

**INFLUENCE OF SOCIAL MEDIA ON CUSTOMER SERVICE IN  
SAFARICOM LIMITED**

**BY**

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## DECLARATION

I the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the University of Nairobi for academic credit.

Signed.....

Date.....

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Approval

This project has been presented for examination with my approval as the appointed supervisor.

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## **DEDICATION**

To God, for His continued and amazing spiritual support.

To my dear husband Julius Mwangi for the financial and emotional support.

To my lovely son Ryan Mindo, you give me courage to give everything my best.

To my parents: Peter Mwangi and Pearls Wanjiru and my siblings Jackson Gikere and Martin Thairu for believing in me and for your encouragement and support.

## **ABSTRACT**

The aim of this study was to investigate and establish the influence of social media on customer service at Safaricom Limited, that is, the effects it has had on the company since it was launched as a tool for customer service and also the challenges of using social media as a customer service channel.

The methodology used to collect data in this study was the case study design which entailed the Investigation of Safaricom social media contact center staff and management on the influence of social media to customer service and challenges experienced. Four members of staff were interviewed; these included one contact center manager and three online support members in the contact center.

The results indicated that social media has enabled the company to work more efficiently and innovative and gain more customer satisfaction when it comes to customer service, there has been a great increase in customer satisfaction levels and also increased number of users of the social media channels. The report concludes that social media is one of the cheapest and reliable channel when it comes to customer service. According to the study it is recommended that Safaricom Limited strengthen their social media channels to its customers and look for control measures when dealing with its challenges.

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# CHAPTER ONE: INTRODUCTION

## 1.1 Background of the study

Recent years have witnessed the rise of Social media channels such as Facebook, YouTube, Google, and Twitter, which enable customers to take a more active role as market players and reach (and be reached by) almost everyone anywhere and anytime. Social media threatens long established business models and corporate strategies, but also provides ample opportunities for growth through new adaptive strategies. Online social networks are increasingly being recognized as an important source of information influencing the adoption and use of products and services. The digital innovations of the last decade made it effortless, indeed second nature, for audiences to talk back to each other, (Deighton and Kornfield, 2009). User generated content has become a mass phenomenon, with Facebook, YouTube, and twitter all being listed among the top 15 websites, accounting for more than 11 percent of global internet traffic, (2010).

In the social media universe of user-generated content, brands still play a pivotal role as consumers share their enthusiasm about their favorite brand via Twitter, YouTube and Facebook. Some of them even help other consumers solve product-related problems for free, which reduces service costs and increases quality, Mathwick, wiertz, and De-Reyter, (2008). Social media offers companies various ways to reach consumers, communicate with them, and measure their communication or purchase-related behaviors. These options are valuable for marketing in general, but should be of particular relevance for crafting individualized marketing activities. Making use of the opportunities provided by social media (and avoiding its dangers) requires a thorough understanding of why



consumers are attracted to social media and how they influence consumer's behavior. New strategic and tactical marketing approaches must be developed, which are in line with the characteristics of social media and their effects on consumers.

Safaricom Limited is one of the companies in Kenya that has embraced Social media as a customer service channel to improve accessibility in the contact center recently. This has greatly improved the Customer Delight Index which is a tool used to measure customer service satisfaction levels in the Telecommunications industry.

### **1.1.1 Competitive Strategy**

Competitive strategy refers to how a company competes in a particular business. Competitive strategy is concerned with how a company can gain a competitive advantage through a distinctive way of competing; it is a plan for how a firm will compete, formulated after evaluating how the company's strength and weaknesses compare to those of its competitors, (Porter, 2008).

Competitive strategies are said to be the heart of corporate success through which a firm attains sustainable competitive advantage. A firm is said to have sustainable competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by any current or potential competitors and when these firms are unable to duplicate the benefits of this strategy (Barney, 1991). Barney, (1991) discusses four indicators of the potential of firm resources to generate sustainable competitive advantage. These are: value, rareness, unlimited and imperfect substitution. A firm has

competitive advantage when its strategies are unique, offer long term benefits, cannot be duplicated and are continually improved to keep a firm ahead of its competitors.

The essence of competitive strategy is relating a company to its environment. Industry structure has a strong influence in determining the competitive rules of the game as well as the strategies potentially available to the firm. Forces outside the industry are significant because they affect all firms in the industry and the key is found in the differing abilities of firms to deal with them. The goal of competitive strategy for a business unit in an industry is to find a position in the industry where the company can best defend itself against these competitive forces or can influence them in its favor. Knowledge of the underlying sources of competitive pressure highlights the critical strengths and weaknesses of the company, clarifies the areas where strategic changes may yield the greatest pay off and highlights areas where strategic changes may yield the greatest pay off and highlights areas where industry trends hold significance as either opportunities or threats (Porter, 1998).

### **1.1.2 Social Media**

Social media are websites and other digital communication and information channels in which active consumers engage in behaviors that can be consumed by others both in real time and long afterwards regardless of their location. Social media can be accessed by consumer's real time; at the time they are produced, allowing consumers to share experiences in real time with Twitter, chats and blogs. Such comments and reviews are often also available indefinitely, so that potential customers may be reading about

positive and negative customer experiences for years into the future Snopes, (2006). Memory is crucial for personalizing future interactions.

Consumers use social media to participate in social networks, which enable them to create and share content, communicate with one another, and build relationships with other consumers Gordon (2010); Libai et al. (2010). Consumers' social media activities can be seen by others. Entries made by a consumer in forums, blogs, and social communities can be tracked by other consumers as well as companies and therefore is visible.

Digital character of social media implies that there are virtually no marginal costs for producing extra copies of digital products and that individuals can easily distribute their creations to a global audience without having to pass through traditional "gate keepers" such as publishers. Anybody with an internet connection can blog, write reviews, report on news events both big and small, or share a song, video or even novel with the world. Pro-active Consumers use social media to contribute to all parts 'of the value chain, ranging from superficial articulation (reviews on retail or fan sites) to extensive co-creation (testing new "beta" products and reporting flaws to the company), or even collectively developing open-source products such as the Firefox browser; (Hoyer et al, 2010); Krishnamurthy,2009).

According to Kaplan and Haenlein, (2010), there are six different types of social media: collaborative projects (Wikipedia), blogs and microblogs (Twitter), content communities

(YouTube), social networking sites (Facebook), virtual game worlds (World of Warcraft), and virtual social worlds (Second life). Technologies include: blogs, picture-sharing, wall-postings, email, instant messaging, music-sharing, crowdsourcing and voice over internet protocol. Many of these social media services can be integrated via social network aggregation platforms. Social media services focus on some or all of seven building blocks (identity, conversations, sharing, presence, relationships, reputation and groups). These building blocks help understand the engagement needs of the social media audience. For instance, LinkedIn users care mostly about identity, reputation and relationships whereas YouTube's primary building blocks are sharing, conversations, groups and reputation. Many companies build their own social containers that attempt to link the seven functional building blocks around the brands. These are private communities that engage people around a narrower theme, as in around a particular brand, vocation or hobby, than social media containers as Google+ or Facebook.

### **1.1.3 Customer Service**

According to Turban et al (2002), Customer service is a series of activities designed to enhance the level of customer satisfaction, that is, the feeling that a product or service has met the customer expectation. The importance of customer service varies by products, industry and customer; defective or broken merchandise can be exchanged, often only with a receipt and within a specified time frame. Retail stores often have a desk or counter devoted to dealing with returns, exchanges and complaints, or will perform related functions at the point of sale; the perceived success of such interactions being dependent on employees "who can adjust themselves to the personality of the guest.

Contact centers are also other options that firms choose as a channel for customers to reach the company; this is especially important when the customers are far apart geographically and is also convenient for the customers. The overall goal of customer service is to win new clients; nurture and retain those the company already has; entice former clients back into the fold; and reduce the costs of marketing and client service.

Customer service is considered to be a vital concept with the potential to bridge the gap between the ever-expanding customer demands for flexibility and at the same time, the need to reduce production and distribution costs. By bridging this gap, a sustainable competitive advantage can be achieved. This suggests that customer service is viewed upon as a competitive strategy instrument. Strategy in this respect refers to all policies and key decisions that significantly affect performance and subsequently the competitive position (in terms of profitability or market share) of a company (Buzzell and Gale, 1987). Customer service effectiveness is the relationship between customer service performance and market response which is measured with indicators like performance levels, attributed importance ratings, customer satisfaction, attitude, repurchase intention, increase in market share and turnover or margin (Maltz & Maltz, 1998).

#### **1.1.4 Safaricom Ltd**

Safaricom limited is the leading mobile operator in Kenya; the company prides itself at being a total communications solution provider. Safaricom aims to become the best company in Africa and in order to achieve this; a strong focus has been placed on quality of service and customers. It was formed in 1997 as a fully owned subsidiary of Telkom Kenya. In 2000, Vodafone the largest mobile telecommunication in United Kingdom

acquired a 40% state and management responsibility of the company, 35% is owned by the Government of Kenya and the remaining 25% by public shareholders. Safaricom has over 1800 staff mainly stationed in Nairobi and other cities like Mombasa, Nakuru, Meru, Kisumu and Eldoret in which it manages retail outlets. Currently it has nationwide dealerships to ensure customers across the country have access to its products and services (<http://www.safaricom.co.ke>).

In the modern world of globalization, Safaricom has been able to keep pace with the global mobile telecommunication scenario by having strategic business associations; associations which add value to the global mobile telecommunication initiative and which help in meeting the dynamic challenges of the modern mobile telecommunication world. The strategic association with the world leaders in mobile telephony has created a niche in the Kenyan market today. Safaricom Ltd range of products and services include: M-PESA, Internet, Short Message Services, Voicemail, Directory Service, 24 hour customer service, Roaming service, ATM top-up, Get-it sports scores, Safaricom online, Mobile Office, Third Party top-up, Emergency Top- up. Safaricom is also involved in corporate social responsibility and also has a foundation known as the Safaricom Foundation (<http://www.safaricom.co.ke>).

Safaricom Limited aims to become the best company in Africa and in order to achieve this; a strong focus has been placed on quality of service offered to its customers and ensuring that the company is competitive and relevant to the market. This will ensure that the company is accessible by the customers who wish to make their enquiries through the

latest and effective communication channels. Safaricom also at implementing best practices based on Vodafone's vast international experience and as well as their knowledge of the local market, having operated in Kenya for over 8 years. Safaricom aims at enriching customer's lives by helping individuals, businesses and communities get connected in a mobile world and by presenting services in a way that is tailored to the customer. The highest standards of service and of environmental, social and ethical behavior are integral to the business (<http://www.safaricom.co.ke>).

## **1.2 Research Problem**

During the past decade, there has been a shift from use of traditional media to social media channels such as Facebook, YouTube, Google, and Twitter, which enable customers to take a more active role as market players and reach (and be reached by) almost everyone anywhere and anytime. Social media has introduced ample opportunities for growth through new adaptive strategies. Online social networks are increasingly being recognized as an important source of information influencing the adoption and use of products and services.

Many companies globally have embraced social media to enhance customer interaction with the company; however, this has not been the case in Kenyan companies. Even though most youth are now using social media platform for various campaigns, companies in Kenya are still hesitant to make use of this new phenomenon to enhance customer relationship. This study seeks to establish the influence of social media on

customer relationship management and the challenges of using social media as a customer service channel.

Previous research has mostly focused on reasons why consumers participate in online communities and how active participation among members can be maintained (Wiertz & De Ruyter, 2008) and (Koh et al,2007). 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. However, none of the studies has effectively established the influence that social media has had on customer service. This study seeks to determine how social media has influenced customer service, the challenges encountered and how to successfully use social media as a customer service channel.

### **1.3 Research Objectives**

The objectives of this study are;

- i. To establish the influence of social media on customer service in Safaricom Ltd
- ii. To determine the challenges of using social media to manage customer service in Safaricom Ltd.

### **1.4 Value of the study**

The study will help managers in various organizations understand how they can use social media to improve customer interaction. Social media gives a platform for a company to reach its customers at minimal costs since as noted, they are no or very



minimal costs in the duplication of information. The study will also highlight what is expected of the company to succeed in use of social media as a customer service channel; this is because social media can also be used to highlight negative comments which can affect the company image.

The study will be quite enriching to researchers, academic institutions and scholars. This is because it will add to their knowledge and enable them to be more informed when considering the use of new media in customer service as it has not been fully embraced by companies in Kenya. The study will also be helpful to Safaricom Limited and other players in the Telecommunications Industry in starting and improving customer service through social media.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter presents a review of some of the related literature published on the subject of the study. It will specifically introduce the reader to the concept of competitive strategy, social media, challenges of using social media and customer service.

### **2.2 Competitive Strategy and customer service**

Competitive strategy can be defined as a long-term action plan that is devised to help a company gain a competitive over its rival. Competitive strategies are essential to companies competing in markets that are heavily saturated with alternatives for consumers (<http://www.businessdictionary.com/definition/competitive-strategy.html/>).

Competitive advantage introduced above is defined as the strategic advantage one business entity has over its rival entities within its competitive industry. Achieving competitive advantage strengthens and positions a business better within the business environment Porter, (2008).

According to Porter, (2008), a firm's relative position within its industry determines whether a firm's profitability is above or below the industry average. The fundamental basis of the above average profitability in the long run is sustainable competitive advantage achieved by the use of competitive strategies. The two basic types of competitive advantage combined with the scope of activities for which a firm seeks to achieve them, lead to three generic competitive strategies for achieving above average

performance in an industry: cost leadership, differentiation, and focus. The focus strategy has two variants, cost focus and differentiation focus. The objective of competitive strategy is to knock the socks off rival companies by doing a better job of satisfying buyer needs and preferences through unmatched customer experience (Wouters, 2010).

A company's competitive strategy deals exclusively with the specifics of management's game plan for completing successfully- its specific efforts to please customers, its offensive and defensive moves to counter the maneuvers of rivals, its response to prevailing market conditions, its initiatives to strengthen its market position and its approach to securing a competitive advantage over its rivals. Companies over the world are imaginative in concerning competitive strategies to win customer favor. At most companies, the aim is to do a better job than rivals of providing what buyers are looking for and thereby securing an upper hand in the market. A company achieves competitive advantage whenever it has some type of edge over its rivals in attracting buyers and coping with competitive forces. There are many routes to competitive advantage but they all involve giving buyers what they perceive as superior value compare to the offerings of rival sellers. Superior value gives a combination of price, features and quality service. Delivering superior value requires performing value chain activities differently than rivals and building competencies and resource capabilities that are not readily matched ((Varadajan, 1985).

## **2.3 Customer Service**

Customer service is the practice of providing customers with a positive, helpful experience when they enter a business, throughout the time they stay at the business, and even after the customer leaves, should they have additional questions or products to return. Many stores and other businesses spend a great deal of time training their employees to provide great customer service, because it makes a customer more likely to become a returning, loyal client. Customer service should be everyone's job in the organization, not just the customer care department, (Bindra, 2007).

In today's competitive landscape customer service is more important than ever, and a company's reputation for satisfying clients has never been so vulnerable. Customer service is the lifeblood of any business, it is all about bringing customers back and sending them away happy - happy enough to pass positive feedback about your business along to others, who will then try the product or service you offer for themselves and in their turn become repeat customers. Customer service plays an important role in an organization's ability to generate income and revenue. From that perspective, customer service should be included as part of an overall approach to systematic improvement. A customer service experience can change the entire perception a customer has of the organization Selden, (1998).

Customer service may be provided by a person, that is, service representative or by automated means. Examples of automated means are Internet sites. An advantage with automated means is an increased ability to provide service 24-hours a day, which can, at

least, be a complement to customer service by persons. Another channel is having contact centers which offer online support or through calls. (<http://www.inc.com/magazine>)

Companies can measure the success of their efforts by defining metrics which reflect the overall strategy, that is: Responsiveness- Average reply time, increase and decrease in complaints and quick resolutions. Companies have to make it a priority to review the progress of the customer service strategy and make adjustments accordingly. Send out an online survey through social channels asking how your company is doing in regards to customer service or short questionnaires at customer service shops and company reception Micah, (2010).

## **2.4 Social Media as a Competitive Strategy**

Kaplan and Haenlein, (2010) define social media 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.’ Social media is ubiquitously accessible, and enabled by scalable communication techniques. Social Media platforms such as Twitter, Facebook, and LinkedIn can level the playing field enabling businesses of all sizes to interact directly with customers like never before.

The future of social media is evolving and consumers have increasingly turned first and foremost to digital media, both at home and on the go. Beyond just social media, customers are deeply engaged with products and services across the entire digital space by choice. They’re using multiple outlets to ask questions, give feedback and share and

connect with others, and dictating when and where they interact with products and services. As a result they have come to expect a response from businesses at all times and from everywhere. Social media will, therefore, offer many opportunities for businesses to connect with their customers. That's why today's businesses must rethink their future strategies and shift most of their marketing efforts towards engaging with customers (Kaplan & Haenlein, 2010).

One of the significant drivers in social media for businesses is engagement - using digital media to connect with people, hear what they want, what they think, how a product or service worked or how it didn't. The other significant driver in social media is customer service. Many consumers following brands are also customers, which is why businesses are using help desk software to solve customer's problems and answer questions instantly (<http://www.socialmedianews.com.au/>)

## **2.5 Social media and Customer Retention**

Keeping customers actively buying products and services is a key component of every marketing and service strategy. The longer people remain in the buying funnel, the greater the lifetime value and contribution of a company to corporate profitability. People can easily shift loyalties with a click of a button in the global marketplace. This makes it much harder to keep people actively engaged and committed to your business. When people have good relationships with individuals within an organization, they are loyal. A company's ability to attract and retain new customers therefore is a function not only of

its product or product offering but also the way it services its existing customers and the reputation it creates within and across the market, (Cook, 2008)

Products and services contribute to loyalty but there is always another option available. If not today, rest assured that someone is working on one to replace the best sellers. The only way to guarantee a loyal customer base is to create unbreakable bonds. This is done one person at a time. Creating bonds with individuals is much harder when transactions are handled electronically. Social media changes the playing field because it provides a venue for the one-to- one connection that creates unbreakable bonds

(<http://www.socialmedianews.com.au>).

Capitalizing on this opportunity requires a strategic plan that includes connecting with customers across channels. The plan must include building a community of customers. Connecting with customers delivers a better return on investment. To get started, replace passive links to social media networks with aggressive campaigns that invite customers to join the company's communities and reward them for doing so. Connecting with customers takes more effort and time to build communities than typical social media acquisition strategies and the rewards are great. When customers are the foundation of the company's community, they help answer questions, introduce new people to the business, and respond better to promotions. People who are actively participating in brand communities have longer customer lifespans and higher lifetime values (Wouters, 2000).

## **2.6 Social Media Challenges**

Kiertzman et al, (2011) contends that social media presents an enormous challenge for firms, as many established management methods are ill-suited to deal with customers who no longer want to be talked at but who want firms to listen and engage. As explained by the authors, each of the seven building blocks has important implications for how firms should engage with social media. By analyzing identity, conversations, sharing, presence, relationships, reputation, and groups, firms can monitor and understand how social media activities vary in terms of their function and impact, so as to develop a congruent social media strategy based on the appropriate balance of building blocks for the clientele.

According to Wiley, (2009), one of the key components in social media marketing implementation is building “social authority”. Social authority is developed when an individual or organization establishes themselves as an “expert” in their given field or area, thereby becoming an influence in that field or area. It is through this process of building social authority that social media becomes effective. That is why one of the foundational concepts in social media has become that one cannot completely control a message through social media but rather one can simply begin to participate in the “conversation” expecting to achieve a significant influence in the conversation.

Keen, (2009) argues that out of the social media anarchy, it becomes clear that on the internet is the law of digital Darwinism, the survival of the loudest and most opinionated. Under these rules, the only way to intellectually prevail is by infinite filibustering. Berners-Lee, (2010), contends that the danger of social networking sites is that most are



silos and do not allow users to port data from one site to another. He also cautions against social networks that grow too big and become a monopoly as this tends to limit innovation.

Ehrmann, (2009), contends that social media in the form of public diplomacy creates a patina of inclusiveness that covers traditional economic interests that are structured to ensure that wealth is pumped up to the top of the economic pyramid, perpetuating the digital divide and post Marxian class conflict. He also voices concern over the trend that finds social utilities operating in a quasi-libertarian global environment of oligopoly that requires users in economically challenged nations to spend high percentages of annual income to pay for devices and services to participate in the social media lifestyle.

Facebook Detox claims that social networking is actually asocial networking, which causes people not only to stagnate in life, but stagnate in the function of creating and maintaining interpersonal relationships. Social networking, according to the website, is an obsession that has a massive negative net effect on society as a whole. (“Statistics”, Facebook, 2011).

The tremendous amount of social media data is a huge challenge that must be handled by people or technology. This can be done by an individual or people assigned or approach it from a technological point of view and put the right tools in place to focus on analysis.

Social media entirely depends on internet accessibility in the office and any interruption on the internet will hinder accessibility of a contact center using social media as a customer service channel (<http://www.socialmedianews.com.au>).

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter will introduce to the reader the Research design that was adopted, data sources and data analysis.

### **3.2 Research design**

The study adopted case study design. This entailed a detailed investigation of Safaricom contact center staff and management on the influence of social media to customer service and challenges experienced. The case study was suitable for this study because it allowed for gathering relevant information with an in-depth approach.

Yin, (1984) defines the Case study research method as an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used. A case study can also be defined as a design where data is collected from one or a few study units only. It entails intensive analysis of a single case. Hence it allows for in-depth exploration of issues in phenomenon. Data was gathered using opened ended questions.

### **3.3 Data Collection**

The study targeted contact center staff and management .The data for the research was mainly from both primary and secondary data. The Primary data was in-depth oral interview with contact center staff and management using an interview guide which allowed for detailed information. A total number of four people were interviewed; one

social media manager and three social media representatives at the contact center. (An interview guide is attached in the appendix)

The primary data covered on the reasons why social media is a viable customer service channel and the challenges faced. For the information to be valid, the targeted source of information was people who have been in the organizations for a minimum of one year who may have substantial information on the history of the organization. Secondary data included management reports, organization magazines and research papers on social media and customer service.

### **3.4 Data analysis**

Data was analyzed using content analysis. Content analysis is a qualitative research technique that enhances compressing many words into fewer content categories based on explicit rules of encoding. It enabled the sifting through large volumes of data with relative ease in a systematic fashion, thus, enabled development of supportive evidence for conclusions and findings. The findings enhanced determining answers to specific questions in the study.

Content analysis provided a qualitative picture of the respondents concerns, ideas, attitudes and feelings. It guarded against selective perception of content. Therefore there was improved reliability and validity. Content analysis is used to identify the intensions, focus or communication trends of respondents, describe attitudinal and behavioral responses to communications, and to determine psychological or emotional state of persons or groups, Cooper and Schindler (2003).

## **CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION**

### **4.1 Introduction**

This chapter will relay the results and discussions of the data collected mainly of the reason why Safaricom chose social media as a customer service channel, influences and challenges the company has undergone when using the social media. It will also cover the future of social media from the findings of the research.

### **4.2 Influence of Social Media**

The study found out that Safaricom limited has been using social media as a customer service channel since 2007 but at this time no much effort was put in social media it's only until 2010 that the company decided to go the social media way and created the official companies Facebook page and twitter handle to help them in customer service. This is after a research was done and results indicated that many people especially the youth spend most of their time on the internet in social media sites than in any other place. The company realized that they could get more customers and it would be much easier if they put up social media sites for their customers. Respondents from the organization explained that Safaricom Limited's social media sites have attracted a lot of traffic since their creation especially their official facebook page and their twitter handle. At the time of the interview their facebook page had 160,000 likes and growing, their twitter handle had 66,000 followers and growing fast. Social media is increasingly becoming a choice of customers because they feel anonymous and free to express themselves.

The results above indicate that the social media trend is growing fast and proving to be an efficient and reliable way to deal with customer service. This is because social media channels provide discussion forums among customers and the company's staff. The official Safaricom Limited page on Facebook has 160,000 likes that means that if a query is posted on the wall it will be seen by all the 160,000 and the response is also seen by all the 160,000 so any other customer who had the same problem would automatically get an answer and word travels fast in that whatever is posted on the page will be communicated by the 160,000 to their friends.

According to one of the managers, the introduction of the social media channel in the company has had a positive influence to the customers as the customer care centers are now more because the social media channels have offered the customers a more convenient and effective way to answer any kind of question or problem they have. This has therefore ensured that Safaricom has achieved accessibility for the customers hence improving performance on the Customer Delight Index which is a tool for measuring customer satisfaction in regards to customer service offered by a company.

From the information gathered from the respondents social media channels have also given the management a better option when it comes to advertising of the company's products and services and even promotions of new products and services. The study also found out that the company has also come up with new product offerings as a result of feedback received from the customers on the official sites and pages indicating gaps that have been in the market. The company has also received feedback on the preferred way

of communication when there is an ongoing campaign to avoid an overflow of information in the market.

This study also established that Social media has had a great influence in the company both to the staff and to the management, job opportunities have arisen from the creation of social media channels as the company has had to recruit people with social media skills and expertise to run the official sites and pages. Some of the respondents also stated that the social media sites of the company have made decision making an easier task for the management concerning some matters related to customer service as most of the time key debates are put in the sites and many people come up with their best ideas for these problems and even coming up with more applicable solutions.

### **4.3 Social Media Challenges**

Although there has been great achievement of customer satisfaction using the social media channels, there have been certain challenges that social media has brought with it, the main challenge as indicated on the results is ensuring that response to the customer is real time. This ensures that the customer gets feedback immediately and relevant to the situation

Another challenge faced by the company regarding social media according to respondents from the organization is that many people create pages impersonating the companies name and these at times can confuse customers using the social media channel to access information about the company for the first time. The other danger is that these

people who impersonate the company can use that to tarnish the image and brand of the company and this may be used negatively by competitors to fight back.

From the information gathered it was clear that social media sites also require the use of internet and therefore the company's social media channels cannot be accessed by people who live in places where there is no internet or very limited internet access and also people who are not vast with the knowledge of using internet, therefore, anybody who falls under this category is being locked out.

The study also showed that there is always a threat of hackers hacking into their social media sites and the company has to put in place very good internal control systems to deal with this threat. Information gathered also indicated that employees also need to be very careful with information they are trusted with by the company because it can also be used negatively if it falls on the wrong hands.

#### **4.4 Future of social media**

Information collected from this study also indicates that social media will provide opportunities for growth in companies in future and will also allow for integration between various companies. Social media, in future, will be like air, this means that it will be everywhere we want and need it to be. The growth over the last five years has been tremendous, with Facebook platform and application programming interface enabling social media features and content to be embedded in any mobile device application. The result: the actual websites become repositories for all of the company's

social activities. Social media will be everywhere and a lot of social media sites will have cropped up, companies may even have difficulties identifying the best media sites that their consumers use and they will have to start monitoring their consumer social sites trends because the trends will be definitely changing from time to time.

From the information collected from Safaricom as regards to this study; for Safaricom to gain and maintain a competitive edge over its competitors, social media is definitely a channel that the company will drive because this will not only be used for accessibility for customer queries but also in more promotional campaigns in the future. This will also go a long way in driving data which is a product that Safaricom wants to build on in relation to global trends. In regards to innovations to be incorporated, the information collected indicates that this is dependent on the market and consumers after analysis of the current scenario.



## **CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

### **5.1 Introduction**

This chapter will discuss the aim of the research, Summary, Recommendations and Conclusion of the findings of the research. Limitations of the research and suggestions for further research have also been covered in this chapter.

### **5.2 Summary**

This study was carried out to establish the influence of social media on customer service in safaricom limited and also to determine the challenges of using social media as a customer service channel in Safaricom Ltd.

The study shows that Social media has made access to customer service via the contact center to be more efficient, convenient and easier, now customers can get an answer he/she needs wherever they are quickly either by going to the company or organizations website or social network sites for answers. According to the customer care staff , Social media has a positive influence to the Safaricom, for example easy access of information, efficiency, convenience, lower costs and it gives a competitive advantage, however, it also has its shortcomings for example impersonating, hackers hacking the company's accounts.

The study also indicates that Social media can also be used for advertising, promotional campaigns and for reporting product launches. This is because of the social media reach which enables a company's product to stand out by reaching a large number of people interested in the company's brand message and value proposition. This can therefore enhance company performance and advance the path to success. On the other hand, social media can expose negative attributes when they experience poor customer experience and that could cause the business to fail as a result of viral information this is according to one of the social media experts in the company.

### **5.3 Conclusion**

According to the study, things are fast changing and this is the same trend with social media channels which is fast growing and it will be like air everywhere, it will even be difficult for one to choose like which social network he/she wants to be associated with, which blogs to read. Some of the respondents also indicated that as a result of the growth experienced in social media, many companies are scrambling to follow the trends in order to get a larger target market and maintain its existing customers by using blogs facebook pages twitter handles and attractive websites. The study also clearly shows Companies with attractive and influential social media sites will have a very large competitive advantage compared to the others because they will have a large audience, advertisement will also be cheaper.

The study shows that social media is about relationships that can flourish without face-to-face interactions. However, those relationships cannot exist without the human influence; the human impact comes first. The balance is a critical factor when it comes to the

success of the business. In social media, there has to be engagement with the intended audience for influence. Safaricom has established itself as a market leader and the introduction of the social media has just made it better for them to gain a better competitive advantage but also serve their customers well. The study, however, could not clearly establish whether there has been a reduction of calls going through to the contact center as a result of using social media as a customer service channel.

#### **5.4 Recommendations**

This study recommends that Safaricom Limited should grow social media to be the leading customer service channel since the company is driving data strategy; this means that customers are acquiring data enabled handsets daily and this is good for those who prefer online support which has also been enhanced by the E-gain chat which is the latest addition to the social media channel. This therefore means that Safaricom Limited has more support channels for customers.

The study found out that social media trends are changing from time to time and therefore, it is recommended that Safaricom needs to continuously do a market research to keep updated on the upcoming trends of customers on social media to ensure that the company remains relevant and the information in the sites is updated regularly. The study also indicated that social media users also like attractive and interesting features therefore it is recommended that the company's content in these social media sites should contain four things: the content should be relevant, interesting, timely and entertaining. If their social media content contains all this then it will definitely attract a good number of people, this will go a long way in enhancing accessibility and customer satisfaction.

Lastly, this study's recommendation is for the company to get influencers on the official sites and pages. Influencers are people are credible and knowledgeable in specific areas and therefore when they communicate, their information has an impact on the public, and this will therefore reinforce the information shared on the official pages.

## **5.5 Limitations**

The Research was conducted successfully and the research objectives were met, however, there were some limitations: First, the time dedicated to the project was not enough due to job and school demands and deadlines. This made it hard to make visits to Safaricom contact center as many times as it would have been ideal and also to study the influence of social media for a longer period. Secondly, access to information was not very easy as there was fear by the Safaricom contact center management that the information could be used by its competitors.

## **5.6 Suggestions for future Research**

This research was specifically designed to study influence of social media in Safaricom Limited. It is recommended that further research on social media as a customer service channel to be carried out in the other telecommunication firms that exist in Kenya. The research can also be extended to other industries in the Kenyan market because of the current shift from traditional media to social media which makes it an influential tool in future. Follow up research can also be done in Safaricom Limited to find out whether there are any gaps or just to enhance the body of knowledge.

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## **Appendix**

### **Interview guide**

What position do you hold in the company?

How long have you worked in the company?

For how long has Safaricom Limited used social media as a customer service channel?

Why did Safaricom consider using social media as a customer service channel?

What effect has social media as a customer service channel had on:

Staff

Management

What are the challenges of using social media as a customer service channel?

What is the future of using social media as far as Safaricom is concerned?

In your view, what other innovations if incorporated in social media would be more effective in the use of social media?