

Exploring the Roles of Social Media Content Marketing (SMCM) Towards Return on Investment (ROI): A Conceptual Paper

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ABSTRACT

Social Media Content Marketing (SMCM) is a tool-kit to increase sales. Content marketing is a crucial element which can increase the return on investment (ROI). The purpose of this study is to identify the impact of SMCM towards the ROI. It aims to develop a SMCM framework which can maximise a firm's ROI performance.

Keywords: Brand Awareness, content Marketing, Return on Investment (ROI), Social Media Marketing

INTRODUCTION

Social media can be considered as an interesting information dissemination tool requiring only minimal effort and cost compared to other traditional types of advertising and publicizing (Romero, 2011).

Today, consumers are overwhelmed by information that maybe sourced social media. It is important for the company to

provide valuable SMCM to ensure brand loyalty. Flood (2016) states that before launching a social media campaign it is necessary for the firm to analyse the target audience and thereby determine the platforms are suited to achieve their goals.

On the other hand, good SMCM can also increase the ROI performance for the company. Scholars and practitioners in related fields believe ROI calculated based on financial and nonfinancial values can potentially improve accuracy and usefulness (Meng and Berger, 2012). One of the important elements in sustaining the decent ROI is building a relationship with customers. Stack and Michaelson (2010) also concluded the five major nonfinancial indicators: credibility, trust, reputation,

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relationships, and confidence, can influence an organization's social and financial performance.

This paper is structured as follows. Firstly, it examines the significance of SMCM for the business. It presents a simple

SMCM framework to determine the ROI and provides an overview of SMCM and reasons for their applicability in business.

SOCIAL MEDIA AND CONTENT MARKETING

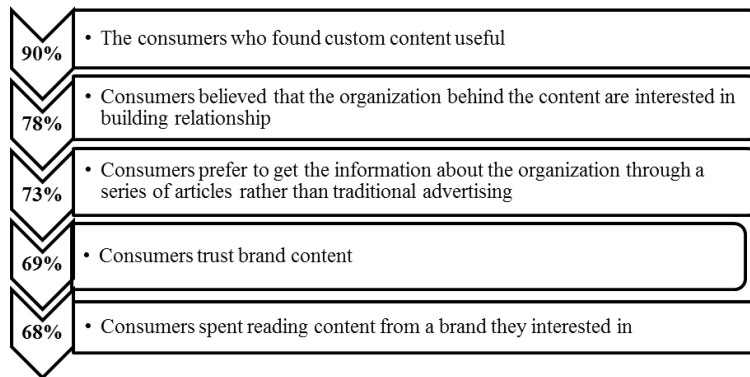


Figure 1. People trust and value brand content

Sources: from Patel (2015)

Figure 1 above indicates how importance of content marketing in attracting consumers. There are 90% of them that found the custom content very useful and 78% of them believe that by having good content marketing it can build the relationship between organization and consumers. In this new era of the business environment, many rivalries are competing with each other to gain customers. No one of the firms escapes from having the social media as their platforms to spread the awareness about their brands. However, not all will survive to the top of consumers' journeys that end with purchasing and have a strong rapport. Patel (2015) states that to generate the most leads and increase revenue, firms need to create more useful content as 70%

of people would rather learn about products through content.

According to Content Marketing Institute (2015), content marketing can be defined as a strategic marketing approach that focuses on distributing the valuable, relevant and consistent content to attract and retain the targeted consumers thus drive profitable customer action. Kiisel (2016) states that content marketing is all about sharing information that is considered useful to customers and prospective customers via articles, blogs, videos, and other media. Content marketing can also be considered as a process of indirect and directly promoting a business or brand through value-added text, video, or audio content, both online and offline (Gunelius, 2011).

At present, companies tend to use social media as a platform to promote their products and create awareness.

SOCIAL MEDIA CONTENT MARKETING (SMCM) AND ROI

Figure 2 shows a SMCM framework that can affect the ROI performance of firms. According to Romero (2011), content marketing enables firms to achieve multiple objectives, but it must be made clear that to understand the return, it is necessary to work

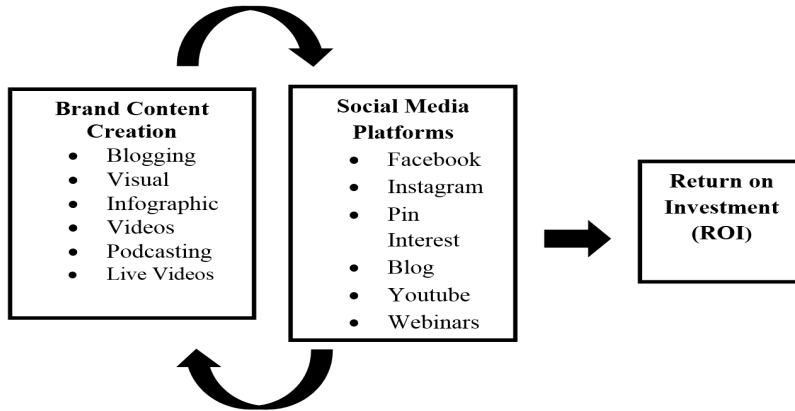


Figure 2. SMCM and ROI Framework

at different levels, and each analysis requires a particular design as well as an analyst. According to Miller (2008), there are four types of SMCM which should be focused on the organization in determining good ROI and it includes Retail, E-commerce, customer service, and publishing.

According to Vaynerchuk (2011), there is no specific formula to calculate social media marketing for ROI, because social media involves human interactions (i.e. Positive/negative reviews, Word of Mouth), which cannot be calculated mathematically. SMCM works on enhancing the ROI of the company through fan data. According to Fedotova (2015), the content that has been tailored to big data can help improve fan engagement, increase brand exposure and create more commercial opportunities thus

lead to the increasing of ROI. Furthermore, there is no exception for the Business to Business (B2B) companies as they have to be good at SMCM to maximize their ROI performance. It involves a significant effort for B2B companies to create an effective SMCM to increase their sales. Sixty to 70% of B-to-B marketing content goes unused, and only 42% of B-to-B marketers think that they are good at content marketing (Bickner, 2014). In a nutshell, fan data or big data with good content marketing could be such an effective way to help the firms to increase their ROI.

Web 2.0 provides businesses the opportunity to generate and publish content through different social media platforms. According to Kilgour, Sasser and Larke (2015), the corporation which develops

relationships with brand advocates who acted as social media influencers can have good return on investment (ROI).

In creating effective content marketing, the firm should have a creative strategy to engage with the customers. Ashley and Tuten (2015) explain that creative strategy consists of both message content and execution and includes the notion of designing communications in a way that increases the likelihood it can produce the desired effects on the target audience. Furthermore, to attract the consumers to have good brand experience, it is important to provide precise information to consumers. According to Virgillito (2015), content marketing should be about creating an experience that people love to share.

According to Viveiros (2012), a small company should know that social media can help make money by creating engagement with consumers and the conversation is the way to increase sales. On the other hand, some of the firms tend to encourage their employees to share the companies' information on social media. Springer (2015) says employees are willing to share with whoever is running the program so that they can be active on social media and build their personal brands and promote the company and improve its ROI.

METHODS

This study involves a qualitative and quantitative approach. For the qualitative stage, an interview of online shopping consumers and entrepreneurs who use social media marketing to promote their

brands was conducted. Respondents were given open-ended questions with the objective of deducing consumers' experience of choosing brands and obtaining customer profile.

Secondly, a demographically diverse group of people was assembled to participate in a guided discussion to measure the reaction of customers towards different product brands. This focus group is targeted on online shoppers and entrepreneurs that use the social media marketing as their tool to promote brands. A moderator will present certain content marketing of different approaches to excavate the experience, feeling and preference of the respondents towards the brand. After that, they have to answer a few provided questions about what they have seen from the visual display, thus find what their responses are towards the display of content marketing. An appropriate meeting room with adequate seating is required during the session. The interview and the whole session will be recorded and transcribed.

Besides that, for the qualitative method, there will also be an experiment to discover the senses of the respondents. It involves sight and hearing senses. For the sight experiment, a moderator will play with the visual advertisement of certain brands on the projector (without sounds) that includes the content and pictures from the social media. Then, a few questions regarding the advertisement will be asked to the respondents. Otherwise, for the hearing sense, the moderator will show the advertisement (with sound background) like

a short video of the brands within the panels. Then, the groups will require expressing their emotion and experience about the brands and the content of the videos.

In the second phase, a quantitative design will be implemented to proceed into further step on research like distributing the questionnaire to the respondents. It is necessary for the researcher to have the questionnaire pre-tested to make sure that the questions apply to achieve the objectives of the study. The pilot study is an attempt to predict an appropriate sample size before proceeding with full-scale research projects. This study involved self-administrated survey and it will to 200 respondents. Twenty samples would be the selected entrepreneurs, and 180 of the samples would be for online shoppers.

A simple descriptive analysis of aggregated data such as the mean rating and standard deviation of a specified attribute will be adopted to provide beneficial social media marketing input like customer experience of the fashion brand. The exploratory analysis (EFA) will be applied to determine the factorial structure of the construct (customer experience), and confirmatory factor analysis (CFA) will be conducted to make the consistency of researcher's understanding of the nature of the factor fit to the data is obtained from the measurement method.

EXPECTED CONTRIBUTION

The new model of Social Media Content Marketing (SMCM) will allow practitioners to improve their branding strategy through

high impact content marketing, and through it elevate the ROI.

CONCLUSION

SMCM plays a major role in boosting the ROI for a business as it allows consumers to be informed about brands, providing them with valuable product content. The firms that can produce high-quality SMCM have high potential to generate more brand awareness and also experience strong boost in their ROI.

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