

Employee Attitude Towards Organizations Formulating and Implementing Social Media Strategies: A Case Study of Employees of Belgaum Retailers

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Abstract

Social media has emerged as a new tool for marketers to communicate their promotions. Proliferations of computing & communication devices facilitated by affordable internet services have resulted in upward growth of usage of social media by customers in recent years. This has fuelled a great interest amongst the marketers to harness the changing trend. Unlike the past where companies used to provide product/services on the basis of customer needs, today, it has become imperative to include customer in new product development and offering process. This phenomenon is called as customer engagement. Modern customer is tech savvy and is more important compared to the old. Therefore, customer relationship management becomes vital for a company than ever before to succeed in social space. The key to successful organizations in the social media domain is to involve their employees in Social CRM activities to reap higher profits. This research article aims to explore awareness of social media amongst the employees of Belgaum retailers and their attitude towards the same.

Keywords: Social media, SCRM, Customer engagement, Employee attitude.

Introduction

Emerging technologies have redefined the marketing space. They have shortened selling process and identified new platforms like online retailing, social media and many more. Explosion of mobile and computing device usage in both urban and rural India resulted in the astonishing growth of online retailing companies. Social networking sites are also not far behind. They have made inroads into rural India after having a sizeable presence in Urban India. According to Comscore, a research organization, India has the third largest internet users in the world behind China and the United States. Three fourth of total Internet users in India is below 35 years. One fourth of time spent by these netizens is with social media vehicles and another 23 percent on emails. According to Mukul Bafana, founder, Jabong.com, customers are purchasing luxury goods, staples and unique goods in the e-tailing stores. Mr. Amarjeet Batra of OLX has also voiced the same opinion. Marketers unearth the media, i.e. social media to reach their prospects and customers. This trend has attracted not only metro cities, even tier I and tier II cities. It is not the mere presence of a company on social networking sites that bring sales to the company. They have realized the importance of Social CRM (SCRM). Hence, to attract, engage and build relationship with prospects and customer's employees' contribution is must.

Literature Review

Erving Goffman, who has written a groundbreaking book on social psychology proposed that human beings control others impressions of them through performance within spatially defined social establishments (Sánchez Abril). Social media refers to "activities practices and behaviors among communities of people who gather online to share information, Knowledge and opinion using conversational media" (Safko J, Brake). The integration of social media with customer relationship is the need of hour for all the organizations (Arman 2014). With the performance of service personnel often constituting major element of service per se, the customer orientation of

service personnel is regarded as main component for service firms' success (Hening Tharu). Employees' attitudes can have significant impact on the quality of customer service and can influence customers' perceptions of an organization's service quality (Czekajewski, 2003). The success of social media strategies, campaigns and customer relationship depends on the involvement of organized employees (Clayton 2013).

Many organizations asked their employees to build trust among clients, media and the public (Burrus, D 2010). Increase in the use of social media has enhanced the learning capabilities of employees (Puijenbroek, T., Poell). Senior employees in the organization who have experienced the growth of information technology and social media come handy in helping budding entrepreneurs to incorporate social media in their marketing efforts (Bakeman, Melissa Mary, Hanson, Lee, 2012). Smart employees understand the power of social media in building value managing the relationship with customers (Dan Scawbel 2009). The attitude of these employees towards organization plays a vital role in creating better enterprise even in social media era. Employees with empowerment and high job satisfaction tend to have positive attitude towards organization (Sarvar A 2011). Higher job satisfaction of employees lead to higher involvement in customer service (Mushipe 2011). Employee affective component has either positive or negative impact on customer perception of service quality (Czekajewski, 2003). Affective commitment mediates the effect of management commitment to service quality on employee perceived service quality. (He, P., Murmann, S. K., & Perdue, R. R. (2012)). Job Involvement by employee increases their participation further enhancing their attitude (Khan T.I 2011). Encouraging greater job involvement positively influencing work related behaviors of employees (Rotenberry, P. F 2007).

Employee engagement will increase productivity, profitability, turnover and safety (Beverly 2006). Effectively engaged employees will have positive attitude towards organization (Smith 2013). Perceived organizational support is considered a resource capable of positively influencing performance by reducing stressors and encouraging commitment (Byrne Zinta 2008). Employees with high perceived organization support possess better health and resulted positive attitude (Arnold Kara 2012). Employee commitments in the organization directly affect the customer loyalty (Huang 2013). The employee organizational citizenship behavior has impact on organizations having better customer loyalty (Carmen 2004). The proper employee attitude has impact on better customer engagement and further creating a model enterprise (Gonring 2008). Employees with positive attitude are helping organizations to bring customers close to the organizations using social media (Fieg 2007). Social networking with crowd sourcing technology has bought more customers into organizations due to better effort of employees (Bennet 2010).

Constructs	Description of concept.	Sources
1. Job satisfaction	Employees with empowerment and high job satisfaction tend to have positive attitude towards organization	Sarvar A 2011 Mushipe 2011
2. Job Involvement	Job Involvement by employee increase their participation further enhancing their attitude	Khan T.I 2011 Rotenberry, P. F 2007
3. Psychological empowerment	Empowerment of employees increase organization commitment	Sarvar A 2011

4. Affective component	Affective commitment mediates the effect of management commitment to service quality on employee perceived service quality	He, P., Murmann, S. K., & Perdue, R. R.(2012.Czekajewski, 2003
5. Employee engagement	Employee engagement will increase productivity, profitability, turnover and safety	Beverly2006 Smitha 2013
6. Organization support	Perceivedorganizational supportis considered a resource capable of positively influencing performance by reducing stressors and encouraging commitment	Byrne Zinta 2008
7. Customer loyalty	The employee organizational citizenship behavior has impact on organizations having better customer loyalty	Carmen 2004
8. Customer engagement	The proper employee attitude has impact on better customer engagement and further creating a model enterprise value	Gonring 2008
9. Customer networking	social networking with crowd sourcing technology has bought more customer into organization due to better effort of employees	Bennet 2010

About Belgaum

Belgaum is a city and a municipal corporation in Belgaum district in the state of Karnataka, India. It is the fourth largest city in the state of Karnataka, after Bengaluru, Hubli-Dharwad, and Mysore. Belgaum is the commercial hub and divisional headquarters of North Karnataka, ranking second to Bangalore in the state in terms of overall exports (mainly related to the automotive industry). Known as the "Bread Basket /Rice Bowl" of North Karnataka. It is an important source of vegetables, fruits, meat, poultry, fish, mining production, and wood (due to heavy rainfall, rivers and the abundance of water). Belgaum is a major producer of milk in the state, almost 1/3 or 30% of the state's production, and has the highest number of sugar factories; Belgaum, home to Ugar Sugar Works in Ugar, Renuka Sugars, and other large scale sugar factories, is also known as the Sugar Bowl of Karnataka. It houses of prominent aluminum producing factory Hindalco Industries of Aditya Birla Group. Belgaum is having a foundry cluster, with about 200 foundry units producing more than 70,000 tons of automotive and industrial castings of ferrous base.

Research Methodology

Descriptive research with longitudinal studies is framed as research design. A pilot study was conducted to get the insights about the market and identify parameters. Focus group discussion was conducted to get qualitative inputs for the research. A sample frame of retailers was collected from the Belgaum Municipality. These retailers' list was cross validated on the basis of their presence on five major social networking sites namely Facebook, Twitter, YouTube, LinkedIn and Google +. We have used 10% rule (Tull & Hawkins) for determining sample size. Out of 350 retailers who have presence on social media we have selected 35 retailers for further research. Survey method is used to collect primary data. Personal interview with questionnaire instrument aided us to collect data from the market. Employees who don't access internet through any medium were not considered for the survey. This research was conducted in Belgaum city in Karnataka state, India from 1st July to 31st August 2013. A random sampling method is used to collect the data. The data collected was analyzed using chi square and Z test depending upon the type of measurement with the help of SPSS. Employee's incomplete responses are treated as missing frequencies in the research.

Results and Discussions

- **Pertaining to the hypothesis stating, Employees of organizations, having presence on Social Media have a high job satisfaction.**

It is an encouraging sign for the retailers having presence on social media to know from the research that, presence of organizations on social media results in higher job satisfaction, the reason for satisfaction can be attributed to the feeling of job security as expressed by the respondents, hence hypothesis can be accepted at 95% confidence level, the findings can be further justified by the following Test Results ($M=3.00, s=1.847,$) and $Z(35) = .000, p<0,$ (Refer Table 1).

- **Pertaining to the hypothesis stating, Social Media presence results in higher job involvement.**

Research finding indicates that results are in favor of retailers having presence on social media, result says social media presence results in higher job involvement as evident through their acts of posting on social media about the firm, solving customer problems, involving customer for generating new ideas (customer engagement), helping customers select products & promoting the store image and products, hence hypothesis can be accepted at 95% confidence level, the findings can be further justified by the following Test Results ($M=3.34, s=1.734, M=3.26, s=1.651, M=3.43, s=1.754, M=3.37, s=1.750, M=3.20, s=1.812$) and $Z(35)=1.172, .921, 1.446, 1.255, .653 p<0.5.$ (Refer Table 2).

- **Pertaining to the hypothesis stating , Affective component of employees towards the organization is enhanced due to Social Media**

Result of the research is of the opinion that affective component of employees towards the organizations is

enhanced due to the presence of the social media as it is evident through the feeling of security and pride as felt by the employees. Hence the hypothesis can be accepted at 95% confidence level, the findings can be further justified by the following Test Results ($M=3.00, s=1.847, M=2.49, s=1.358$) and $Z(35)=-2.240, p<0.5$. (Refer Table 3).

- **Pertaining to the hypothesis stating, Perceived organization support (POS) by employer increases the contribution by employee on social media.**

Research findings reveal an interesting fact that employees of retailers having social media presence and showed their contribution in solving customer problems, promoting store and brand image on social media owing to the support given by the employer. Hence the hypothesis can be accepted at 95% confidence level, the findings can be further justified by the following Test Results, ($M=3.34, s=1.731$) and $Z(35)=-1.172, p<0.5$. (Refer Table 3).

- **Pertaining to the survey about organizational support by allowing employees to post brand related information on social media. It is encouraging to know that, 54.5% of the respondents agree to it, this is a contemporary way of promoting products and services, to catch up digital era, more such measures should be in place to uplift the agreeable percentage to higher levels from the current.**
- **Pertaining to the hypothesis stating, Employee engagement results in identifying new customers.**

Research results reveal that employees have failed to find new customers in spite of their engagement with organizations having a presence on social media, research says employee engagement does not result in identifying the new customers, hence the hypothesis is rejected at the 95 % confidence level because Z test value being more than the acceptable range of 2.462 (a table value) Interpretation is justified by the following test results $M=3.74, s=1.686$) and $Z(35) = 2.606, p<0.5$. (Refer Table 4).

Conclusion

The above analysis depicts that technology plays a crucial role in shaping positive attitudes among the employees. Employees who are involved in the job and having positive attitude towards organization and customer helped customer build loyalty and thus improving enterprise value. If the right psychological empowerment is provided in the organization for employee, their involvement in the job and satisfaction towards the job will escalate. It is evident from the research that, positive employee attitude creates "**word of mouth**" communication helps prospecting and converting them into customers in future. As social media is at nascent stage in the Tier III cities like Belgaum, employee contribution may not be significant, but their involvement in retailers' social media activities is remarkable. Many retailers allowed employee to glance at their forums, blogs and social networking sites. Further they have to repose more confidence in employees for providing information about products and handling issues over social media. Employee training on social customer engagement and retention, real-time customer service and analytics needs to be provided. The informal conversations with employees reveal that many of them do not reveal their social presence. Organizations should encourage both professional and personal social media presence of employees. There is further scope for research to identify employees' attitude and its impact on enterprise value using the social media.

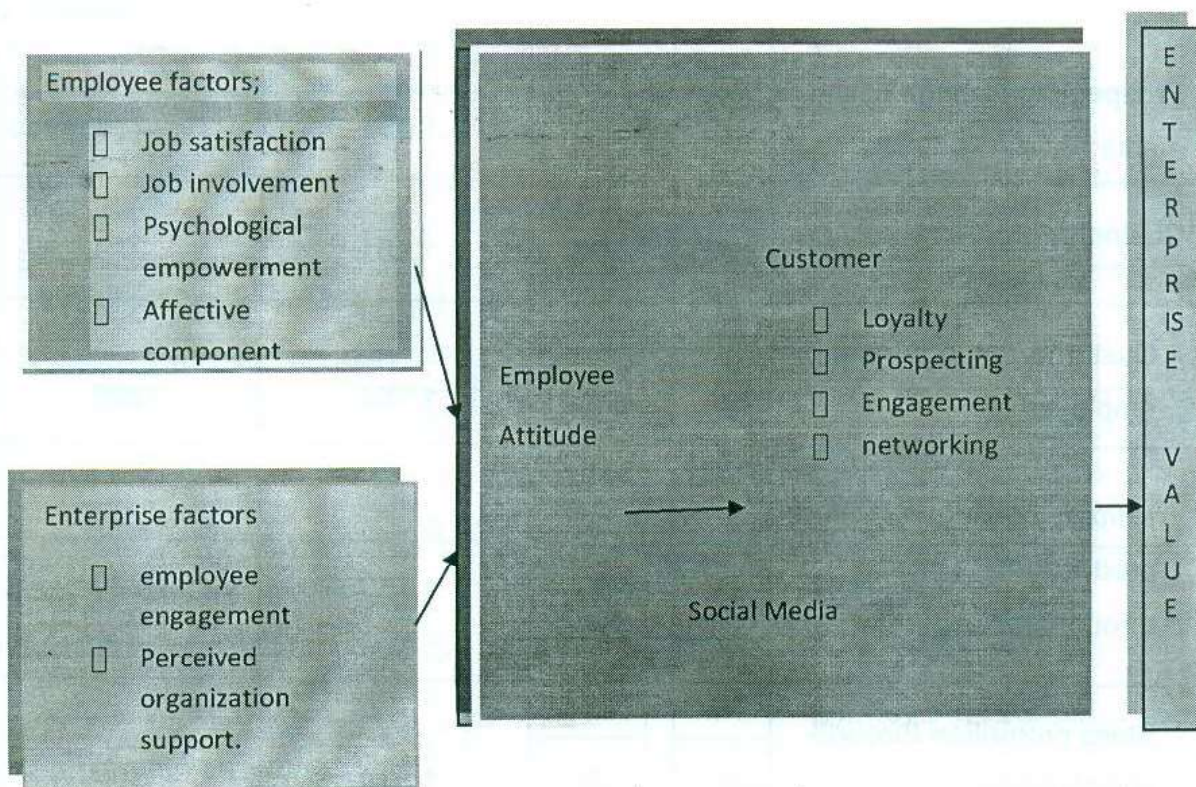
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Diagram 1. Conceptual model for employee attitude towards organizations formulating and implementing”



(A model derived from the Organization Behavior text written by Stephen Robbins, Timothy. A. Judge, Seema Sanghi 12e, PHI)

Table 1. Higher job satisfaction

	N	Mean	Std. Deviation	Std. Error Mean
Posting store related information to a friend	35	3.34	1.731	.293
Prospecting through social media	35	3.74	1.686	.285
Customer problems solving	35	3.26	1.651	.279
Customer engagement by employee	35	3.43	1.754	.296
Helping consumers select products through social media	35	3.37	1.750	.296
Store promotion through social media	35	3.20	1.812	.306
Job security	35	3.00	1.847	.312

Table 2. Higher job involvement

	Z	df	Sig.	Test Value = 3		
				Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Posting store related information to a friend	1. 17 2	34	.249	.343	-.25	.94
Identifying new customers through social media	2. 60 6	34	.013	.743	.16	1.32
Customer problems solving	.9 21	34	.363	.257	-.31	.82
Customer engagement by employee	1. 44 6	34	.157	.429	-.17	1.03
Helping consumers select products through social media	1. 25 5	34	.218	.371	-.23	.97
Store promotion through social media	.6 53	34	.518	.200	-.42	.82
Job security	.0 00	34	1.000	.000	-.63	.63

Table 3. Affective component and perceived organization support

	N	Mean	Std. Deviation	Std. Error Mean
Employee's Feeling About Company Presence On Social Media	35	2.49	1.358	.230

Table 4. Identifying new customers

	Test Value = 3					
	Z	df	Sig.	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Employee engagement results in identifying new customers	-2.240	34	.032	-.514	-.98	-.05