in the field; to the directors and administration of commercial Banks, the study enlightens them on how social media marketing affects business growth. Through the findings of this study, the management is capable to strategize on how to use or implement social media in ensuring business growth of the firm. The research findings in the study are recommended for use by financial institutions leading to business growth.

Policy makers are usually informed by research findings that attempt to explain a phenomenon or address an existing knowledge gap. To agencies and policy makers this study conclusion shall be significant in enlightening the policy conception particularly with regards to articulating social media marketing policies.

The empirical evidence obtained from evaluating the correlation between social media marketing and business growth will be of great importance to researches and academicians. The study would give more understandings on whether the concept of social media marketing is supported or opposed. This will lengthen the literature that will be reviewed in future hence giving a basis of development of new theories.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This section reviews the theoretical information on social media and business growth; first, it reviews Social Information Processing Theory and Adaptive Structuration Theory. Secondly, an empirical review and knowledge gap on social media marketing and business growth and to acknowledge their contribution towards the existing body of knowledge, finally a summary of the chapter.

2.2 Theoretical Review

This study adopted two theories to supports the variables, social media marketing and business growth. In particular, these theories are Social Information Processing Theory and Adaptive Structuration Theory will be utilized.

2.2.1 Social Information Processing Theory (SIP)

Social information processing theory was authored in 1992 by Joseph Walther. This model explains the nature of online interaction/ communication without non-verbal cues found on internet based communication (Walther, 1992). As indicated by this theory, individuals are propelled to think of interpersonal connections regardless of the medium and will create techniques for overcoming the obvious absence of nonverbal prompts ordinarily found in computer mediated conditions. This theory contrasts different models that recommend that PC interceded correspondences prompt depersonalization. Connections made through online correspondence may prompt associations that would not have happened up close and personal because of components.

The theory is applicable in business setting by investigating the relational impact forms that are urgent in viral marketing in light of the fact that it considers social network as an essential source of data and prompts for conduct and activity for person.

Critics of the Social Information Processing theory contend that the anonymity of online correspondence drives individuals to depersonalize both themselves as well as other people. Any individual who has seen can verify the way this can and happens. Some examination likewise shows that individuals don't naturally shape connections on the web, however that their disposition decide the level of relationship framed. Tokunaga (2009) contends that the degree of online relationship is formed by social qualities.

2.2.2 Adaptive Structuration Theory

Adaptive Structuration Theory was inspired Antony Giddens' structuration theory. The theory was developed by Scott Poole by looking at the linear models of communication and determined that group dynamics are too complicated to be reduced to a few predictable chain of events (Poole, Seibold & McPhee, 1985). Associations and groups make observations about the utility and role of the technology and how it can be applied to the exercises of the association. These discernments impact the manner technology is utilized and its effect on gathering or association result. These perceptions created vary widely across individuals, groups and organizations. Structures in technology and structure in actions are inter-related since they continuously shape each other.

According to Pavlou and Majchrzak (2002) the theory is overly deterministic when a group uses technology on business to business e-commerce.

The authors of adaptive structuration theory looked beyond technology into organizational structure and practice in which they concluded that technology should be aligned and compatible with the usual structure of the organization and market. This theory has however, faced criticism from various scholars. The theory has limitation; it is considered deterministic since groups follow a predictable chain of events, the theory assumes that the rules and guidelines are constantly changed by the group and it is also value laden. Based on the above limitations, it is not clear how groups can be divided into smaller group for studying and can also be difficult to understand when there are so many parts (Stones, 2005).

2.2.3 The Theory of Planned Behavior

The theory of Planned Behavior originated from Icek Ajzen (1988, 1991), he came up with the theory to help explain changes in human behavior. The behavior of people could be predicted by including perceived behavioral control. It is also a model that has been successful in explaining and predicting attitudes, behavior and beliefs in various fields such as advertising campaigns, public relations, advertising and healthcare. Management of small businesses make decisions such as creating a presence on the internet is a function of subjective norm, perceived value and attitude. Behavioral intention will ultimately lead to behavioral control action. Subjective norm is the level of perceived social pressure towards adopting a technology (Ajzen & Driver, 1992).

However, the theory of planned behavior is limited to cognitive processing. The theory does not clearly state that attitudes are consciously formed or emotions does not influence beliefs.

Critics further claim that theory excludes emotions in any course of action. Emotions are considered relevant since they can influence. The strong emotions are considered to influence beliefs and other constructs (Sniehotta, 2009).

2.3 Social Media Marketing

As indicated by Cohen (2009) social media is defined as a strategy and a broadcasting outlet, while Social Networking is a mechanical assembly and a utility for connecting with others. Bratton and Evans (2012) contend that online networking is basically a structure, a correspondence channel; it is not a zone that you visit. Long range casual correspondence is in this way a sort of social two-way correspondence, where dialogs are at the middle, and through which associations are made. Kaplan and Haenlein (2010) portray web based systems administration as "an interactive event of Internet build that work with respect to ideas and mechanical foundations of Web 2.0, and allow the creation and exchange of customer delivered content. Online person to person communication suggests programming instruments that make customer delivered content that can permit web correspondence.

Social media can be classified into six different categories (Haenlein, 2010). They include: (1) Collaborative tools which can take the form of wikis (for example; Wikipedia) or social bookmarking applications. Programming projects for example. Github. They enable joint and simultaneous creation of content by many users; (2) Blogs which are online journals by individuals, corporate organizations. (3) Content communities which enable users to share media content with each other for example. YouTube which is a sharing videos, Reddit for news and Flickr for sharing of photos;

(4) Social networking sites which are tools and websites that enable users to create their own personal profiles, add friends and colleagues, and then stay in close interaction with each other by sharing information, for example. Facebook and Twitter ;(5) Virtual game for example Zynga and (6) Virtual social worlds.

It is essential for vendors and press agents to think about the components that influence purchaser demeanors and goals since clients are progressively making content around brands, something already controlled only by group members (Heinonen, 2011). In this way, contemporary analysis has inspected which parts of internet systems administration destinations impact purchaser mindsets and points of view. Chu (2011) broke down the affiliation between Facebook mark related gathering participation, publicizing responses, and the mental factors of self-presentation and perspectives among people and nonmembers of Facebook gatherings. The audit found that customers who are people from gatherings on Facebook will most likely uncover their own data than nonmembers are. Chu (2011) explains intrigue and responsibility with online advertisements requires a more hoisted measure of individual data since clients obviously uncover their association with Facebook social events and drive brands or things when they pass on progressions to their mates. Facebook packs give channels that customers consider gainful when scanning for self-status in a thing class, as does passing on viral substance about brands to their social contact.

Chu (2011) discovered that clients who are Facebook members of a group keep up a more positive mindset toward internet organizing and advancing. Clients who have all the more inspiring mindsets toward publicizing will most likely join a vendor's Facebook gathering to get constrained time messages.

In perspective of this result, Chu (2011) suggests that an association exists between buyers' use of and engagement in gathering functions on electronic informal communication goals. The association between purchasers' use of and engagement with get-together applications impacts the rate and amplex of publicizing by means of online systems administration media, particularly Facebook. Generally, as Chu (2011) notes, Facebook's developed customers portray the best viewpoint toward online long range interpersonal communication advancing and are the greatest creating measurement, which prescribes that electronic person to person communication goals are a possibly rich stage for web publicizing endeavors, especially for cluster with a more energetic target feature.

Cox (2010) moreover, researched on the correlation between age and attitude and concluded that informal organization user attitude toward web based promoting positions (that is. brand channel, websites and video) varied to some extent over age groups. She stated that customers within the 18-28 age brackets had decided inspirational states of mind towards video, websites and brand channel advertisement designs. This was based on clients' observation that these advertisement arrangements to be attractive, educational, and entertaining. The 35-54 age bracket favored promotion designs on brand channels and video since they considered it more attractive, useful, and would be advised to position inside the online page format. Generally speaking, web based publicizing groups with good traits are invited by customers; in any case, promotions that are meddlesome with online person to person communication exercises, for example, fly up, expandable, or skimming arranged broadcast were detested by system clients (Cox, 2010).

As per Chu (2011), customers see promoting diversely relying on the social network, which recommends customer's desires for online long range interpersonal communication, may assume an imperative part in characterizing buyer's reactions to web-based social networking advertising. Harris and Dennis (2011), in any case, utilized TAM as a free structure that joined trust and the features related with TAM (that is. seen happiness, convenience). The TAM affirmed that customers hold levels of leadership of trust when utilizing web based systems administration, for instance, Facebook. Understudy's trust "veritable" friends, then Facebook mates, trailed by ace online diaries and free overview districts lastly enormous names and e-retailer goals (Harris & Dennis 2011).

2.4 Measures of Business Growth

Growth measurement is an imperative part of business exercises. The reason for measuring growth is not exclusively to know how a business is performing additionally to empower that business performs better. It enhances the growth of an association with the goal that it might better serve its clients, representatives, proprietors and partners. Growth measurement fills in as a wellspring of data about monetary results and the inside operations appeared in an association. Viable development estimation is entering in guaranteeing that an association's methodology is effectively actualized. As indicated by Kaplan (2004) one of the best strategies for measuring firms' development is the utilization the balanced scorecard model. The balanced scorecard (BSC) was presented in 1992, and it has increased far reaching acknowledgment as a nuanced apparatus for measuring performance and key administration in the benefit area (Kaplan & Norton, 1992; 1996, 2001; Yee-Chin, 2004).

The balanced scorecard model was created as a way for tending to both the strategy development process and keeping observing procedure accomplishment and execution estimation. It separate measures into four diverse, between related viewpoints: Financial, Internal Business Processes, Customer and Innovation and Learning. Applying measures on these four points of view moves the assessment far from being a control component towards an apparatus for placing system energetically (Kaplan & Norton, 2001).

By incorporating goals, targets, measures and activities of each of the four points of view to bolster the general vision and methodology, the BSC shows its incentive as a key administration instrument that goes past insignificant money related markers by underscoring the significance of non-budgetary viewpoints, for example, consumer loyalty, inward business procedures and learning and development.

The business world has verifiably measured monetary execution and deals volume. Measures of money related execution, deals volume, and consumer loyalty are not wrong, they are just lacking. Numerous associations neglect to see how these pointers fit inside the extensive estimation system that is required to adequately upgrade forms (Tenner & DeToro, 1996). In any case, while both process' definition and estimation are critical, in themselves they are not adequate to guarantee execution change. Today's business condition could be perceived in the expanding significance and quality of different partner gatherings. Organizations understood the significance of a multidimensional and adjusted execution estimation framework as an apparatus that would empower them to drive the organization forward. It is presently generally acknowledged that the utilization of suitably characterized measures can guarantee the key arrangement of the association and correspondence of the procedure all through the business (Najmi, Rigas, & Fan, 2005).

According to Wiley and Sons (2005) using the balance score card model explored Short-term growth indicators that underlie historical performance. These growth indicators are classified into three categories: Sales productivity growth indicators explore the trends in revenue growth and market share growth. Operating-cost productivity growth indicators explore the growth in efficiency ratios over time. Capital productivity growth indicators show how well a company uses its working capital using trend analysis on return on equity. Medium-term growth indicators include Commercial-health indicating regardless of whether an organization can maintain or enhance its income growth. Cost structure wellbeing development pointers gauge an organization's capacity, as contrasted and that of its rivals, to deal with its expenses after some time.

Dobbs and Koller (2014) expressed that Asset growth pointers indicate how well an organization keeps up and builds up its benefits. Growth pointers of long term strategic wellbeing demonstrate the capacity of a venture to manage its working exercises and to distinguish and abuse new regions of development. The last stride in surveying an organization's execution is analyzing its stock value execution. In a perfect world, we would require just to inspect an organization's securities exchange execution to perceive how well it was doing. The most well-known way to deal with measuring the stock exchange execution of an organization is to figure its aggregate comes back to shareholders (TRS), characterized as share value gratefulness in addition to profit yield, after some time. For reasons for this review the (Wiley and Sons (2005) and (Dobbs and Koller, 2014) model of growth measurement will be utilized.

2.5 Social Media Marketing and Business Growth

Askarany and Yazdifar (2012), did a research on the diffusion of six proposed online marketing tool of the previous couple of decades through the viewpoint of marketing theory, analyzed the relationship between the adoption of these strategies and organizational performance in both assembling and non-producing associations in New Zealand. The discoveries recommend a huge relationship between the dispersion of these generally new online marketing tool and organizational performance.

Gichunge (2007) analyzed the impact of social marketing strategies on organization performance of medium estimated producing enterprises in Nairobi, Kenya. He examined the degree to which social marketing system is embraced by medium measured manufacturing enterprises in Kenya and researched the impact of different regulatory/legitimate variables on the degree to which social marketing strategy is adopted. It also established the association between adoptions of social marketing strategy organizational performance. Results showed that adoption of any formal strategy enhanced organizational performance and that Organizations with social marketing strategy perform better than those without strategy in a study involving 139 companies from Fortune 500 firms.

Rhyne (2005) in his study found that firms which adopted social media marketing were found to exhibit superior long-term business growth, both relative to their industry and in absolute terms.

He concluded that social media resulted in superior performance, increase profit, increasing market share, customer base and increase asset based According to (Rhyne, 2005) firm response to changes in their external and internal environments should be undertaken using marketing strategies as those actions, or choices of inaction, continually have performance implications in the organization. Social media marketing help organization in reaching customers virtually as it directs the attention and actions of an organization. Thus, the assessment of social media marketing becomes very crucial for firms seeking to improve their performance (Salamon, 2002).

With regards to Nigeria, the review titled impact of social media marketing on organizational performance. The fundamental reason for this review was to investigate the connections between social media marketing on organizational performance. The methodology of this review a survey research design was embraced. The review revealed that issues management is indeed an authoritative function as in the appropriation of issues showcasing systems can enhance the execution and relative remaining of association that are with various societal and political issues (Lawal, Elizabeth, and Oludayo, 2012).

Another review done by Oludayo (2012) in Nigeria titled the effects of strategic marketing on business growth in university education: an investigation of Babcock University. The principle goal of this review was to discover the impact of strategic marketing on business development utilizing Babcock University as the case study and how this has affected on the administration proficiency and viability as vital showcasing on business development.

The exploration configuration embraced for this review was the overview outline. The example size was 283 and poll was utilized as information gathering device. The discoveries of this review, it has been set up that powerful vital showcasing to be sure positively affects execution and growth.

Another review Muogbo (2013) in Nigeria titled the impact of social media on organizational growth and development (a study of selected manufacturing firms in Anambra state). The objective of this review was to research the effect of social media on organizational growth and development of selected manufacturing firms in Anambra State. The methodology of this review was Survey look into utilized as a part of this review. The size of the sample was 63 respondents selected from 21 fabricating firms over the three senatorial zones of Anambra State were tested (3 from each firm). The review along these lines reasoned that as much as online networking is not yet a typical business hone among assembling firms in Anambra State, it was distinguished as veritable device for enhancing the aggressiveness, execution levels, and auxiliary improvement of assembling firms in Anambra State specifically and Nigeria as a rule (Muogbo , 2013).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter explores research methodology by discussing research design, population of the study, and the methodology the researcher will use to collect, analyze, present and discuss the findings of the study, data collection instruments to be used and data.

3.2 Research Design

Research design refers to the set of method used to explain how, when and where data are to be collected and analyze measures variable of the research variable. This study adopted a descriptive research design and utilizes primary data. The study is a descriptive study in an attempt to ascertain; first, whether commercial banks in Kenya use social media marketing and to determine if it contributes to the business growth of commercial banks in Kenya.

Descriptive study technique is appropriate as it involves a careful in-depth study and analysis on the use and contribution of social media marketing in the banking sector in terms of service delivery, cost management, achievement of objective, security and interactions among others. Descriptive research study seeks to find out the state of affairs as it exists at present. A descriptive study aims to find out ‘what and how is’, so observational and survey methods are frequently used to collect descriptive research data.

3.3 Population of the Study

Mugenda and Mugenda (1999), explain a target population as one that the researcher wants to generalize the study results. The target population of the study comprised of licensed commercial banks in Kenya, and in operation as at December, 2016.

The total number of commercial banks operating in Kenya during the same period were 43 (CBK, 2016b) appendix 1. The researcher will undertake a census study due to the small number of respondents in the target population whose responses are important in this study.

3.4 Data Collection

The main research instrument was research questionnaires since they are reliable in collecting information about the same questions on the subject from different respondents and also in view of the fact that the targeted respondents have tight schedules especially within a relatively short period of time. The questionnaire has both open ended and close ended questions so as to follow for further probing in view of getting in-depth responses and structured answers.

The researcher targeted the head of sales, customer service, marketing or public relations of each company to get perfect information on social media marketing and business growth of commercial banks. This is due to the fact that these are the departments that are directly involved with the use of social media in any organization. The primary data on social media marketing and business growth of each commercial bank was be obtained through questionnaires. The primary data was obtained from top level management.

3.5 Data Analysis

Considering the kind of data intended as per the questionnaire the researcher used descriptive statistics to analyze the data: Percentages, graphical presentations, frequencies and tables that describe the phenomena under investigation will be used. Regression analysis was used to test relationship between the variables over time.

Coefficient of correlation and coefficient of determination will be used to understand the relationship between the variables of the study

A pilot study was undertaken to establish the reliability and validity of the research instruments before the actual study, in order to determine the adequacy of the items in relation to the information the researcher expected to obtain. The analyst gauged the unwavering quality of the questionnaire to decide its consistency in testing what they are expected to quantify. The test re-test procedure was utilized to evaluate the dependability of the instruments. This included managing a similar test twice to a similar gathering of respondents who have been distinguished for this reason.

CHAPTER FOUR

DATA ANALYSIS, INTERPRETATION AND PRESENTATION

4.1 Introduction

This chapter discusses the presentation and interpretation of the study findings. The purpose of the study was to establish the effects of social media marketing on business growth at Commercial Banks in Kenya. Primary data was collected using structured questionnaires from the respondents. The data was thereafter analyzed based on the objective of the study and the findings were presented as per the different classes underlined below.

4.2 Response Rate

The study targeted a sample size of 43 commercial banks in Kenya from which the researcher was able to fill in and return 39 questionnaires making a response rate of 90.69%. This response rate was satisfactory to make conclusions for the study as it acted as a representative. According to Mugenda and Mugenda (1999), a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. Based on the assertion, the response rate was excellent.

4.2 Demographic Characteristics

The study sought to establish the background information of the respondents and the companies including respondents 'gender, age and highest level of education.

4.2.1 Gender distribution

The study sought to establish the gender category of the respondents. This was done in view of ensuring fair engagement of respondents in terms of their gender. Results are shown in table 4.1

Table 4. 1: Gender Distribution

Gender	Frequency	Percentage
Male	28	71.8
Female	11	28.2
Total	39	100

From the results, the studies found that majority of the respondents as shown by 71.8% were males whereas 28.2% were females. This shows that the respondents of this study were mainly dominated by male gender.

4.2.2 Level of Education

The study sought to establish to what level the respondents were educated. The study requested the respondent to indicate the highest level of education attained. Results are analyzed in table 4.2

Table 4.1: Level of Education

Level of Education	Frequency	Percentage
Diploma	6	15.4
Degree	18	46.2
Master	10	25.6
PHD	5	12.8
Total	39	100

On respondents' level of education attained, the study revealed that most of the respondents as shown by 46.2 % had attained an undergraduate degree or whereas 25.6 % of the respondents had attained master's degrees, 12.8% of the respondents had attained PHD and 15.4% of the respondents had attained in a diploma. This implies that respondents were well educated and basing in the fact that individual level of education is highly associated with problem solving ability and approach to challenges, they were in position to respond to the research questions with ease and give efficient information.

4.2.3 Duration of Service

The researcher sought to determine the years of operation of the banks. The Table 4.3 below summarizes the responses.

Table 4. 3: Duration of Service

Duration of Service	Frequency	Percentage
Less than a year	2	5.1
Between 1 and 3 years	4	10.4
Between 3 and 5 years	10	25.6
More than 5 years	23	58.9
Total	39	100

The study sought to establish the duration, which the respondents had served for in the institutions. From the research findings, the study revealed that majority of the respondents as shown by 58.9% had served the institution for more than 5 years whereas 25.6% of the respondents had served the institution for a period of 3 to 5 years, 10.4% had served the institution for 1 to 3 years and only 5.1% of the respondents had served the institution for a period of less than a year.

This implies that majority of the respondents had served the institution for a considerable period of time and thus they were in a position to give credible information rating to this research.

4.2.4 Department within the Organization

The study also sought to establish the different departments where the respondents were working within the organization. The study requested the respondent to indicate their department within the organization. Results are analyzed in table 4.4

Table 4. 4: Department within the Organization

Department	Frequency	Percentage
Customer care	5	12.8
Finance	15	38.5
Operations	9	23.1
HR	5	12.8
Other	2	5.1
Total	39	100

From the findings in the table above, majority (38.5%) of the respondents indicated that they worked in the finance department, 23.1% Operations department, 12.8% worked in Customer care and HR departments while 7.7% worked in the Engineering department and 5.1% in other departments. This implies that most of the banks had well-established departments with clear guideline and working procedures and techniques and thus was suitable to provide the information that the study sought.

4.2.5 Position Held in the Organization (head of sales, customer service, marketing or public relations)

The study sought to establish position held by the respondents in the organization. The study requested the respondent to whether they were head of sales, head of customer service, head of marketing, and head of public relations. Results are analyzed in table 4.2

Table 4. 2 : Position Held in the Organization

Level of Education	Frequency	Percentage
Head of Sales	3	7.7
Head of Customer Service	5	12.8
Head of Marketing	9	23.1
Head of Public Relations	22	56.4
Total	39	100

As depicted in the table above about respondents' position held in organization, the study revealed that most of the respondents as shown by 56.4% were employees, whereas 23.1% of the respondents were supervisors, 12.8% of the respondents were managers and 7.7% were senior managers. This implies that banks had well-structured channels enhancing good flow of authority and information, delegation of duties and understanding of area of work, therefore they were in position to respond to the research questions with ease.

4.3 Social Media Marketing

The study sought to establish whether the banks had embraced social media marketing in their operations, how frequent they used it, whether they had personnel specifically for the marketing, the areas it was being used and how effective it was. The information is analyzed below.

4.3.1 Company Social Media Usage

The study sought to establish whether the banks had embraced social media marketing in their operations. The respondents from the companies were asked to indicate Yes or No and if yes to indicate which ones they were using. The information is analyzed in table 4.6 below.

Table 4. 6: Company Social Media Usage

Usage	Frequency	Percentage
Yes	37	94.9
No	2	5.1
Total	39	100

From the results in the table above, it is evident that almost all the commercial banks used the social media marketing to enhance their growth depicting 94.9% usage while only 5.1% had not yet embrace social media marketing. The 94.9% indicated that use of social media platforms such as Wikipedia, Blogs, mobile applications, Content communities, for instance, YouTube, Social networking sites e.g. Facebook, WhatsApp, Twitter, Televisions, radio and other social media platforms gave them a good opportunity to market themselves and pass information to their customers which enhanced their growth tremendously. This study is in line with Askarany and Yazdifar (2012), studies who found out that online marketing tools proved to be the most efficient way of marketing that has enhance growth of companies in a couple of decades.

4.3.2 There is Designated Position/Personnel for Social Marketing

The study sought to establish whether the banks have a designated position/a person that handles social media issues. The respondents from the companies were asked to indicate Yes or No. The information is analyzed in table 4.7 below.

Table 4. 7: There is Designated Position/Personnel for Social Marketing

Designated Position/Personnel	Frequency	Percentage
Yes	35	89.7
No	4	10.3
Total	39	100

From the finding, majority of the commercial banks had designated position and personnel specifically for handling social media marketing issues. These were represented by 89.7% while only 10.3% didn't have a well designated position for handling social media marketing. This therefore implies that for the social media marketing to be effective the company has to set a good team to enhance its management and formation of strategies and their execution to deal with issues surrounding social marketing. This finding is in line with (Lawal, Elizabeth, and Oludayo, 2012) studies who established that social media marketing issues management is indeed an authoritative function as in the in any organization for it associated with customers and various societal and political issues and thus there is a need for setting apart a dedicated team to achieve it.

4.3.3 Frequency of Social Media Usage

The study sought to find out how frequent the company used social media in doing business.

The respondents from the companies were asked to indicate whether it was several times a day, once day, 2-3 times per week, weekly or monthly. The information is analyzed in table 4.8 below.

Table 4.8: Frequency of Social Media Usage

Media Usage	Frequency	Percentage
Several times a day	20	51.3
Once daily	10	25.6
2-3 times per week	4	10.3
Weekly	4	10.3
Monthly	1	2.5
Total	39	100

From the findings, majority of the commercial banks used social media marketing several times a day showing a 51.3%, once daily at 25.6%, 2-3 times per week at 10.3%, 10.3% weekly and only 2.5% monthly. This clearly implies that there need to post and access company's social networking platforms severally updating customers on best deals and new products and brands as well as to respond to customers' needs and understand their requirements. The finding is in line with Chu (2011), who established that customers see promoting diversely relying on the social network, which recommends customer's desires for online long range interpersonal communication, may assume an imperative part in characterizing buyer's reactions to web-based social networking advertising.

4.3.4 Company's Areas of frequent Social Media Use

The study sought to determine some of the frequent use of social media in an organization.

The respondents from the companies were asked to indicate how frequently Customer service, Public relations, Marketing and selling Interaction used social media using a scale of 1 to 4, where 1-never, 2-rare, 3- frequent, 4-very frequent. The information is analyzed in table 4.9 below.

Table 4.8: Company’s Areas of frequent Social Media Use

Area	Mean	Std. deviation
Customer service	4.20	0.74
Public relations	4.15	0.84
Marketing and selling	4.01	0.75
Interaction	3.87	0.69

From the finding most of the respondents agreed that customer service frequently used social media (M=4.20, S=0.74), Public relations also used social media depicting (M=4.15, S=0.84), Marketing and selling frequently used social media showing (M=4.01, S=0.75) and Interaction (M=3.87, S=0.69). This finding agrees with Gichunge (2007) who established that social media marketing required every functional team of the organization to participate in the set strategies regarding social networking so as to enhance business growth.

4.3.5 Effectiveness of Social Media Use

The study also sought to find out how effective the use social media in handling Customer service, Public relations, marketing and selling Interaction in an organization was. The results are analyzed in table 4.9 below.

Table 4. 9: Effectiveness of Social Media Use

Extend	Frequency	Percentage
Strongly agree	21	53.8
Agree	11	28.2
Neither agree nor disagree	5	12.8
I don't agree	2	5.2
Total	39	100

The findings from the table 4.9 above indicate that majority of the respondents strongly agreed that, social media marketing was very effective in handling Customer service, Public relations, Marketing and selling Interaction in an organization depicting 53.8%, 28.2% agreed, 12.8% of the respondents were not decided for they neither agreed nor disagreed and 5.2% disagreed. This implies that use of social media marketing was very effective in handling the above issues. This finding agrees with Bratton and Evans (2012) who in their studies determined that online networking is effective to ensure faster and efficient communication, collaborations and creation of structures and channels for dealing with customers, internal and external, and for promotions.

4.3.6 Frequency of Social Media Use by Organizations Clients

The study sought how frequent does the clients of the organization direct questions, mentions and concerns through social media. The results are analyzed in table 4.9 below.

Table 4. 10: Frequency of Social Media Use by Organizations Clients

Usage	Frequency	Percentage
Very frequent	18	46.1
Frequently	12	30.8
Less frequent	6	15.4
Never	3	7.7
Total	39	100

Table 4.10 above shows that majority of the respondents conquered with the fact that the clients of the organization very frequently engaged in direct questions, mentions and concerns through social media with a percentage of 46.1 %, a 30.8% asked frequently, 15.4% of the respondents engaging less frequently and a 7.7% never engaged in questions through social media. This confirms that most clients in organizations use social media to ask questions, mentions and concerns. The finding is in line with Kaplan (2010) who established that social online networking offers a good administration and foundations allowing creation and exchange of customer ideas, contents and questions and person to person communication with immediate feedbacks.

4.4 Social Media Marketing and Business Growth.

The study sought to determine how the banks that had embraced social media marketing in their operations lead to exhibited business growth. The information is analyzed below.

4.4.1 Organizations Response to Clients Queries through Social Media

The study wanted to find out how the organization responded to the mentions, comments and questions directed through the social media.

The respondents were asked to indicate whether it was through television, radio stations, social media or whether they never responded through social media. The data was analyzed as shown in the table 4.11 below.

Table 4. 11: Organizations Response to Clients Queries through Social Media

Media Channel	Frequency	Percentage
Through television	16	41.0
Through radio stations	12	30.8
Through social media	10	25.6
Never respond to social media	1	2.6
Total	39	100

The findings in Table 4.11 above show that the organization responded to direct questions, mentions and concerns through social media through television with the respondents indicating a percentage of 41.0 %, a 30.8% through radio stations, 25.6% of the respondents indicating through social media and a 2.6% never responded through social media. This affirms that the use of all social media platforms by most of organizations to respond to questions, mentions and concerns asked by clients is almost evenly distributed among all the social media depending on the issue to be addressed and the targeted group. The finding agrees with Haenlein, (2010) who classified social media in to different categories and found out that each category served a special purpose to target customers and individuals enhancing respect and effective communication between the parties.

4.4.2 Achievement of Objectives through Social Media Usage

The study also desired to determine to what extent in terms of percentages the company did/has achieved its objectives in the use of social media.

The respondents were asked to indicate in the scales given starting from below 50% to 100%. The information is represented in the table 4.12 below.

Table 4.12: Achievement of Objectives through Social Media Usage

Achievement Extent	Frequency	Percentage
Below 50%	3	7.7
50%-60%	6	15.4
60%-70%	8	20.5
80%-90%	11	28.2
90%-100%	11	28.2
Total	39	100

A percentage of 28.2 % of the respondents showed that companies achieved its objectives in the use of social media to an extent of 90%- 100%. 28.2% had achieved between 80%-90%, 20.5% of the respondents indicating an extent of 60%-70%, 15.4% showing achievement by 50%-60% and only 7.7% below 50%. This implies therefore that, use of social media marketing by organizations contribute to achievement of organizations objective with a very large extend as depicted in the table 4.12 above. The finding is in line with Yee-Chin, 2004 who established that social media apparatus are very crucial and benefit in ensuring business goals and objectives are achieved.

4.4.3 Social Media Usage in New Product/ Service Development

The study sought to establish whether organization were able to introduce a new product/service due to the use of social media marketing. Table 4.13 shows the representation of the information got from the respondents.

Table 4. 13: Social Media Usage in New Product/ Service Development

Statement	Frequency	Percentage
Yes	28	71.8
No	11	28.2
TOTAL		

From the finding in the table 4.13 above, 71.8% of the respondents agreed that organization were able to introduce a new product/service due to the use of social media marketing and only 28.2% disagreed. This implies that use of social media marketing in organizations contributes to development and introduction of new products/ services in an organization. The findings here conquer with Norton, 2001 studies that established that social media marketing lead to financial, internal business, customer, learning and innovation achievements. The studies added that by use of social media there is creation of new ideas through learning and innovation that leads to creativity and hence new product development to serve the customer requirements.

4.4.4 Benefits of Social Media Usage

The respondents were asked to indicate whether they agreed or disagreed with the given statements with respect to social media marketing benefits using a scale of 1-5 where, 1. Strongly agree 2. Agree 3. Neutral 4. Disagree 5. Strongly disagree. The information was analyzed in the table 4.14 below.

Table 4.14: Benefits of Social Media Usage

Statement	Mean	Std. deviation
Helps in serving customers better	4.11	0.71
Leads to lower cost of customer service	3.96	0.76
Improves efficiency of business operations	4.32	0.88
Support product development and Modification.	4.00	0.80

From the finding most of the respondents agreed that use of social media helps in serving customers better (M=4.11, S=0.71), Leads to lower cost of customer service (M=3.96, S=0.76), Improves efficiency of business operations (M=4.32, S=0.88) and Support product development and Modification (M=4.00, S=0.80). This finding agrees with Wiley and Sons (2005) studies that use of social media has a great impact on organizations growth in finance, sales, operating cost, productivity, revenue growth, market share, customer service, innovations and new product development among others.

4.4.5 Negative Effects of Social Media Usage

The study sought to determine the negative effects of using social media. The respondents were asked to indicate whether the statements given were among the effects. The information was analyzed in the table 4.15 below.

Table 4.15: Negative Effects of Social Media Usage

Statement	Frequency	Percentage
High system maintenance Cost	16	41.0
Layoffs as fewer employees are needed.	14	35.9
Disruption of customer service	7	17.9
Bad reputation	1	2.6
None of the above	1	2.6
Total	39	100

From the finding most of the respondents agreed that use social media marketing in organizations lead to High system maintenance Cost depicting 41.0% by the respondents, Layoffs as fewer employees are needed by 35.9%, Disruption of customer service by 17.9%, 2.6% Bad reputation and 2.6% of the respondents indicating none of the above. This clearly indicates that use of social medial marketing also has got negative effects to an organization. The studies are supported by Tenner & DeToro, 1996 who found out that to implement and use social monitoring an organization faces the challenge of systems upgrades, customer layoffs, and bad image to the public among others.

4.4.6 Recommending Social Media Usage to Management

The study sought to establish whether organization had embraced use of social media marketing and if not whether the respondents would recommend the use of social media marketing to the management. Table 4.16 shows the representation of the information got from the respondents.

Table 4. 16: Recommending Social Media Usage to Management

Recommend Social Media Usage	Frequency	Percentage
Yes	32	82.1
No	7	17.9
TOTAL	39	100

From the finding in the table 4.16 above, 82.1% of the respondents agreed that if their organization were not using social media, they would recommend/suggest its use to the Management and only 17.9% disagreed. This implies that majority of people are impressed by use of social media marketing in organizations and it's their desire that every organization embraces it. The findings agree with Najmi, Rigas, & Fan, 2005 studies that many people in the recent decade are turning from old ways of doing business and engaged in online networking for doing businesses.

4.4.7 Effectiveness of Social Media Performance

The study also sought to find out the effectiveness of social media towards performance of certain operations in an organization. The results are analyzed in table 4.17 below.

Table 4. 17: Effectiveness of Social Media Performance

Performance	Frequency	Percentage
Very effective	12	30.8
Effective	17	43.6
Not sure	8	20.5
Not effective	2	5.1
Total	39	100

The findings from the table 4.17 above indicate that majority of the respondents highly rated the effectiveness of social media towards performance of certain operations to be effective represented by 43.6%, 30.8% being very effective, 20.5% of the respondents were not decided for they were not sure and 5.1% rated it as not effective. This implies that there was effectiveness of social media towards performance of certain operations. This finding agrees with Bratton and Evans (2012) who in their studies determined that online networking is effective to ensure faster and efficient communication, collaborations and creation of structures and channels for dealing with customers, internal and external, and for promotions.

4.5 Regression Analysis

A simple regression analysis was conducted to investigate the impact of social media marketing on the business growth of commercial banks in Kenya. Table 4.18 below shows the results of the model summary showing how much of the variation in business growth (dependent variable) was accounted for by social media marketing (independent variable).

Table 4.18 Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	0.856 ^a	0.780	0.710	0.000

As shown above, the correlation coefficient, R , was 0.856 indicating that there is a strong association between social media marketing and business growth of commercial banks. Additionally, the coefficient of determination, R^2 , was found to be 0.78 implying that 78% of variation in the dependent variable (business growth of commercial banks) could be explained by the independent variable (social media marketing) and that the other factors account for only 22%. Additionally, the R^2 shows that the model is fit for explaining the relationship between the two variables.

In order to test whether the regression model fitted in the data was significant or valid, an ANOVA test was generated. According to the results, the regression model was found to be statistically significant as evidenced by, $F(2, 34) = 133.49, p < .05$. Table 4.19 displays the ANOVA results.

Table 4.19. ANOVA Results

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	240.81	2	120.41	133.49	.001 ^a
Residual	30.67	34	0.902		
Total	241.48	36			

Table 4.20 displays the regression coefficients generated from the model. Based on the coefficients produced, the regression model can be summarized as follows; $Y = 0.34 + 0.12X_1$. This means that devoid of all factors that affect business growth of commercial banks, the growth level would stand at 4%. Also, given the condition that all other factors are constant, a unit increase in the use of social media marketing strategies would result to an increase in the business growth of commercial banks in Kenya by 12%. The regression coefficient for the independent variable was also found to be statistically significant, that is, $t(36) = 8.57, p < .05$.

Table 4.20. Coefficients

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.34	.09		3.78	.001
	Leadership	.12	.014	.234	25.42	.002

a. Dependent Variable: Business Growth

4.6 Discussion of the finding

The study determined that commercial banks has embraced use of social media platforms such as Wikipedia, Blogs, mobile applications, Content communities, for instance, YouTube, Social networking sites e.g. Facebook, WhatsApp, Twitter, Televisions, radio and other social media platforms gives them a good opportunity to market themselves and pass information to their customers which enhanced their growth tremendously. This study is in line with Askarany and Yazdifar (2012), studies who found out that online marketing tools proved to be the most efficient way of marketing that has enhance growth of companies in a couple of decades.

Further, for social media marketing to be effective, the study found out that the company has to set a good team to enhance its management and formation of strategies and their execution to deal with issues surrounding social marketing. This finding is in line with (Lawal, Elizabeth, and Oludayo, 2012) studies who established that social media marketing issues management is indeed an authoritative function as in the in any organization for it associated with customers and various societal and political issues and thus there is a need for setting apart a dedicated team to achieve it.

In addition, the study found out that commercial banks engaged so frequently in social media while doing business operations to update and communicate with customers and clients as well as getting feedback. The finding is in line with Chu (2011), who established that customers see promoting diversely relying on the social network, which recommends customer's desires for online long range interpersonal communication, may assume an imperative part in characterizing buyer's reactions to web-based social networking advertising.

Further, the study determined that areas to do with Customer service, Public relations, marketing and selling Interaction in the commercial banks very frequently used the social media marketing. This finding agrees with Gichunge (2007) who established that social media marketing required every functional team of the organization to participate in the set strategies regarding social networking so as to enhance business growth. It was also confirmed that it was very effective on the above-mentioned issues, a finding supported by Bratton and Evans (2012) who in their studies determined that online networking is effective to ensure faster and efficient communication, collaborations and creation of structures and channels for dealing with customers, internal and external, and for promotions.

The study also confirmed that most clients in organizations use social media to ask questions, mentions and concerns. The finding is in line with Kaplan (2010) who established that social online networking offers a good administration and foundations allowing creation and exchange of customer ideas, contents and questions and person to person communication with immediate feedbacks and that the organization responded to them through television, radio stations, social media depending on target customer and requirement and was supported by Haenlein, (2010) who classified social media in to different categories and found out that each category served a special purpose to target customers and individuals enhancing respect and effective communication between the parties.

Moreover, the study established that company achieved its objectives in the use of social media at a very high extend.

The finding was in line with Yee-Chin, 2004 studies who established that social media apparatus are very crucial in ensuring business goals and objectives performance. Again, it was established that organizations were able to introduce a new product/service due to the use of social media marketing a finding that was supported by Norton, 2001 studies that established that social media marketing lead to financial, internal business, customer, learning and innovation achievements which triggered new products developments.

The study determined that use of social media marketing had great benefits ranging from better serving customers, lower cost of customer service, Improved efficiency of business operations and Supporting product development and Modification that was in line with Wiley and Sons (2005) studies that use of social media has a great impact on organizations growth in finance, sales, operating cost, productivity, revenue growth, market share, customer service, innovations and new product development among others. It was also found out that the use social media marketing had its negative effects which were High system maintenance Cost, Layoffs as fewer employees are needed, Disruption of customer service and Bad reputation to the organization, this was agreed up on by Tenner & DeToro, 1996 who found out that to implement and use social monitoring an organization faces the challenge of systems upgrades, customer layoffs, bad image to the public among others.

Finally, the study found out that majority of the people are impressed by use of social media marketing in organizations and it's their desire that every organization embraces it. The findings agree with Najmi, Rigas, & Fan, 2005 studies that many people in the recent decade are turning from old ways of doing business and engaged in online networking for doing businesses.

It was established that there was effectiveness of social media towards performance of certain operations in an organization, findings agreeing with Bratton and Evans (2012) who in their studies determined that online networking is effective to ensure faster and efficient communication, collaborations and creation of structures and channels for dealing with customers, internal and external, and for promotions.

CHAPTER FIVE

SUMMARY OF FINDINGS CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the data findings on the effect of social media marketing on business growth at Commercial Banks in Kenya, conclusions and recommendations are drawn there to. The chapter is structured into summary of findings, conclusions, recommendations, limitation of the study and areas of further studies.

5.2 Summary of findings

This section presents the key findings as considered under the objective of the study. The findings on the demographic information of the respondents greatly enhanced the reliability of the research findings. The study findings indicate that majority of the respondents had bachelors and master's degree, most of the commercial banks had well established departments with workers who had worked there for quite a good period of years and these enhanced the reliability of the information provided.

The study established that most commercial banks has embraced use of social media platforms such as Wikipedia, Blogs, mobile applications, Content communities, for instance, YouTube, Social networking sites, for example, Facebook, WhatsApp, Twitter, Televisions, radio and other social media platforms gives them a good opportunity to market themselves and pass information to their customers which enhanced their growth tremendously

Further the study revealed that for social media marketing to be effective, the company has to set a good team to enhance its management and formation of strategies and their execution to deal with issues surrounding social marketing. The study also revealed that commercial banks engaged so frequently in social media while doing business operations to update and communicate with customers and clients as well as getting feedback

The study also established that commercial banks in Kenya, in areas to do with Customer service, Public relations, Marketing and selling Interaction in the commercial banks very frequently used the social media marketing, that most clients in organizations uses social media to ask questions, mentions and concerns and that the Commercial Banks responded to them through television, radio stations, social media depending on target customer and requirement.

Moreover, the study established that company achieved its objectives in the use of social media at a very high extend and that organization were able to introduce a new product/service due to the use of social media marketing. The study determined that use of social media marketing had great benefits ranging from better serving customers, lower cost of customer service, improved efficiency of business operations and Supporting product development and Modification. It was also found out that the use social media marketing had its negative effects which were High system maintenance Cost, Layoffs as fewer employees are needed, Disruption of customer service and Bad reputation to the commercial Banks.

Finally, the study found out that majority of the people are impressed by use of social media marketing in organizations and it's their desire that every organization embraces it. It was established that there was effectiveness of social media towards performance of certain operations in an organization.

5.3 Conclusion

This study has provided a comprehensive review of effect of social media marketing on business growth at Commercial Banks in Kenya. Based on the findings of this study, the study concluded that commercial banks use and have embraced social media marketing. The commercial banks have set designated people to specifically operate in the social media marketing. The study concluded that the commercial banks frequently use social media where also the clients ask their queries and at the same flat form the organizations respond back.

Further the study concludes that commercial banks are able to achieve their objectives through use of social media marketing and that it attains effectiveness in promoting the performance of organizations operations though it is faced by a number of negative effects such as High system maintenance Cost, Layoffs as fewer employees are needed, Disruption of customer service and Bad reputation to the organization. It also concludes that social media marketing had great benefits ranging from better customers service, lower cost of customer service, improved efficiency of business operations and Supporting product development and Modification. Lastly the study concludes that there is a significance relationship between commercial banks using social media marketing and business growth of the commercial banks.

5.4 Policy Recommendations

This study recommends that for commercial banks in Kenya to experience business growth through use of social media marketing, they need to re-evaluate their capabilities. Benchmarking should be used to borrow best practices, systems and techniques regarding to customer relationship management as well as other clients to cut cost and improve on other capabilities, for instance, automatic responses to customer queries through social media. Moreover, more resources and finances should be sourced in order to acquire the best social media marketing technology at the same time employing other models of competitive priorities to experience business growth. This could be done by outsourcing the best systems as well as creating partnerships with the best social media marketing technologists.

Further the study recommends the commercial banks should employ competent employees and explore new innovations so as to enhance quality of customer service and establish good administration and management procedures.

5.5 Recommendation for Further Research

Arising from this study, the following directions for future research in commercial banks in Kenya were recommended: First, this study focused on the commercial banks in Kenya. Therefore, generalizations cannot adequately be relied upon based on their geographical locations and markets they serve. Based on this fact among others, it is therefore recommended that a narrow-based study should be done for instance commercial banks in Nairobi. Similar surveys to this can be replicated in a few years to come to assess if the factors have changed as more commercial banks are established in Kenya

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APPENDICES

APPENDIX I: Questionnaire

This questionnaire is intended to gather general information for a research which seeks to establish the contribution of social media marketing on business growth performance in Kenya. Kindly respond to all the questions.

PART 1: BACKGROUND INFORMATION

1. State your gender:

a) Male

b) Female

2. Please indicate your education level PHD () Masters () Degree () Diploma ()

3. Please indicate the duration served in the current organization

() Less than a year () between 1 and 3 years

() Between 3 and 5 years () More than 5 years

4. Please indicate your department within the organization

() Customer care () Finance () Engineering () Operations () HR () Other

If other specify

5. Position Held in the organization

() Senior Manager () Manager () Supervisor () Employee

PART 2: SOCIAL MEDIA MARKETING

6. Currently, is the company using social media?.....

If yes, which one(s).....

7. Does the company have a designated position/a person that handles social media issues?

Yes () No()

8. How frequent does the company use social media in doing business? (Tick appropriately)

Several times a day	
Once daily	
2-3 times per week	
Weekly	
Monthly	

9. What are some of the frequent use of social media in your organization? (1-never, 2-rare, 3- frequent, 4-very frequent)

		1	2	3	4
Customer service					
Public relations					
Marketing and selling					
Interaction					

10. Social media is very effective in handling the above issues, do you agree?

Strongly agree	
Agree	
Neither agree nor disagree	
I don't agree	

11. How frequent does the clients of the organization direct questions, mentions and concerns through social media?

Very frequent	
Frequently	
Less frequent	
Never	

PART THREE: SOCIAL MEDIA MARKETING AND BUSINESS GROWTH

12. How the organization does responds to the mentions, comments and questions directed through the social media.

Through television	
Through radio stations	
Through social media	
Never respond to social media	

Others,

Specify.....

13.To what extent in terms of percentages did/has the company achieved its objectives in the use of social media?

Below 50%	
50%-60%	
60%-70%	
80%-90%	
90%-100%	

14. Has the organization introduced a new product/service due to the use of social media marketing?

Yes () No ()

15 .Using the Likert scale of 1 to 5 as follows, please indicate whether you agree or disagree with the following statements with respect to social media marketing.

Statements ...1.Strongly agree 2. Agree 3.Neutral 4.Disagree 5.Strongly disagree

	1	2	3	4	5
Helps in serving customers better					
Leads to lower cost of customer service					
Improves efficiency of business operations					
Support product development and Modification.					

16. The following are some of the negative effects that come with social media marketing in an organization; tick appropriately if your company has experienced any of the effects.

High system maintenance Cost	
Layoffs as fewer employees are needed.	
Disruption of customer service	
Bad reputation	
None of the above	

17. If your organization was not using social media, would you recommend/suggest it the Management? Yes () No()

18. In your own analysis, how would you rate the effectiveness of social media towards performance of certain operations?

Very effective	
Effective	
Not sure	
Not effective	

Q19. What is your opinion of social media towards doing business in the banking sector?

.....

APPENDIX II: List of commercial Banks in Kenya

1. African Banking Corporation Ltd.
2. Bank of Africa Kenya Ltd.
3. Bank of Baroda (K) Ltd.
4. Bank of India
5. Barclays Bank of Kenya Ltd.
6. CFC Stanbic Bank Ltd.
7. Chase Bank (K) Ltd.
8. Commercial Bank of Africa Ltd.
9. Consolidated Bank of Kenya Ltd.
10. Co-operative Bank of Kenya Ltd.
11. Credit Bank Ltd
12. Citibank N.A.
13. Development Bank of Kenya Ltd.
14. Diamond Trust Bank Kenya Ltd.
15. Dubai Bank Kenya Ltd.
16. Ecobank Kenya Ltd
17. Equatorial Commercial Bank Ltd.
18. Equity Bank Ltd
19. Family Bank Limited
20. Fidelity Commercial Bank Ltd
21. Fina Bank Ltd
23. Giro Commercial Bank Ltd.
24. Guardian Bank Ltd
25. Gulf African Bank Limited
26. Habib Bank A.G Zurich
27. Habib Bank Ltd.
28. Imperial Bank Ltd
29. I & M Bank Ltd
30. Jamii Bora Bank Limited.
31. Kenya Commercial Bank Ltd
32. K-Rep Bank Ltd
33. Middle East Bank (K) Ltd
34. National Bank of Kenya Ltd
35. NIC Bank Ltd
36. Oriental Commercial Bank Ltd
37. Paramount Universal Bank Ltd
38. Prime Bank Ltd
39. Standard Chartered Bank
40. Trans-National Bank Ltd
41. UBA Kenya Bank Limited
42. Victoria Commercial Bank Ltd
43. Housing Finance Ltd

22. First community Bank Limited

Source: (Central Bank of Kenya, 2016b)