

**Impact of Social Media to Corporate Organizations in Kenya: A case of  
Safaricom Limited**

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## DECLARATION

This research project is my original work and has not been presented in and / or to any forum or audience, in any university or examination body.

Signed..... Date.....

Ondieki Gilbert Ogaro

Reg. No. K50/80162/2012

I confirm that the work presented in this research project was carried out by the named student under my supervision.

Signature..... Date.....

Samuel Ngigi

Project Supervisor

## **DEDICATION**

The project is dedicated to my son Branson, my wife Lorna, family members and friends for supporting me in the course of my studies.

## **ACKNOWLEDGEMENT**

I wish to express my sincere gratitude to my Supervisor, Mr. Samuel Ngigi for the guidance and dedication throughout the course of this research project. The dedicated support and guidance has been very valuable in the course of writing this piece of work.

I thank the Almighty for seeing me through the course. I also wish to thank my respondents for creating time to give feedback for my research. I also wish to thank my fellow student Christine Sayo who has been very supportive in the course of this research project.

May God bless you all.

## ABSTRACT

The purpose of the study was to analyze the impact of social media to corporate organizations in Kenya using the case of Safaricom Limited. The objectives of the study were to: establish the most widely used social media tools by Safaricom Limited, to determine the factors that influence social media usage at Safaricom limited, to find out how social media usage benefits Safaricom Limited and to find out challenges associated with social media usage at Safaricom Limited. The study reviewed relevant literature from previous studies done on social media and what their findings were in regard to how organizations used them. For this study, the Technology, Organization and Environment (TOE) framework was used as the appropriate framework. This model is consistent with the theory of innovation of diffusion in organizations. Descriptive research design was used because the problem was specific and well defined. Questionnaires were used to obtain quantitative data on the subject with the aim of having facts on the situation. Interview of key informants in the area of social media was also carried out so as to get more information from authorities in the field. Analysis of social media pages like facebook was also used to determine the kind of interaction which goes on there between Safaricom and its customers and stakeholders at large. This study found out that Social media is a growing phenomenon and have a big impact on organizations. These technologies have shifted the emphasis of internet services from being consumption-based towards becoming interactive and collaborative, creating new opportunities for interaction between organizations and publics. Social media such as Facebook, twitter, Youtube and MySpace have a big impact on organizations' continual communication with customers and the public since it has attracted millions of users, many of whom have integrated these sites into their daily practices. Even though social media has been recognized to be a powerful medium in business practice, there is lack of understanding in terms of how social media impacts the organization. Social media afford customers and publics the ability to see information related to the status of ongoing activities in the organization hence providing a marketing platform for an organization. Further, unlike other technologies used for organizational knowledge management, social media may not require tremendous investment or maintenance by organizational officials. Social media opens up a whole new world for organizations by providing an endless array of potential interactions with consumers, which is the main reason why there is a need for an increase in studies on social media. Social media afford users the ability to make their behaviors, knowledge, preferences, and communication network connections that were once invisible visible to others in the organization.

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## **ABBREVIATIONS**

CNN	Cable News Network
CRM	Customer Relationship Management
EDI	Electronic Data Interchange
FGD	Focused Group Discussions
GoK	Government of Kenya
GSM	Global System for Mobile Communications
SNS	Social Networking Sites
SWA	South West Airlines
TAM	Technology Acceptance Model
TKL	Telkom Kenya Limited
TOE	Technology, Organization and Environment

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background of the study**

Today's social media tools are bringing rapid change to organizational communication and public relations. These technologies have shifted the emphasis of internet services from being consumption-based towards becoming interactive and collaborative, creating new opportunities for interaction between organizations and publics (Henderson and Bowley 2010). Therefore considering the growing importance of social media as a strategic tool among organizations, this research aimed to investigate the impact of social media usage on organizations.

The social media platform has taken over the way we communicate, do business and form relationships. A good number of business organizations have pages on social networks as they advertise, sell and offer customer services using these platforms. The new online communication platforms make matters difficult in exceptional ways with respect to the kinds of information they avail for observers to make conclusions from impressions drawn. This has brought forth varied speculative and theoretical issues in academics, social, business and politics (Hallier, 2008).

Social media can be defined as online applications, platforms and media which aim to facilitate interactions, collaborations and the sharing of content (Palmer & Koenig-Lewis, 2009). The term social media has tended to be used interchangeably with the term "Web

2.0. Social media or social network sites can also be defined as web-based services that allow individuals to (1) construct a public or semipublic profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those are made by others within the system, (Boyd & Ellison, 2007).

Kaplan, (2010), refers to social media as 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 constituted of social networking applications such as Google+ and facebook, micro-blogging services such as blogs, twitter, wikis, and media sharing sites such flickr and YouTube. Social media is reflected to be part of the Web2.0 movement, which is categorized by user generated content, online uniqueness creation, rational networking (Magro,et al.,2009). Social media has a mainly attractive potential for electronic participation.

According to Bertot et al. (2010) social media has four major covert strengths: partnership, participation, enablement, and time. Social media is pooled and participatory by its very nature as it is defined by social interface. It provides the talent for users to connect with each other and form publics to socialize, share information, or to attain a collective goal or interest. Social media can be sanctioning to its users as it gives them a stage to speak. It allows anybody with access to the internet the capacity to inexpensively publish or transmit information, efficiently democratizing media. In attractions of time,

social media technologies allow users to instantly publish information in near –real time (Bertot et al., 2010).

Social media technologies started in 2000 as means to connect family and friends or individuals to virtual coaches. Organizations on the other hand were removed from such interaction. It wasn't until the launch of Twitter in 2006, that companies started to consider using social media technologies to engage their customers (Online Schools, 2010).

The path of information regarding the organization is no longer just the role of the marketing department. Employees are online talking to customers, colleagues, and suppliers who have become friends through various social networks. They are sharing their experiences, impressions and expectations regarding their jobs, the organization and management. The speed at which the information travels is beyond the control of the organization. Every employee, customer and supplier has become a reflection on how the organization functions and operates. The power has shifted from what the company wants to relay to the public, to what employees, customers and suppliers say about the company—for better or worse (Gillin 2010).

Never before companies had the opportunity to talk to millions of customers, send out messages, get fast feedback, and experiment with offers at relatively low costs. And never before have millions of consumers had the ability to talk to each other, criticizing or recommending products without the knowledge or input from a company.

“Conventional marketing wisdom long held that a dissatisfied customer tells ten people. But in the new age of social media, he or she has the tools to tell ten million” (Gillin, 2010).

For businesses, social media represents both opportunity and risk. On one hand, social media provides brands with an intimate platform to connect with customers and shape their perceptions, whether through timely and targeted promotions, responsive customer service or the creation of communities of interest. On the other, social media has shifted power to the individual, who can tarnish long-established brands with a single angry blog post or quickly coalesce vast numbers of people behind a cause (Hallier, 2008).

Organizations’ successes, failures and missteps are now on display as never before. In 2010, a Southwest airline pilot requested an overweight passenger to de-embark the plane due to the company’s “one seat” policy. Little did he know that the passenger was a famous writer, actor and director with millions of followers Mr. Kevin Smith, the passenger, took to social media to express his anger. It was within 8 hours that Southwest Airlines (SWA) responded to him and every one of his followers comment regarding the incident, apologizing and explaining their policies. What SWA demonstrated is an organization that engages with its customers and doesn’t shy away during conflict in fear of tarnishing its reputation. Instead it takes pride in its transparent policies and admits to its mistakes, earning respect from customers and employees (Silverstein, 2010).

Safaricom limited is one of the leading integrated communications companies in Africa with over 17 million subscribers. Safaricom provides a comprehensive range of services under one roof, mobile and fixed voice as well as data services on a variety of platforms. ([www.safaricom.co.ke/about-us](http://www.safaricom.co.ke/about-us)).

Safaricom Limited, which started as a department of Kenya Posts & Telecommunications Corporation, the former monopoly operator, launched operations in 1993 based on an analogue network and was upgraded to Global System for Mobile communications(GSM) in 1996 (licence awarded in 1999). Safaricom Limited was incorporated on 3 April 1997 under the Companies Act as a private limited liability company. It was converted into a public company with limited liability on 16 May 2002 ([www.safaricom.co.ke/about-us](http://www.safaricom.co.ke/about-us)).

By virtue of the 60% shareholding held by the Government of Kenya (GoK), Safaricom was a state corporation within the meaning of the State Corporations Act (Chapter 446) Laws of Kenya, which defines a state corporation to include a company incorporated under the Companies Act which is owned or controlled by the Government or a state corporation ([www.safaricom.co.ke/about-us](http://www.safaricom.co.ke/about-us))

Until 20 December 2007, the GoK shares were held by Telkom Kenya Limited (“TKL”), which was a state corporation under the Act. Following the offer and sale of 25% of the issued shares in Safaricom held by the GoK to the public in March 2008, the GoK ceased to have a controlling interest in Safaricom under the State Corporations Act and therefore

the provisions of the state Corporations Act no longer apply to it  
([www.safaricom.co.ke/about-us](http://www.safaricom.co.ke/about-us)).

Because of its large customer base the company is now using social media to provide customer service, promote their brand, monitor trends among customers, and even research new product ideas. The company has hired staff dedicated to social media activities in what they now call a social contact center where they serve and attend to customers online mostly on facebook and twitter. Their face book page is Safaricom Kenya and there twitter handle is @SafaricomLtd. It's because of this that I wanted to carry out a study to analyze the impact of using social media in engaging with its stakeholders since it is one of the pioneer companies to establish a social contact center to engage with its customers.

As leaders and managers are learning the impact of social media on their organization, so are employees learning the impact it has on their jobs. In 2009, 8% of employees were fired because of inappropriate comments they placed on social media platforms (Mashable, 2009). Employees are still learning that they are an integral part of the organization and what they say or do outside of their work; still reflect on their organization as the case of Octavia Nasr, CNN reporter who was sacked for expressing her sadness for death of a man, whom she respected but was considered a part of a terrorist organization by her company (Greenwald, 2010).

Iceland used social media to attract thousands of people globally and increase its tourism. Its approach was quite unique. In the campaign “Iceland Wants to Be Your Friend”, Iceland speaks to its followers in the first person, engaging them in a remarkable way. Today tourism in Iceland is the fastest growing industry and the second-highest earner in the country after exports (Iceland Tourist Board, 2011).

## **1.2 Statement of the problem**

Despite the increased adoption of social media by firms, the implications of these new technologies for organizational processes are not yet well understood by communication researchers and business executives. Scholars have suggested that social media adoption in organizations is outpacing empirical understanding of the use of these technologies and our theories about why they may alter various organizational processes (Raeth, et al, 2009).

Social network sites (SNSs) are considered the core of network resource for organizations that link strategic value and business performance (Zhou, Wu, & Luo,2007) hence social network sites can be seen as alternative communication tools which support existing relationships and activities in a fun and colorful way that can deepen the users’ experiences (Palmer & Koenig-Lewis, 2009).

Usage of social networking is increasing at a tremendous speed, and it is influencing how people share knowledge across the globe. However, impact of social networks is increasingly pervasive, with activities ranging from the economic (e.g., shopping) and



marketing (e.g., brand building) to the social (e.g., cultural and physiological impacts) and educational (e.g., distance education) (Pookulangara & Koesler, 2011). Among the wide impacts of social network sites, they are becoming increasingly important in today businesses.

Organizations are desperately trying to understand and embrace social media so they can create more conversations with their audiences and react quickly to online discussions about their brands. Steve Outing (2007), an online media pioneer from the Enthusiast Group, says, “The Internet is a dominant force in our culture today because it enables people to find and talk to others, existing friends and new ones who share their interests and talk to brands that they care about.” He also explains that now consumers who like or dislike your product can amplify their opinions on blogs, online forums, product review Web sites, e-mails and social networking sites for all to read. This widespread, uncontrollable online grapevine creates a huge problem for public relations professionals, especially since these online sources establish themselves as experts on various topics and create a trusting relationship with the reader, thus influencing public opinion.

### **1.3 Objectives**

The main objective of this study was to analyze the impact of social media to corporate organizations in Kenya using the case of Safaricom limited. The specific objectives were as follows:

1. To establish the most widely used social media tools by Safaricom Limited.
2. To determine the factors that influence social media usage at Safaricom limited.
3. To find out how social media usage benefits Safaricom limited.
4. To find out the challenges associated with social media usage at Safaricom limited

### **1.4 Research questions**

The research questions guiding this study aimed to address the above objectives. The main question was what is the impact of social media to corporate organizations in Kenya? The specific questions were as follows:

1. What are the most widely used social media tools by Safaricom Limited?
2. What are the factors that influence social media usage by Safaricom Limited?
3. What are the benefits of social media usage to Safaricom Limited?
4. What are the challenges of social media usage to Safaricom Limited?

### **1.5 Justification of the study**

Studies done regarding social media have not particularly touched on the overall impact it is having on organizations and how organizations are using the social media to meet their business targets. Many of the studies which have been done have focused on the benefits

and roles of social media to organizations without touching the challenges it is posing. The study therefore contributes to the available literature, on the extent to which organizations are using social media and its impact to the corporate organizations.

The study tried to holistically understand how social media has empowered customers and changed their behavior in terms of their demands and expectations in regard to the products and services that they get from organizations. This study will help stakeholders and organizations to better harness opportunities availed by these technologies and enhance the understanding of its dynamics, thus increasing their capacity to better mitigate the challenges it may pose. Significantly, it will help organizational executives understand the concrete difference social media involvement contributes to the business organization and what steps they ought to take to make it work. The study goes a long way in helping executives understand that with proper support from the leadership and clarity of vision, this set up can go a long way in increasing visibility and customer base for the company with minimal investment and guaranteed huge returns in the long run.

Future researchers will also use the data which was collected on this study and build up on it or use it to explore further issues of social media and the contemporary business environment and the society at large hence this kind of research serves as a roadmap for both academics and practitioners.

### **1.6 Scope of the study**

The focus of this study was on the impact of social media to corporate organizations using a case of Safaricom Limited. This was due to the fact that Safaricom is one of the organizations that have embraced social media and have integrated it in their business by establishing a social contact center as a point of contact to its customers and stakeholders. The study was limited to how corporate organizations are using social media, the benefits it is getting, challenges and its effects to customers and stakeholders. The study gave key concern to the employees assigned the role of delivering business objectives on social media.

## **CHAPTER TWO**

### **LITERATURE REVIEW AND THEORETICAL FRAMEWORK**

#### **2.0 Introduction**

The purpose of this chapter was to review literature directly related to the study. The researcher studied what other researchers have done on the same problem and knew the methodology they had used and how successful their efforts were. The literature review also guided the researcher on the theoretical framework the various researchers had used. It also enabled the researcher to know the possibilities that had been overlooked in earlier studies. This section also explains what social media and social networking sites are and what organizations do with them. The section also provided a sound theoretical framework and practical understanding of the impacts of social media.

In order to investigate the usage of social media in organizations we consider the informed and effective use of social media which is an important indication of technology success, which in turn have an impact on organizations (DeLone and McLean 2003).

Social media impact refers to the actual benefits organizations receive from using social media. Previous studies have proved the positive impact of internet usage on organizations in various areas such as enhance CRM practices (O’Leary et al.2004),provide interactional and transactional benefits (Thao and Swierczek, 2007), improve export marketing performance (Lu and Julian, 2007), provide strategic benefits

such as Cost reduction, revenue generation and managerial effectiveness (Teo and Choo, 2001), improves innovation (Anderson, 2001), Reduce marketing cost, improve customer relationships, improve company image and competitive position etc., (Molla and Heeks, 2007).

Similarly through social media it is possible to perform integrated marketing activities with much less effort and cost than before. (Kim and Ko,2011). Social media can have a dramatic impact on organizations in areas such as enhancing brand's reputation (Kim and Ko, 2010), improve value, relationship and brand equity (Kim and Ko, 2011),digital advertising and promotion, handle customer service issues, mine innovation ideas and building customer relations (Solis, 2010).

## **2.1 Brief overview of social media**

The first known use of the term social media in print is believed to have occurred in 1997, when then-AOL executive Ted Leonsis commented that organizations needed to provide consumers with “social media, places where they can be entertained, communicate, and participate in a social environment” (Bercovici, 2010). The first publicly popular SNS, SixDegrees.com, which let users create online personal profiles and lists of friends, was launched that same year (Boyd & Ellison, 2007).During the following decade, a number of other popular social media technologies such as the blogging platforms LiveJournal and Blogger (both in 1999), the wiki based encyclopedia Wikipedia (2001), the social bookmarking service Delicious (2003, formerly del.icio.us), the SNSs MySpace (2003) and Facebook (2004), and the micro blogging service Twitter

(2004) made their debuts. As adoption of these technologies grew, social media moved quickly from the domain of the tech-savvy to the mainstream (Shirky, 2008).

Social media are used by business firms and governmental organizations as communication tools. These entities actively make use of social media for advertising and marketing, communicating with customers, building relationship with customers, branding etc.,(Kim &Ko, 2011). In order to investigate the usage of social media in organizations we consider the informed and effective use of social media which is an important indication of technology success, which in turn have an impact on organizations (DeLone and McLean 2003). Social media impact refers to the actual benefits organizations receive from using social media.

According to Williams (2011), more and more organizations are beginning to use social intranets. A social intranet is defined as intranets that use social media tools. According to a study from Prescient Digital media, 90 percent of intranets in organizations used some sort of social media tool such as “blogs, wikis, status updates, comments and rankings”(Williams, 2011,).

## **2.2 Influencers of social media usage**

Interactive digital media platforms are changing the marketing scene. These platforms have empowered consumers to connect, share, and collaborate, creating spheres of influence that have deeply distorted the way marketers engage in influencing activities (Hanna, Rohm, & Crittenden, 2011). Social media platforms such as Facebook, Twitter,

YouTube, and numerous others have begun to alter the state of marketing, advertising, and promotions. These platforms have transformed the Internet from a platform for information, to a platform for influence which represents a novel marketing chance for businesses by reducing traditional middlemen and connecting businesses directly with customers. Social network advertising offers an online marketing opportunity that narrowing the gap between sales and advertising activities, which are obtained from tracing consumer reactions (Hanafizadeh & Behboudi, 2012). This is why nearly every business is planning social media marketing activities.

Outlining a dialogic public relations theory, Kent and Taylor (2002) presented that public relations could enhance dialogue by creating channels for dialogic communication to occur. They specifically identified online communication as an ideal opportunity for promoting dialogue. They recommended that organizations have an opportunity to establish dialogic relationships with stakeholders through strategically designed websites. Rybalko and Seltzer (2010) extended the investigation of online relationship building by examining how Fortune 500 companies used Twitter to facilitate dialogic communication with stakeholders. Men and Tsai (2011) investigated the social media relationship cultivation from a cross-cultural standpoint. They examined how companies use popular social network sites to facilitate dialogues with publics in two culturally distinct countries; China and the United States.



### **2.3 Benefits and challenges of social media usage**

Marc Wright (2008) believes that there are many benefits of social media use in organizations as part of internal communication efforts. Some of the benefits are: many people are already using social media sites and tools in their personal lives so they know how to use them, the coding is already written, there is little cost and, finally the information is always up-to-date. Additionally, “one irresistible benefit of social media is that you can create an online forum for your company’s user groups”. This way, you can get feedback from your user groups without having to arrange for a conference.

Steve Crescenzo (2009) believes that social media can also help enhance communication in organizations. In his article, Crescenzo (2009) describes a time when gathering information was not nearly as easy as it is now in the workforce. Social media, the Internet, and email has now made communicating easier as a person no longer has to wait for someone to return their call, or wait to actually get a chance to see a person that you needed information from.

Previous studies have proved the positive impact of internet usage on organizations in various areas such as enhance CRM practices (O’Leary, 2004), provide interactional and transactional benefits (Thao and Swierczek, 2007), improve export marketing performance (Lu and Julian, 2007), provide strategic benefits such as Cost reduction, revenue generation and managerial effectiveness (Teo and Choo, 2001), improves innovation (Anderson, 2001), Reduce marketing cost, improve customer relationships, improve company image and competitive position (Molla and Heeks, 2007).

Through social media it is possible to perform integrated marketing activities with much less effort and cost than before. (Kim and Ko, 2011). Social media can have a dramatic impact on organizations in areas such as enhancing brand's reputation (Kim and Ko, 2010), improve value, relationship and brand equity (Kim and Ko, 2011), digital advertising and promotion, handle customer service issues, mine innovation ideas and building customer relations (Solis, 2010). Social media impact on organizations are indicated by various benefits such as cost reduction in terms of marketing, enhanced communication and customer service, improved customer relations and improved brand image.

The major advantage of SNSs is its capability to provide greater social networking opportunities than the traditional social network across different geographical, social, cultural, and institutional settings. SNS does not replace the traditional social network, rather complements it and initiates new social connections.

The disadvantage of SNS is that people have low trust and often feel nervous or uncertain in the virtual environment. SNS often provides a low-level social connection by its nature. A full adoption of SNS may have a long way to go since people are more used to the traditional social network and their behavioral change often take time (Lee & Chen, 2011).

Social media has become a form of communication among many business professionals and many are using it to connect and collaborate with others in their organizations

(Bulmer & DiMauro, 2009,) as well as for business and marketing strategies (Ganim & Mattson, 2009. The Center for Marketing Research at the University of Massachusetts Dartmouth found that “forty-three percent of the 2009 Inc. 500 reported that social media was “very important” to their business/marketing strategy” (Ganim & Mattson, 2009,).

A study conducted by Bulmer and DiMauro (2009) looked at how professional’s decision-making process can be affected by social media. Their findings showed that professionals highly trusted information they acquired from online networks (Bulmer & DiMauro, 2009,).

#### **2.4 How social media has influenced customer and organizations behavior**

The digital era has redefined contemporary consumption, trans-forming consumers from their former passive roles into an active group (Law et al., 2003). This change is a direct result of the Web 2.0 era in which internet savvy consumers have unlimited access to information as well as the ability to interact freely with other consumers as well as brands and businesses. The recently coined ‘Web2.0’ is a concept that describes the evolution of the internet from a static environment to an interactive community (Brennan, 2010)

According to Jones et al. (2008), a company Web site’s unique characteristics—vividness, interactivity, challenge, interaction speed, machine memory and allowable social interactions—can create consumers’ positive or negative emotions toward the site, brand and its employees. Liu et al. (2003) researched that 62 percent of online shoppers gave up at least once while looking for products and 42 percent turned to traditional

channels to make their purchases. They attributed this “lost-in-hyperspace” to engineering problems with the actual Web site, such as the site’s poor design. These emotions can become attached to the brand. Lie et al. (2003) also studied the psychological problems users experience with new technology. They adopted Davis’s Technology Acceptance Model (TAM) to provide a research foundation on why users accept or reject information technology and how to increase user acceptance through design features.

While organizations must monitor their overall online effectiveness, they must also manage their reputation, which can be even more critical in an online environment than a traditional retail one. Companies strive to maintain a positive attitude because, once damaged, it will take a long time to restore. Fuller et al. (2007) found that a favorable reputation can reduce consumer concerns regarding a purchase, increase consumer trust and commitment toward the company and encourage online purchasing.

Consumers tend to seek third-party information from friends, trade publications, Web sites and review sites to establish initial trust with the company. Social proof theory predicts that people look to others for cues. For newcomers, trust increases as they see more people performing the action. Also, as one obtains information from an authoritative source, the credibility of the information increases. With a high credibility level, the viewer will accept the information more easily. While a third party endorsement greatly influences online behavior, it does not define opinion. To increase consumer trust, companies must provide correct information and ensure a positive online

experience to dispel any bad perceptions. A positive direct experience can override a negative review.

## **2.5 Theoretical Framework**

For this study, the Technology, organization and environment (TOE) framework was used as the appropriate framework. The TOE framework was developed by Tornatzky and Fleischer (1990) to evaluate technology adoption. This model is consistent with the theory of innovation diffusion in organizations by Rogers (1995) in which he emphasized technological characteristics, and both the internal and external characteristics of the organization, as drivers for technology diffusion (Zhu et al. 2006).

The TOE model is an integrative schema incorporating characteristics of the technology, contingent organizational factors, and elements from the macro-environment (Tornatzky and Fleischer 1990; Tornatzky and Klein 1982; Li et al. 2010). Several studies that used the TOE have incorporated such variables as perceived benefits, top management commitment/support, organizational IS, external pressure, IS vendor support, and financial resources availability (IFinedo, 2011). The TOE model covers three aspects of firm's characteristics that influence the process of adopting, implementing and using technological innovations (DiPietro et al. 1990; Robertson, 2005; Tornatzky and Fleischer, 1990).

The technological context describes both the internal and external technologies relevant to the firm. This includes existing technologies inside the firm, as well as the pool of

available technologies in the market. Organizational context is typically defined in terms of several descriptive measures: firm size and scope; the centralization, formalization, and complexity of its managerial structure; the quality of its human resource; and the amount of slack resources available internally. Environment context is the arena in which a firm conducts its business – its industry, customers, competitors, access to resources supplied by others, and dealings with government (Tornatzky & Fleischer, 1990). The TOE theory has been used by a large number of studies to investigate the adoption of, for example, Electronic Data Interchange (EDI) (Kuan and Chau, 2001), open systems (Chau and Tam, 1997), and e-business (Zhu and Kraemer, 2005). The main contribution of TOE is that it encourages the researcher to take the broader context into account in which innovation takes place (Bose & Luo, 2011)

The positive perceptions of the benefits of social media greatly influence the usage of social media in organizations. Compatibility is the degree to which an innovation is perceived as consistent with the existing values, needs and past experiences of the potential adopter (Rogers 1983). If the technology is compatible with existing work practices then it will be more effectively used by the organizations. For organization context, top management support is an important factor in the adoption of new technologies and has been found to be positively related to adoption (Premkumar and Robert, 1999).

Top management commitment/support refers to the involvement, enthusiasm, motivation and encouragement provided by management towards the acceptance of IS innovations.

(Thong et al., 1996, Chatterjee et al., 2002 ; Al-Qirim, 2007; Ramdani et al., 2009). When top managers in any organization understand the relevance of computer technology, they tend to play a crucial role in influencing other organizational members to accept it; furthermore, they also commit resources to its adoption and usage (Thong et al., 1996; Premkumar and Roberts, 1999). Similarly, the entrepreneurial orientation of the firm is also an important variable; as more innovative, risk taking and proactive firms tend to adopt new technologies more quickly and use them actively (Elliot and Boshoff, 2005).

Institutional pressure refers to the pressures that emanate from the institutional environments that can induce firms to adopt shared norms and routines (DiMaggio and Powell, 1983). They categorized institutional pressures into normative, mimetic, and coercive pressures. The agents that may exert pressures include a firm's key customers, suppliers, competitors and government. (Ke et al. 2009). Several studies have taken an institutional approach to study internet technologies adoption and usage (Purvis et al. 2001, Chatterjee et al. 2002, Teo et al. 2003, Ke et al. 2009, Liu et al. 2010). Similarly in the context of social media, firms are likely to be induced to use social media due to the external pressures exerted from competitors, trading partners and customers.

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

#### **3.0 Introduction**

This chapter discusses the research methods that were employed by the researcher. This chapter included the research design used, description of the population, sample size and sampling techniques, data collection procedure and how the data was analyzed.

#### **3.1 Research Design**

Research design refers to the method used to carry out a research. Cooper and Schindler (2003) define research design as the scheme, outline or plan that is used to generate answers to research problems.

This research used mixed methods to study the impact of social media on organizations. The reason for using mixed method design is that it allows for the presentation of larger spectrum of divergent views (Schulenburg, 2006) and also the mixed-method approach allows for stronger inferences based on the findings. The basic methodological principal of mixed-method research is that methods chosen 'should be mixed in a way that has complementary strengths and non-overlapping weaknesses' (Teddlie and Tashakkore, 2003,). The study of the impact of social media on organizations was analyzed both qualitatively and quantitatively. Descriptive research design was used because the problem is specific and well defined. Questionnaires were used to obtain quantitative data on the subject with the aim of having facts on the situation.



Interview of key informants in the area of social media was also carried out so as to get more information from authorities in the field. Analysis of social media pages like facebook was also used to determine the kind of interaction which goes on there between Safaricom and its customers and stakeholders at large.

### **3.2 Target population**

Target population refers to the group about which the researcher will collect data from and draw conclusion. In this study the researcher targeted three departments at Safaricom, customer care department, marketing and communication department and corporate affairs department. The respondents were picked from the three departments. A sample is a group of people taken from the population for examination.

*Table 3.1 Distribution of target population*

<b>Category</b>	<b>Total population</b>
Customer care, Social media team	100
Marketing and communication	100
Corporate affairs	50
<b>Total</b>	<b>250</b>

### **3.3 Sample size**

The population was segregated into three mutually exclusive sub-population (strata) using stratified random sampling. A stratified random sample was taken from each stratum where even the top management in each category was sampled. The main reason for choosing to use simple random sample was: to increase a sample statistical efficiency and to provide adequate data analysis in the three strata. Advantages of stratified random sampling include researcher control sample size in strata and increased statistical efficiency.

### **3.4 Data collection Instruments**

Data collection instrument which was used in the study was open and closed ended questionnaire. Open ended helped the researcher to obtain more information than what was availed by close ended questionnaire. Both were chosen to balance the weakness of both and obtain quality information. The researcher had also an opportunity to personally interview some of the respondents on a few areas for more insights more so key informants in social media.

The researcher questioned participants about their opinions toward the company and its use of social media, knowledge of social media, opinions of social media and how they want organizations to interact with them as customers and employees. The researcher also used content analysis, this content analysis examined the Safaricom social media sites like facebook and twitter and their use as social media tools.

### **3.5 Data analysis methods**

The use of descriptive statistics was employed to summarize data into meaningful information to the study. The use of descriptive statistics like tables, graphs, and percentages was used in some cases. The responses were edited, coded and classified to form comprehensible information for analysis.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND INTERPRETATIONS**

#### **4.1 Introduction**

This chapter presents analysis of data collected and findings of the study carried out at Safaricom Limited to analyze the impact of social media to corporate organizations. The study was conducted via questionnaires issued to employees at Safaricom Limited and key informants from various sectors who gave comments about social media and its impact to corporate organizations. For the study, the researcher used both quantitative and qualitative data to achieve the objectives of the study. The responses obtained from participants were analyzed using quantitative methods while those from in-depth interviews with key informants were analyzed using qualitative methods.

#### **4.2 Background Information of Research Respondents**

This research focused on Safaricom Limited employees and key informants from various sectors who are authorities in the area of social media. Respondents were randomly selected from the organization.

The research sample was made up of 250 individual respondents ranging from 21 to over 51 years old. A total of 250 questionnaires were distributed to respondents, 200 were properly filled and taken back thus giving 80% response rate in this study report. Out of these, 102 were male (51%) while 98 (49%) were female.

The distribution of respondents according to age was as follows: 42.5% were aged between 21-30 years, 30% were aged between 31-40 years, 17.5 % were aged between 41-50 years while 10% were aged over 51 years.

Table 4.1: Response Rate

Category	Total population	Response rate	% Response rate
Customer care, Social media team	100	86	86%
Marketing and communication	100	73	73%
Corporate affairs	50	41	82%
<b>Total</b>	<b>250</b>	<b>200</b>	<b>80%</b>

Table 4.1 above shows that 86% of the respondents were from customer care, Social media team while 73% were from marketing and communication department and 82% were from corporate affairs department. 70 respondents out of 86 respondents from the customer care division work on the social media platform where they interact with the customers directly.

Table 4.2 Respondent Demographics

		Respondents	Male	Female	% of Respondents
<b>Age in Years</b>	21-30	85	45	40	42.5
	31-40	60	25	35	30
	41-50	35	20	15	17.5
	Over 55	20	12	8	10
<b>Level of Education</b>	Diploma	40	18	22	20
	Degree	112	72	40	56
	Post Graduate Degree(s)	48	28	20	24

As shown in table 4.2 above many of the respondents who participated in the study fell in the age bracket of 21-30 years and 31-40 years accounting 72.5%, those of 41-50 years

and over 55 years accounted for 27.5% of the total respondents. The percentage of the respondents who had diploma was 20% while those who had attained degree were 56% and those with post-graduate degree was 24 %.

*Table 4.3 Key Informants' Bio Data*

	No. of respondents	Age group			Level of Education		
		31-40	41-50	Over 51	Diploma	Degree	Post Graduate
Public relations	5	2	2	1	0	2	3
Marketing	8	3	3	2	1	5	2
Advertising	7	3	4	0	0	5	2

20 key informants were selected for in-depth interviews. As shown in table 4.3 above, 5 were public relations experts, 8 were marketing executives from various organizations in Nairobi and 7 were advertising experts from various advertising agencies in Nairobi. Many of the key informants were in the ages 31-50 years and many of them had degree as their highest level of education. The In-depth interviews were the key source of information for this study as they provided an expert view on the role of social media to corporate organizations in Kenya.

### **4.3 Widely used social media tools**

In this section, the researcher sought to establish the most widely used social media tools by Safaricom Limited and why they chose the tools that they were using.

From the below table the researcher asked the respondents to mark all the social media programs they use, 180 of the respondents have Facebook accounts and 100 respondents

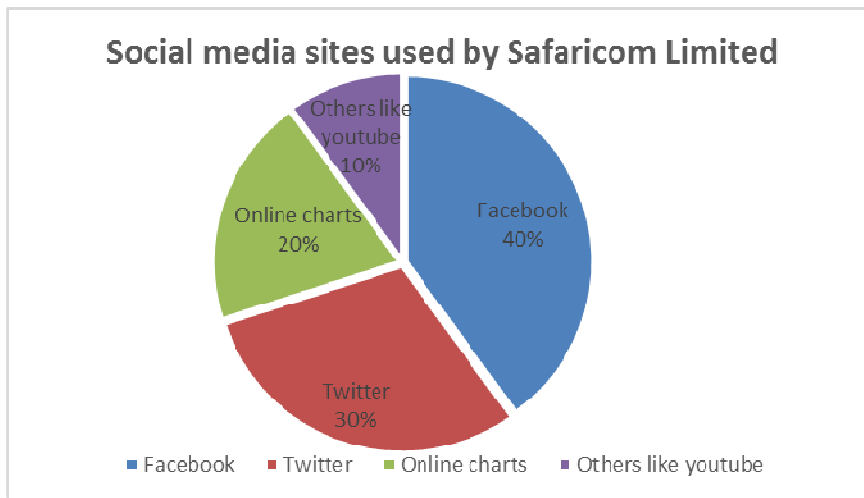
have twitter accounts. The least used social media sites include online charts at 20 and Linked and Youtube at 25 respondents. When the respondents were asked why they use the social media sites many of them said that they are used by many people and organizations and are easy to navigate and use.

*Table 4.4 Media tools used by respondents*

<b>Social Media Tools</b>	<b>Total Respondents</b>	<b>Percentage</b>
Facebook	180	90
Twitter	100	50
Onlinecharts	20	10
LinkedIn and Youtube	25	12.5

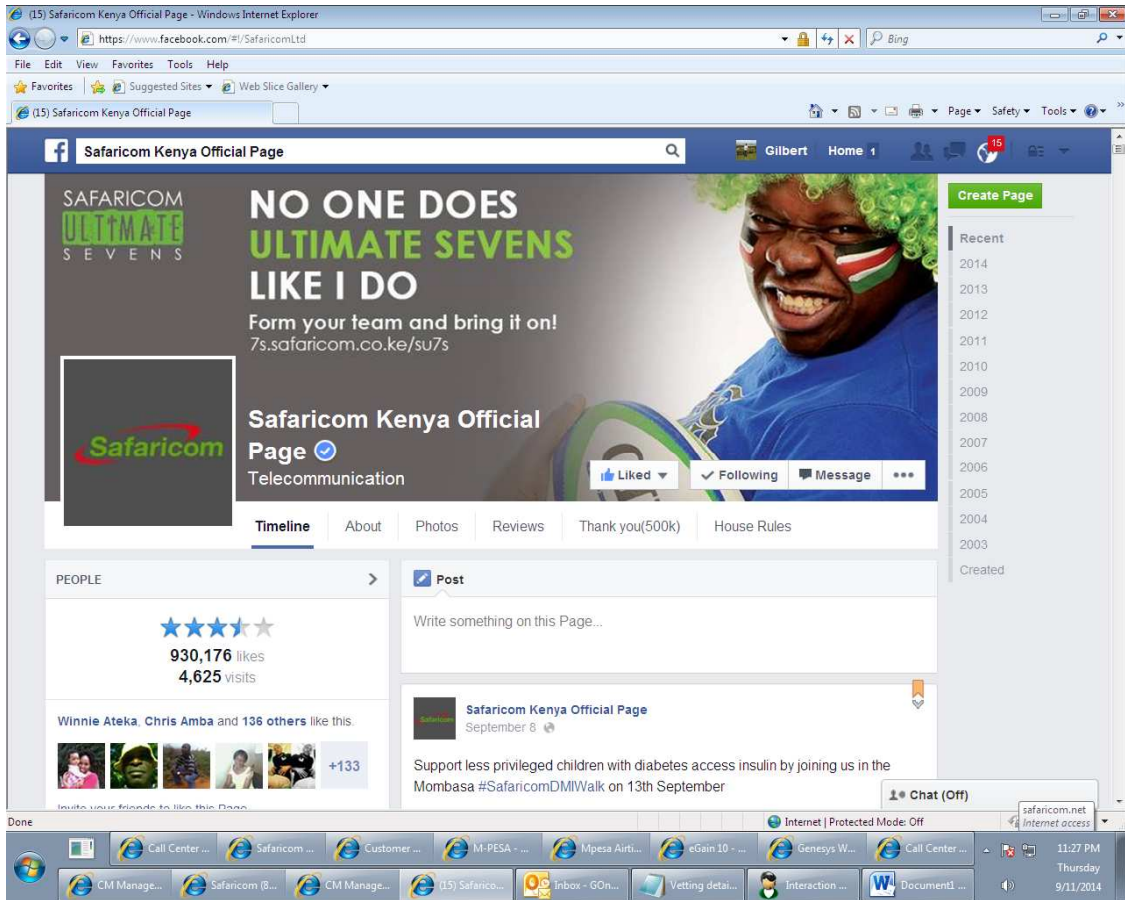
As shown in table 4.4 above, 90% of the respondents who participated in the research have Facebook accounts making it the most widely used social media tool among the respondents, respondents who have twitter accounts stood at 50 % coming second to second to Facebook, LinkedIn stood at 12.5% and online charts at 10%. The reason why many respondents have Facebook and twitter accounts was attributed to the fact that the social media tools are easily accessible even on simple handsets with data connectivity and the social tools are a favorite to majority of the people and organizations. The sites are also easier and friendly to use even to first timers.

Figure 4.2: Commonly used social media sites by Safaricom Limited



From the figure above the mostly widely used social media sites by Safaricom limited is Facebook at 40%, twitter at 30%, online charts at 20% and others like YouTube and linked at 10%. This is because many of the Safaricom customers and publics have Facebook and Twitter accounts and a few use online charts like e-gain which is an online chart found on the Safaricom website page. The respondent noted that with the two social media tools the company is able to filter information and be able to gather information relevant to it thus making the sites one of the favorites by companies which have ventured into social media world.





The level of interaction on the Safaricom Limited Facebook site above it showed that it had a very interactive Facebook page with 930,176 likes which=- showed a two way communication, where the company uses the Facebook account for advertising their products and introducing new promotions to the customers as well as marketing their services and goods.

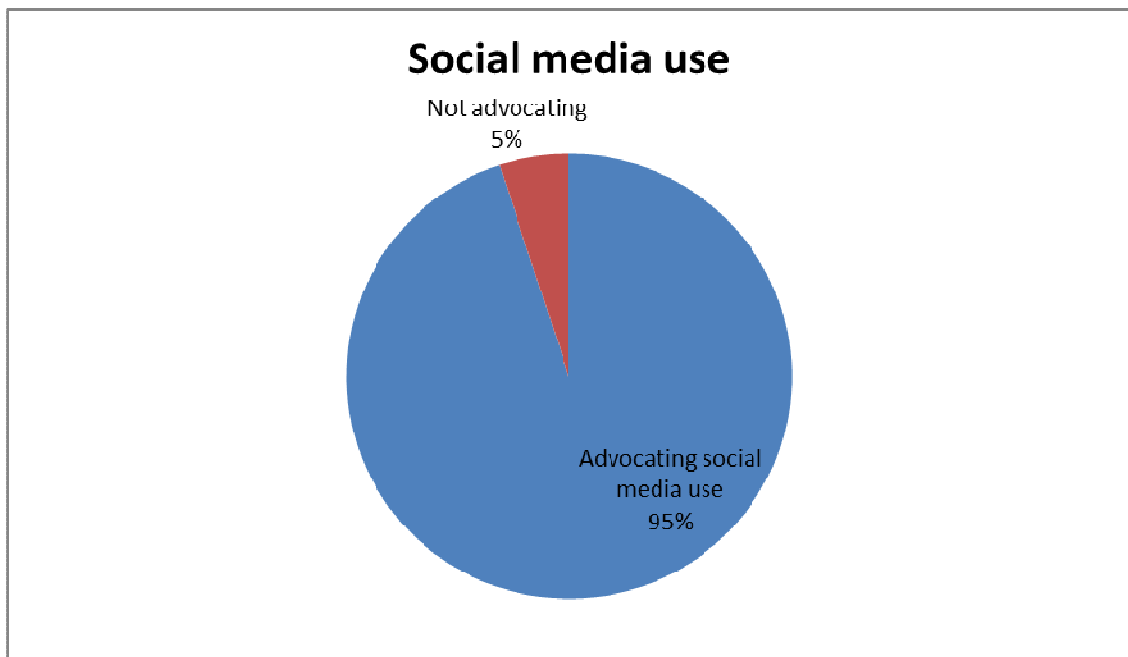
#### **4.4 Factors Influencing Social Media Usage**

This section sought to establish the factors influencing social media usage at Safaricom Limited. Many of the respondents agreed that institutional pressure to remain competitive

in an increasing competitive business environment was one of the influencers to use social media. One respondent noted that due to the nature of the business the company engages in it is prudent to offer more touch points where customers can be able to interact with the company.

One key informant said that top management support is also one of the pillars which influence use of social media. Respondents from the social media team at Safaricom noted that the company executive supports and champions the use of social media both in terms of finance and human resource. The Chief Executive Officer of Safaricom Limited , Bob Collymore is an active user of twitter there by leading by example.

*Figure 4.4: How respondents support social media use by organizations*



The above figure shows that majority of respondents (95 percent) think Safaricom Limited as an organizations should use social media and then commented on what types of social media organizations should use to interact with them, many of the respondents preferred Facebook and twitter because the sites are popular with majority of online users. The 5% who said that they do not advocate use of social media suggested that not everybody is able to use or access social media thus for them they did not advocate Safaricom to use social media as the main touch point to its customers especially the core customers but noted that the company can use it as an alternative.

When asked how customers value the use of social media in general, one of the respondents a manager of Social media at Safaricom Limited, noted. The realm of social media is growing within consumers' personal lives and corporate settings. He said consumers like knowing that organizations use social media to communicate and consumers expect organizations to provide them the option to comment and give feedback.

Half of the respondents said they would choose a company based on reputation and innovation. The respondents agreed that organizations not embracing social media miss out on the opportunities of business competitiveness. Consumers expect organizations to maintain and update Web sites, as well as social media sites and remain on the cutting edge of technology and communication. One respondent commented that organizations need to keep up and reach out to more people to get their message across. Another respondent mentioned that organizations should embrace different ways to get their

products and information out to the public through social media and one of those ways is by being active on sites like Facebook and Twitter.

The respondents in general felt that social media can greatly improve an organization's reputation. One participant mentioned that social media provide a new form of promotion which can then enhance branding.

*Figure 4.3: Effect of social media to an organization's reputation.*

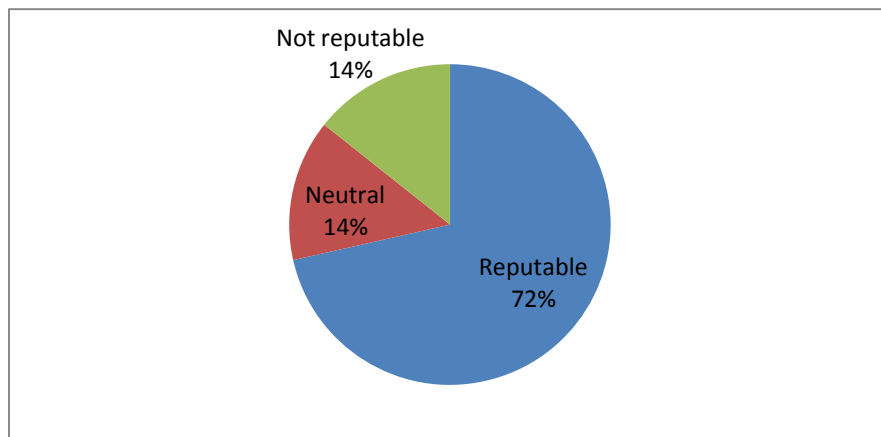


Figure 4.3 above shows that 72 percent of respondents said that a company which uses social media is reputable while 14 percent answered neutral and 14 percent not reputable. In regard to innovation, 71 percent of the respondents said that a company that uses social media is innovative or very innovative. The study therefore shows that the majority of respondents consider organizations using social media as innovative and that the use of social media can improve an organization's reputation.

While the respondents believed social media can help an organization's reputation, they also said that it can greatly damage it. Lying or providing false information through

social media channels can damage the company's reputation. Also, the speed and enormity of the internet can spread rumors, mistakes and cover ups to many people more quickly, thus greatly damaging the company's reputation.

#### **4.5 Benefits of Social Media Usage**

When respondents were asked how social media has benefited Safaricom Limited 65 percent gave the following answers, benefits in terms of customer engagement (i.e. customer relationship management), Social media provides more effective branding, stronger brand loyalty, and improved marketing, including stronger customer interaction, ability to mine and analyze customer data more effectively, ability to personalize marketing activities based on customer interests, improved customer service and support, better product development (as social networking and social media platforms can encourage customers to submit and vote on new product ideas), increased customer satisfaction and reduced marketing costs.

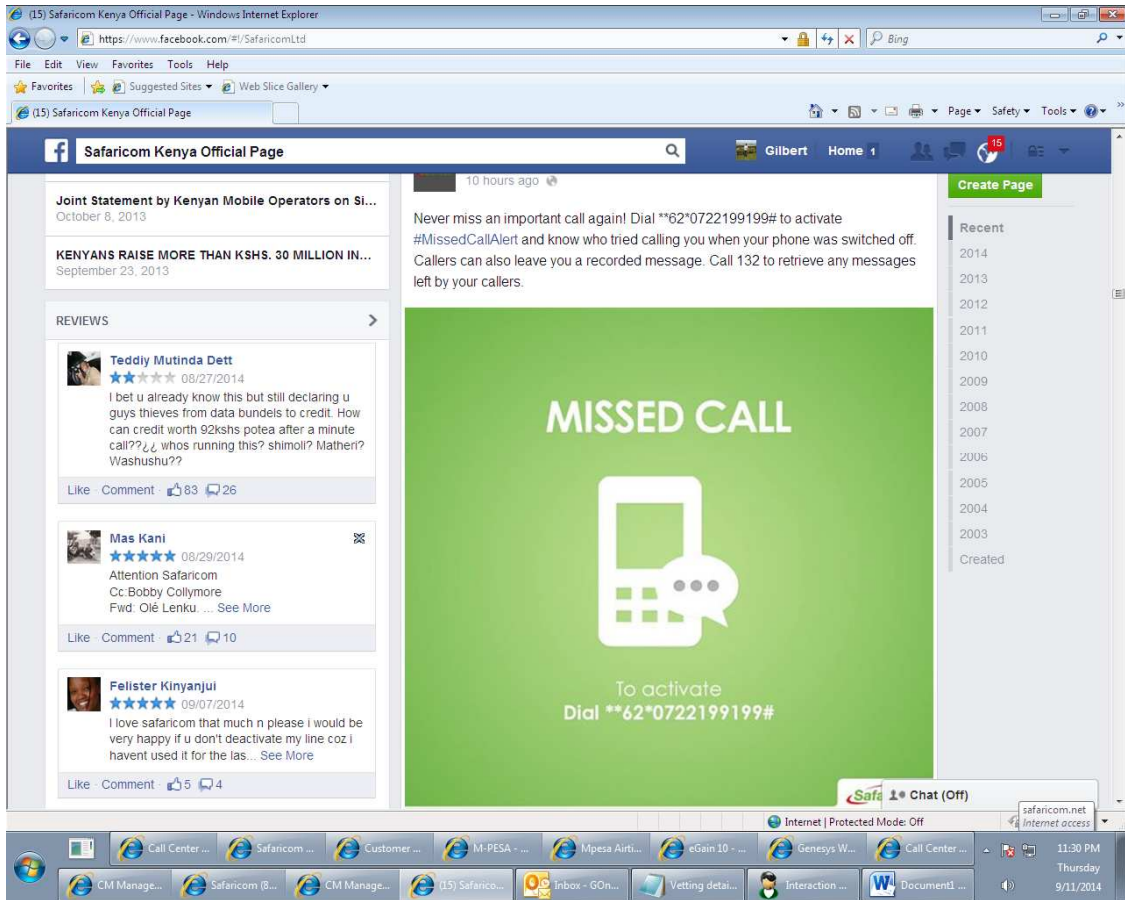
To the external partners (including suppliers and other business partners): Social media assists in speedier access to external knowledge and improved information sharing, reduced external communication costs, improved collaboration and innovation opportunities and exploiting new marketing opportunities.

One key informant noted that networking is a natural activity for humans but over time organizations have become bureaucratically structured. Social networking technologies thus help to "re-humanize" the enterprise.

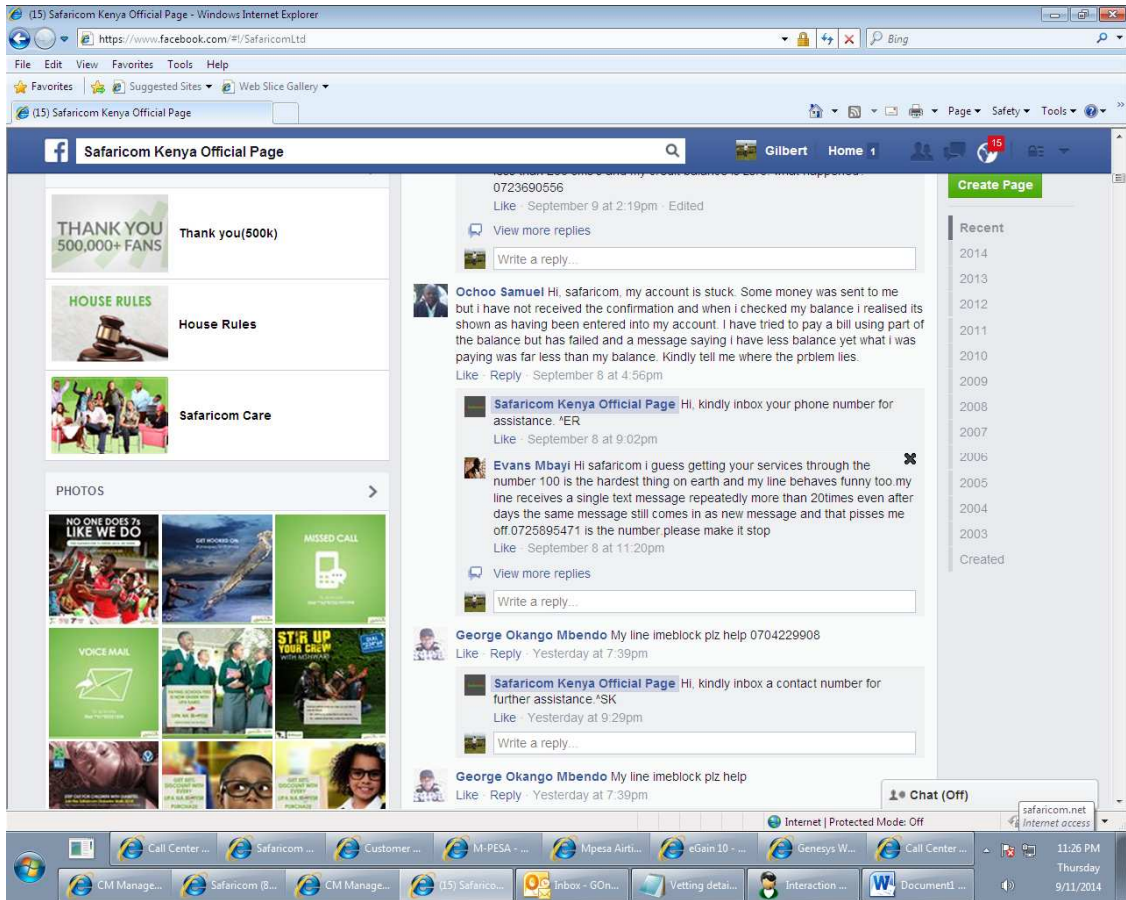
Safaricom Limited also uses its social media tools to break and/or make news, tell stories, resolve issues and to create virtual focus groups within the social media networks to test ideas, messages and new products or services. Additionally, Safaricom uses social media as the strategy to remain on the cutting edge of online expectations.

70 percent of the respondents' belief Social media technologies offer business organizations a powerful means to improve their communications, processes and, ultimately, performance. Key informants on social media usage were optimistic about the positive impacts that these technologies will have on the organizations that adopt them.

The company also uses the social media platform to educate customers about its products and services and how the services can be used as the examples below where customers have been enlightened on missed call service and how to activate and deactivate it.

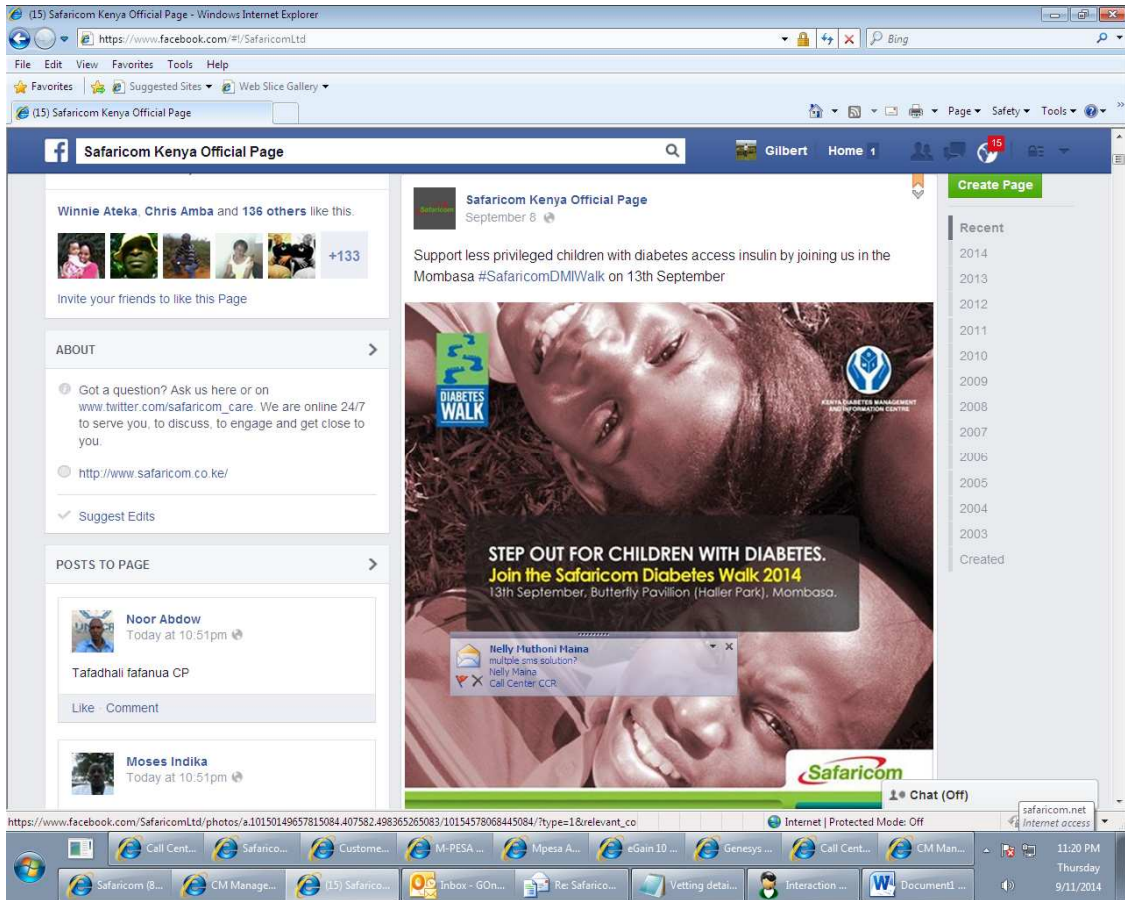


Customers are also able to make queries and be assisted on social media as evidenced in the below case where a customer raises an issue about his mpesa account balance and he is subsequently requested to inbox his number for further help.



The company also uses its facebook page to enlighten the public about its corporate social responsibilities as is the case below where it is appealing for Kenyans to come and join it in the Mombasa diabetes walk.





Many of the respondents said that they think companies or organizations should use social media. Specifically, the majority of respondents said that companies should use a social media site to interact with consumers.

Another key informant suggested that due to its interactional nature social media has accorded the customers the opportunity to give feedback instantly to organizations about services and goods given which is a key component for any organization which wants to utilize the feedback to improve its services to the customers.

One key informant also argued that social media afford customers and publics the ability to see information related to the status of ongoing activities in the organization hence providing a marketing platform for an organization. Further, unlike other technologies used for organizational knowledge management, social media may not require tremendous investment or maintenance by organizational officials.

#### **4.6 Challenges associated with Social Media usage by Organizations**

This section sought to establish the challenges organizations face when using social media. Despite the promising potential benefits to organizations using social networking and social media technology, there are considerable challenges and risks that come with its usage. Some of those identified in the study by the respondents are:

One key informant said that organizations are very often structured hierarchically. Social networking and social media platforms may clash with these organizational structures. He also noted that there may also be clashes between new social technologies and the norms of behavior and levels of accountability and control that pre-exist the technology's introduction.

Some respondents expressed fears that employees in organizations that choose to adopt the technologies will become distracted by social networking and social media, and as a result be less productive at work. Another key informant said that employers may be worried about their employees posting hateful, inappropriate or critical material on a public-facing social network. One respondent working on social media at Safaricom noted that organizations must address the governance issues that accompany the

platforms: who is allowed to participate, what are the usage rules, what new company policies need to be developed, etc.?

The key informants too suggested that potential benefits are not well understood, partly due to the lack of empirical research on organizations' use of the technologies and platforms that underlie social networking and social media.

While the participants believed social media can help an organization's reputation, they also said that it can greatly damage it. Lying or providing false information through social media channels can damage the company's reputation. Also, the speed and enormity of the Internet can spread rumors, mistakes and cover ups to more people more quickly, thus greatly damaging the company's reputation.

Respondents when asked the barriers to adoption of social media by organizations identified the following barriers: Lack of awareness among businesses regarding why and how the technologies are used; lack of understanding of the tools and what they're good for. One key informant noted that organizational hierarchies are also a barrier. That middle management is used to serving as an institutional gatekeeper and may feel threatened by tools that 'flatten' the organization. But he pointed out that it is a fight that they will ultimately lose, especially as digital natives begin entering organizations with expectations of using the technologies.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.0 Introduction**

This chapter provides the summary of the findings from chapter four and also it gives the conclusions and recommendations of the study based on the objectives of the study. The objective of this study was to study the impact of social media to corporate organizations using Safaricom Limited as a case.

#### **5.1 Social media tools used by Safaricom Limited**

From the research findings it emerged that Facebook and twitter were the commonly social media tools used by Safaricom Limited others like Youtube, online charts and LinkedIn were also being used but not very much. It was found that the company uses the social media tools because they are the commonly used by its customers and thus the organization is able to reach many customers using the two social media tools. The availability of the sites in most handsets with data connectivity also added to the reason why it is commonly used. Facebook and Twitter also have the capability to filter information thus a company is able to configure settings so as it can only receive information which touches on it either positively or negatively for quick response. Social media tools like Youtube are expensive to operate for example to stream a video content on Youtube needs a high end 3G enabled handset which is expensive for most respondents and even publics of a company thus the reason why not many people have subscribed to it.

## **5.2 Factors influencing social media usage by Safaricom Limited**

From the research findings it was found that the factors which influence social media include institutional pressure to stay ahead of competition. As many companies emerge providing same services and goods, organizations are trying hard to ensure they are head of the pack by bringing innovative products and services to lure customers to them. Companies like Safaricom who have many customers have tried to offer and create more alternatives for customer touch points and that includes coming up with social media tools like Facebook and Twitter where they are able to meet and serve their customers online without having to talk to them via phone like before.

Relative advantages that come from using social media is also another influencer for using social media. Organizations have realized that they can be able to reach many consumers at once using social media sites like Facebook thus saving so much on advertising costs and even marketing. Companies like safaricom are now cross selling their products and services on social media and that explains why they have close to a million likes on there facebook page because they are vibrant and active there. Organizations using social media are also considered innovative according to the study and that the use of social media can improve an organization's reputation.

Compatibility with existing organizational technologies on the other hand is a big influencer for social media usage by organizations. The robust technological advancement of Safaricom Limited systems affords the capability to capture in its database all customer details who it interacts with on their social media tools there by

reducing handling time in subsequent interactions with the same customer. This only occurs due to the compatibility of the social media tools with the organizational systems.

Entrepreneurial orientation to the customers on how the social media tools operate also makes it possible for the social media tools to be appreciated by many people thereby making organizations venture into them without much effort. This is done by developers of the social media tools who ensure that the tools are easy to navigate through and friendly to use even by technologically challenged people.

Top management support to integrate social media in the marketing and organizational processes is also a top influencer for using social media by an organization. It was found in the study that executive sponsorship and participation are also important. To encourage employees to use, and thus make the most of social media tools, the executives within organizations must get on board by openly supporting the use of the technologies, as well as by using them themselves. This is leading by example. Organizational leaders could demonstrate the importance of these platforms by choosing to use the systems themselves.

When Steve Outing (2007) advises organizations on how to use social media tools, he pushes the benefits of two-way communication. Outing (2007) explains that “when companies listen to what the audience is saying and builds online venues that encourage consumers to express themselves they can innovate faster and more intelligently.”

### **5.3 Benefits of using social media by Safaricom Limited**

According to findings in section 4.3 of this research, Social media benefits which were found in the study include reduced marketing cost, improved customer relationships, improved company image and competitive position. Similarly through social media it is possible to perform integrated marketing activities with much less effort and cost than before. Social media can also have a dramatic impact on organizations in areas such as enhancing brand's reputation, improve value, relationship and brand equity, digital advertising and promotion, handle customer service issues, mine innovation ideas and building customer relations.

Social media sites such as Facebook are better than other advertising avenues because it stores information on all its users thus ensuring marketing reaches an organization's specific target market. Social media sites are a great stage for organizations to create an experience and organizations can use information stored on social media sites to improve user experience with their brand.

Social networking sites are being utilized to enhance a company's brand appeal and increase their target market because new technologies allow for more personal, targeted communications, as well as increased consumer participation in the creation of marketing and brand related information.

#### **5.4 Challenges associated with Social Media usage by Safaricom Limited**

From the research it emerged that one of the biggest concerns regarding social networking platforms is that productivity may be effected negatively because employees may spend too much time networking and posting entries on blogs and wiki's. There is also a risk that employees will utilize it for more social purposes and not on work related postings. This can have serious implications with regards to the capacity and utilization of servers and networks, with bandwidth being congested with multimedia contents which are often not work related.

Vandalism and misinformation caused by employees can leave employers open to legal action (under the principle of vicarious liability), whereby employers are responsible for negligent acts or omissions by their employees in the course of their work, even if those acts are accidental.

Many employers are concerned about the potential loss of confidential information by an unguarded (or malicious) comment or link created by an employee, which could then result in company embarrassment, financial damage, legal liability or possible security risks. Damage to organizational reputation can also be caused by articles appearing in the press about employees being dismissed by an organization for inappropriate use of office resources. Staff posting negative comments about their organization, clients and colleagues online can become easy to find via an online search and may be available for an unlimited time.



Another serious concern is the forum social tools create in which former and dissatisfied customers can criticize and complain about the organization creating a public image of the organization which is outside the organization's control (Shirky 2008).

## **5.5 Conclusions**

In conclusion, the twenty first century work place needs everything social networking encompasses and the quicker organizations realize and embrace this technology, the smoother the sail through the current business environment and the more agile they will emerge at the other end. Social media should be regarded as an integral part of an organization's integrated marketing strategy and should not be taken lightly because it has huge impacts to the organizations. As Curran et al. (2011) points out, almost 1 in every 13 person in the world is an active Facebook user, which points to the potential of finding a ready market for any product or service.

Social media opens up a whole new world for organizations by providing an endless array of potential interactions with consumers, which is the main reason why there is a need for an increase in studies on social media. Social media afford users the ability to make their behaviors, knowledge, preferences, and communication network connections that were once invisible (or at least very hard to see) visible to others in the organization.

Based on this study, it can further be argued that knowing which social media sites a company's target market utilizes is another key factor in guaranteeing that the social media tool used will be successful. The study also revealed that for a successful social

media strategy the executive in the organization must fully support the idea by being in the front line by even being active in its utilization.

## **5.6 Recommendations**

As many organizations are investing in these social media technologies, it is important for them to identify the social media tools commonly used by its consumers and publics, factors that influence the successful usage of these technologies (Preece 2001, Hall and Graham 2004, Lin and Lee 2006). The primary issue with any strategic tool or technology is the degree that its usage benefits the user.

Organizations adopting social media tools need a business case in mind before they make any decisions about what technologies to pursue. Blind, non-strategic adoption of the technologies is a recipe for disappointment, if not failure.

Since social media sites can be exploited for the information it provides on consumer behavior with regards to their purchasing intentions, research further suggests that businesses should incorporate social networking sites into their business model or promotional mix. Any organization which needs to incorporate social media to its organizational strategy must have the executive fully supporting the idea so as to experience maximum impact.

Once a decision to adopt a new social networking or social media technology has been made, organizations must address the governance issues that accompany the platforms:

who is allowed to participate, what are the usage rules, what new company policies need to be developed, etc.

### **5.7 Suggestions for Further Research**

Studies should be done to suggest how to incorporate social media within a business plan, and how to gauge consumers' responses, it is important that further research address which strategies work.

Additional research is warranted regarding which social media marketing tactics are effective for organizations. Further studies could look into both the positive and negative long term effects of social media to organizations. There exists a need for future research regarding the risks of social media and methods to mitigate the impact of these risks.

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## APPENDICES

### Appendix 1: Research Questionnaire

Dear respondent,

I am a student at the University of Nairobi currently pursuing a Master's Degree in Communication studies. I am carrying out a research on the impact of social media to corporate organizations in Kenya using a case of Safaricom limited. I kindly request you to assist me by completing the questionnaire provided. I promise that your identity will be treated as confidential and that the data will be used for the purpose of this research only.

#### Instructions:

1. Do not write your name.
2. Please respond to each question correctly and honestly. Place a tick (✓) where appropriate in the spaces provided. Remember, where applicable it is ok to tick more than one response as long as they apply.

#### Part 1 Personal Details

1. What is your gender? Male ( ) Female ( )
2. How old are you?  
21-30 yrs ( )  
31- 40 yrs ( )  
41-50 yrs ( )  
Above 51 yrs ( )

3. What position do you currently hold at Safaricom Limited?

4. What is your level of education?

Diploma ( )

Degree ( )

Post-Graduate degree ( )

## Part 2

1. (a) Do you have a social networking account?

Yes ( )

No ( )

(b) If your answer to question 1a is yes which social media tool are you mostly active on?

2. How important do you think it is, 1 being very important and 5 unimportant, to have an account with one of the following social media tools:

	1	2	3	4
	Very important	Important	less important	unimportant
YouTube ( )	( )	( )	( )	( )
Facebook ( )	( )	( )	( )	( )
MySpace ( )	( )	( )	( )	( )
LinkedIn ( )	( )	( )	( )	( )
Twitter ( )	( )	( )	( )	( )

3. Do you think Safaricom Limited should use social media?

Yes ( )

No ( )

I don't know ( )

4. To what extent is Safaricom Limited active on social media?

Very active ( )

Active ( )

Less active ( )

5. Which social media sites or tools does Safaricom Limited use to engage with customers?

Facebook ( )

Twitter ( )

Others ( specify).....

6. Why did you pick those specific social media tools?

7.(a) Do you work with the social media team for Safaricom Limited?

Yes ( ) position.....

No ( )

(b) Who is in charge of your social media site?

(c) Who decides what goes on there?

8. In your opinion, how reputable is a company that uses social media?

Very reputable( )

Reputable ( )

Neutral( )

Not reputable( )

Not very reputable( )

9. Who is Safaricom Limited trying to reach with your social media tools?

Customers ( )

Stakeholders( )

Potential employees( )

10. What role does Safaricom Limited mostly use social media for?

Responding to customer queries ( )

Marketing of the company products ( )

Crisis management ( )

Customer relationship management ( )

11. What sets your social media sites apart from your competitors' social media sites?

12. In your opinion how has social media benefitted the Safaricom Limited? Give a brief explanation.

13.(a) Do you think there are effects of not using social media by Safaricom Limited?

Yes ( )

No ( )

(b) If your answer to the above question is yes, kindly give a brief explanation.

14. Has social media changed customer behavior to Safaricom Limited?

Yes ( )

No ( )

If yes how?.....

15. What are the factors which influence social social media usage by Safaricom Limited?

(a) User friendly to customers ( )

(b) Stiff competition ( )

(c) Feedback from customers ( )

(d) Any other( specify).....

16. Do you feel Safaricom Limited customers value the use of social media in general?

Yes ( )

No ( )

17. Do you think that customers are more empowered to articulate issues and provide feedback easily on Safaricom Limited social media sites?

Yes ( )

No ( )

18. Does Safaricom Limited use social media to advertise and market products to customers?

Yes ( )

No ( )

19. How satisfied are you with social media communication by Safaricom Limited?

(a) Completely satisfied ( )

(b) Satisfied ( )

(c) Neutral ( )

(d) Not satisfied ( )



20. Does the executive management at Safaricom Limited support social media initiatives?

Yes ( )

No ( )

If yes, how.....

21. How much do you agree with the following statement? "I believe social media use has a huge impact at Safaricom Limited."

(a) Strongly agree ( )

(b) Agree ( )

(c) Disagree ( )

(d) Strongly disagree ( )

22. How much do you agree with the following statement? "Social media tools are user friendly."

(a) Strongly agree ( )

(b.) Agree ( )

(c) Disagree ( )

(d) Strongly disagree ( )

23.(a) Have you identified any negative effect of using social media by Safaricom Limited?

Yes ( )

No ( )

(b) If your answer to the above question is yes, kindly give a brief explanation to your answer.

24. Do you have any final comments that you want to say about social media and Safaricom Limited

## Appendix 2: Research Questionnaire for key informant persons

Dear respondent,

I am a student at the University of Nairobi currently pursuing a Master's Degree in Communication studies. I am carrying out a research on the impact of social media to corporate organizations in Kenya using a case of Safaricom limited . I kindly request you to assist me by completing the questionnaire provided. I promise that your identity will be treated as confidential and that the data will be used for the purpose of this research only.

1. Gender

Male ( )

Female( )

2. How old are you?

31-40 yrs ( )

41-50 yrs ( )

Above 51 yrs ( )

3.What is your lever of education?

Diploma ( )

Degree ( )

Post-Graduate degree ( )

4. Which industry do you work.....

5. (a) Do you think organizations should use social media?

Yes ( )

No ( )

(b) If your answer to the above question is yes, kindly give a brief explanation.

6. Which social media tools are commonly used by organizations?

7. Who are the specific audiences for organizations using social media?

8. What role do companies use social media tools for mostly?

Responding to customer queries ( )

Marketing of the company products ( )

Crisis management ( )

Customer relationship management ( )

9. What are the benefits of using social media by organizations?

10. How has social media changed customer and organizations behavior?

11. What challenges are organizations getting through the use of social media?

12. What are the bottlenecks affecting the adoption of social media by organizations