The Use of Social Media in Internal Marketing Communication – A Case Study of Baixing.com – an Internet Company in China

Abstract

Seven individuals from Baixing.com were interviewed to explore the use of social media in internal marketing communications. Results show that the development of internal communication capability through using social media tools is effective and necessary. This is demonstrated by a company’s development of a favourable communication climate with its employees, and effective communications between managers and their subordinates. This effective internal communication has been achieved through Weibo, China’s answer to Twitter, due to the absence of Facebook and Twitter in China. The primary barriers of using social media stem from concerns regarding confidentiality and sensitive topics being communicated in virtual sphere. Recommendations have subsequently been made to overcome these barriers. The insights shared by participants from Baixing.com shed light on the new area of internal marketing communications. Moreover, the insights also help practitioners to understand and apply social media practices in achieving an effective internal communication performance.

Key words: social media, internal marketing communication, communication climate, manager’s communication effectiveness, Baixing.com, China

1. Introduction

The interactive features of social media tools have become extremely important in people’s lives. In 2012, 63.2 percent of internet users visit an online social network at least once a month, rising to 67.6 percent in 2013 and 70.7 percent in 2014 (“eMarketer”, a, 2012). Moreover, there are 61 percent of companies reporting at least one social media tool available to some or all of their employees (Aubrey, 2012). As such, many organizations started using social media to interact with their employees, in order to build positive feelings of authenticity, pride, attachment and fun among employees (Huy & Shipilov, 2012).

Despite the growing popularity of social media, studies exploring the usage of social media for internal communications are limited. This study explores how social networking sites are effectively utilized within organizations through analyzing seven in-depth interviews with employees and manager from Baixing.com - an Internet company in China. The absence of Facebook and Twitter has not hurt China’s social networking population. With the biggest internet population in the world, over half of Chinese Internet users use social networking sites, and the number is growing (“eMarketer” b, 2012). Weibo, China's equivalent to Twitter, developed its own features which make it a unique communication tool in China. For example, 140 Chinese written characters on Weibo can tell a full story, but the same number of characters in English on Twitter gets a sender only a teaser message (Nooruddin & Zhang, 2012).

Baixing.com is the subsidiary company of the American Internet giant eBay, subordinated to eBay Classified Group. As the top classified website in China, the company provides their users with all kinds of information related to their lives, e.g. job hunting, friends searching, buying and selling articles. Baixing.com is ideal for this research. Firstly, compared to competitors, the company has achieved a decent performance with minimum number of employees. According to Wang, a CEO of Baixing.com, effective internal communications and practices play an important role in the company’s achievement. In addition, all staff at Baixing.com utilizes social media, resulting in a 100 percent penetration rate of social media adoption for internal communication.
activities.

2. Literature review

2.1. The use of social media within organizations

Social media has been defined as a group of web-based applications that disseminate information and facilitate interactions between individuals and organizations (Brogan, 2010; Zarella, 2010). They encompass formats such as blogs, social networking sites and content communities. This study focuses on Micro-blogging sites because they are the primary social networking sites in China. Organizations could benefit significantly from using social media internally. It increases reach and richness in communication with employees (Huang, Baptista & Galliers, 2013), motivates employees’ willingness for knowledge sharing and collaboration (Naslund, 2010) and generates positive employees’ choice of voice (Miles & Muuka, 2011). However, MIT Survey 2012 shows that many organizations either not fully utilize social media tools internally or failed to see beneficial results from their internal use (Huy & Shipilov, 2012).

2.2. Social media and internal marketing communications

An effective internal marketing communication is a prerequisite for organizational success (Ruck & Welch, 2012). It has to be a two-way process characterized by dialogue rather than monologue (Chong, 2007). A favorable communication climate requires openness, trust, supportiveness and reliability of information (Lawler, 1989; Smidts et al, 2000). Moreover, the essential factors of a manager’s communication effectiveness comprise of openness, willingness to share information, approachability and trust (Lawler, 1989). Despite of well-recognized literature, scholars have recently criticized that very little research focuses on employees’ communication needs and preferences (e.g. Uusi-Rauva & Nurkka, 2010; Welch & Jackson, 2007). An effective communication climate, according to Hargie and Tourish (2009), requires organizations to provide information and feedback regarding problems reported by employees, employees’ job contributions and performance, and problems posed to organizations.

The increasing use of social media in internal communication indicates its usefulness in dealing with aforementioned challenges through building a favorable communication climate. Miles and Muuka (2011) investigated the impact of social media on employees, showing employees are empowered to voice their satisfaction or dissatisfaction in their workplace in ways that were not possible before. For instance, Coca-Cola used a “Blog-Blast” to engage employees in an open dialogue about a company value (Culhane, 2008). In contrast, Jive Software suffered an irreparable damage by an employee’s blog with an angry tone about a company (Miles & Muuka, 2011). Arguably, a ubiquity of using social media tools in workplace changes the nature of internal communications. This new phenomenon requires researchers to consider how organizations today utilize social media in an effective internal communication, and how it plays an important role in successful implementation of internal marketing strategies.

3. Research questions

Based on the literature on achieving an effective internal marketing communications through utilizing social media tools, the following research questions are designed to guide the study.

RQ1. How does Baixing.com use social media to enhance the organization’s communication climate?
RQ2. How do managers from Baixing.com utilize social media to communicate with employees effectively?
RQ3. What barriers does Baixing.com face in using social media to enhance communication climate and improve manager’s communication effectiveness?

4. Method

Using qualitative research methods, seven in-depth interviews were conducted. Participants are chosen because they all regularly and frequently use social networking sites internally. Qualitative research fits this study as it looks for answers through examining various social settings and individuals who inhabit these settings (Berg, 2009). This study used telephone interview with participants in China. On average, the interviews lasted 25 minutes. Interviews were then transcribed and entered into NVivo. They were then analysed using Strauss and Corbin (1990) stages of open coding and axial coding. Open coding assisted to identify emerging themes and potential categories, and axial coding was used to fit data into categorical themes and identify data that explicate the concept presented in the literature review.

5. Results

5.1. Using social media to enhance communication climate

The discussion from participants reflected strategies adopted by a company in building a positive communication climate. Firstly, releasing information on a firm’s official Micro-blogging site allows employees to be more confident about the information reliability, as online messages must withstand the test from the public. Secondly, participants often have an interactive conversation when the information is interesting or relevant to them. Thirdly, interviewees consistently referred to a sense of pride and motivation through reading an organization’s vision-related messages either on a firm’s Micro-blogging site or an employer’s individual Micro-blogging site.

Besides promoting these vision-related messages, employees are also motivated to work toward an organization’s vision, willing to show their contributions. Finally, to build open and trustful communication atmosphere, Baixing.com encourages employees to have casual and personal interactions on their individuals’ Micro-blogging sites. Interviewees stated they know their colleagues better through online casual communications, by which they found easier to talk and understand his/her behavior in workplace. The successful implementation of social media strategies allows Baixing.com to achieve information reliability, effectively engage their employees, and ultimately build a closer relationship between employees and a company. These results echo the findings suggested by Huy and Shipilov (2012), stressing use of social media to build positive feelings of authenticity, pride, attachment among employees.

5.2. Using social media to improve a manager’s communication effectiveness

Managers discussed strategies that they used in communicating with employees. Firstly, they take a Micro-blogging site as a platform where they can develop open and one-to-many communications. They take outsiders’ and employees’ negative comments or doubts about online messages as opportunities to encourage employees asking directly without concern. Secondly, managers create two-way communications by following subordinates on their personal Micro-blogging sites. Interestingly, participants addressed two types of interactions. Communications about positive issues take place totally online; however, the identification of negative issues is online, normally followed by the preference to solve problematic issues offline.

Thirdly, to increase an employee motivation and satisfaction, managers follow two approaches. The first one is to identify employees’ attitudinal change or problems through the review of their online messages. The second one is to share manager’s knowledge, work
experiences and work-related reflections with employees on their personal Micro-blogging sites. These kinds of messages yield the favourable impact of encouraging employees towards self-improvement and the achievement of higher work performance. Assisted by effective communications accomplished in first three steps, managers finally utilise social media to develop mutual trust with employees. Participants consistently addressed they must be open and showcase who they are on social networking sites; moreover, they should have positive attitudes on admitting their mistakes publicly. An effective use of social media tools allows managers to create transparent and approachable communication atmosphere, identify and deal with problems of subordinates, provide an appropriate feedback, and build trustful relationships. These results are able to respond challenges reported by Truss et al. (2006). It shows many employees complain their manager rarely or never makes them feel their work counts, and only around half of all employees say that their manager usually consults them of on important matters.

5.3. Barriers of using social media in internal marketing communication

One of the primary barriers of using social networking sites within Baixin.com is the issue of confidentiality. All participants indicated their concerns about the posting of messages that are not supposed to be seen by customers or competitors. In addition, the concern of sensitive topics is consistently emphasized by interviewees. It is interesting to note that interviewees distinguish confidential issues from sensitive topics. The formal one is specifically in relation to enhance the company’s communication climate. For instance, participants said they will not talk about pure work-related topics, due to the concern of leaking confidential information. Moreover, sensitive topics refer to communication between managers and employees. For example, participants said that they have to avoid discussing anything that may make their colleagues feel uncomfortable or offended. Participants also mentioned the disadvantages of using social media, including distraction, being time-consuming and inefficiency for problem solving. These drawbacks might be barriers for other organizations.

6. Discussions and conclusions

As using social media tools are becoming ubiquitous, organizations should formulate and implement appropriate strategies and tactics for internal communication purposes. It is evident that participants realize the important role of social media and how it can be harnessed to enhance a company’s communication climate and improve communication effectiveness. Since popular social networking sites, such as Facebook and Twitter, are banned in China, Baixing.com primarily uses a company’s official Micro-blogging site and encourages employees to utilize their personal Micro-blogging to develop internal communications. By implementing appropriate strategies, the results show the success of Baixing.com in employee engagement, employee motivation and satisfaction, and good relationship between the company and employees. Hun (2010) argued social media can facilitate interactive communication based on relationships, mutual trust, willingness of sharing and participation.

The results derived from this study show this argument still holds true in internal communication perspective, which is also consistent with the Greenwald (2010) statement, addressing social media is not only an effective medium to communicate with external customers, but also internal employees. The good practice of using social media by Baixing.com supports Kanter and Fine’s (2010) belief that social media tools might change due to the fast development of technology, but efficient strategy of using these tools sustains. Therefore, it is obvious that social media could only make the maximum contribution to internal marketing communication with organization’s strategic adoption.
In term of participants’ concern regarding confidential issues and sensitive topics, the key reason is the openness and fast information dissemination of social media. It explains why Baixing.com choosing selective information disclosure on social networking sites, which indicates that firms cannot solely rely on social media for internal communication purpose. Thus, combining other communication options such as email or intranet should be taken into consideration. In addition to the primary barriers listed above, other problems of using social media tools include distraction and time consuming. To deal with these challenges, this study recommends organizations develop a social media handbook. To avoid discouragement of its usage by employees, this handbook should serve as guidance rather than regulations. By doing so, the well-designed social media handbook could guide staff and help social media use even further, without being too prescriptive or restrictive in its use.

7. Limitations and future research

Although the findings provide to both literature and managerial contributions, the research is limited in some ways and this needs consideration. First of all, as a case study of one organization – Baixing.com – the results are specific to this organization. However, the case study of this company provides a detailed example of an organization successfully using social media; therefore, their strategies and tactics can be used as a model for other organizations. Secondly, due to the small sample size, this study cannot be generalized to an entire population. The results produced by this study could lead to the development of survey to further explore the relevance in other organizations. Thirdly, the major barriers of using social media that identified in this study are based on Baixing.com who has open organizational culture in nature. Future research should therefore determine additional challenges from organizations without an open organizational culture. Typically, the barriers of using social media suggest organizations need to integrate other internet-related communication tools in achieving an effective internal marketing communications. Therefore, more research should be conducted on the relative merits of different communication media in an internal marketing context, such as email, intranet, internet and social media. In any case, more research needs to shed light on determining the true value of social media in internal communications. Through the example of Baixing.com, both industry professionals and researchers can learn how social media can enhance an organization’s internal marketing communications.
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