

# Facebook usage among Indian businesses: A website content analysis

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## ARTICLE DETAILS

### Article History

Published Online: 24 May 2018

### Keywords

Communication, Stakeholders,  
Facebook, Social media, Companies

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## ABSTRACT

The revolution of technologies in the era of internet has led to the new ways in which the companies communicate with their stakeholders. Facebook is the popular type of social media which is used by companies in these days as it promotes two-way communication. This study attempts to investigate the facebook usage among Indian business organization by using web content analysis method. A total of 50 business organizations were investigated and it was found that only 41 of them have their facebook page. Finally the purpose of facebook usage was examined based on the exposure, sharing and involvement framework and it was found that there are a higher percentage of organizations that use the facebook for sharing with stakeholders than the other two.

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## 1. Introduction

Social media includes various social networking sites such as Facebook, Twitter, YouTube, etc. Nowadays organizations are starting to use social media as a tool to develop and maintain relationships, with customers (Greenberg, 2010; men and Tsai, 2011) for word of mouth marketing (Kozinets et al, 2010) for customer to customer communication (Kozinets et al, 2010; Ryvalko and seltzer, 2010) for innovation co-creation (Sawhney et al, 2005) to advance their organization's mission and programs (Waters et al, 2009) and for branding (Smith et al, 2012). Organizations start to integrating social data into their existing customer databases and make it a part of customer relationship management. The process of building relationships with stakeholders is also known as relationship marketing (Solomon, 2002; Kim and rader,2010). Facebook is nowadays a popular site with more functionality for marketing among social networking sites. Social networks are away of promoting and sharing thoughts and images with other people having different locations facebook stands out for this purpose. Facebook pages provide a way for organizations to share news and company information (Porter, 2010). Stakeholders have shifted from visiting organizations websites to visiting facebook pages (Haigh & Brubaker, 2012).

In one platform there are different tools of communication, specifically e-mail, messages in several formats (text, audio and image) in real time and simultaneously for all the connections, centralizing the communication with all people connected to profile (Miller, 2011). According to Aguada(2012), facebook is a part of "the Post-PC era" that illustrates the orientation of the computer science of consumption towards smaller, fast and polyvalent devices with usage that is based in the ubiquitous availability of content and communication. The axis is the user and his digital identity, especially the contents, applications and behaviours that flow between synchronized devices (smart phones, tablets, laptops, TV, systems integrated to vehicle) whose principal source of value in the new environment is the systematic exploration of the digital profile of the user who links the devices, the service and the user.

The growing usage of social media has provided opportunities for the organizations to increase their value (Malhotra & Singh 2014). The use of social network sites has increased tremendously. This growing usage of social networking sites enables the corporate world to utilize the value of social media as a marketing tool and can manage their corporate image efficiently. As per the estimates of IBM the numbers of companies that use social media to interact with customers will more than triple during 2015-2018 (Malhotra & Singh) companies are using social networking sites in almost all the fields. Companies use facebook, twitter, instagram and other social networking sites to interact with their current and potential customers. Since social media provide so many basic advantages to companies worldwide it is worthwhile to find out do Indian businesses use facebook to conduct their business ?Then to see for what purpose they are using facebook page of the companies. The analysis for the study was conducted using the content analysis approach. For this purpose exposure, sharing and involvement framework was used as a basis for analysis. It's reveled that the main uses of social media by businesses is to sharing companies' information and product and services offered and to communicate with customers. (Men and Tsai, 2011) The study proceeds by reviewing the relevant literature followed by methodology used. Subsequently, the results and analysis of the findings are presented and the study concludes with future research and some limitations.

## 2. Literature Review

**Bhanot (2012-A)** Conducted a study to investigate how Social media has helped Indian companies to enhance their brand image and to reach out in a better way to their customers. The study was based on primary data. The Descriptive statistics and Chi square test were used to analyze data. Results of the study indicated that social media has helped companies to reach out to more customers and to satisfy their needs better. Further companies saw an enhancement in their brand awareness and brand image by use of social media.

**Haigh et al. (2012)** examined the content of 'for-profit organizations' facebook pages and how the communication strategies impact stakeholders' perceptions of the organization-

public relationships, corporate social responsibility, attitude and purchase intent. They used Content analysis to achieve these objectives. Results revealed that for-profit organization discuss programs/services, achievements and awards on their facebook pages. The main communication strategies employed on facebook is corporate ability. It is also indicated with interactive with facebook pages bolsters stakeholder' perceptions of the organization-public relationship corporate social responsibility and purchase intent. The organization used a corporate social responsibility communication strategy had the most success bolstering these variables.

**Bhanot (2012)** analyzed the use of social media for companies in their business processes that will transform the relationships with customers. The study was based on secondary data. The result of the study indicates that the increasing number of Indian companies is using social media as an effective business tool. Most of the companies in India are already applying it and prove to be an effective business too. 83% of firms in India believe that Companies success cannot be imagined without it. 64% of the Indians agreed that social media is the best way to connect with customers. The study revealed that 9% of the Indian Co. devote their 20% marketing budget for these activities. It also emphasized that 52% of the Indian companies increasing their customer base with the help of social media.

**Parveen et al. (2013)** conducted the study to analyze whether business use social media in their daily business and to identify which social media channels do they use. Content analysis was used. It was depicted that Malaysian organizations use social media but the percentage is still relatively low. Secondly Facebook was the most popular social media used. For the level of usage, the disclosure, information dissemination and interactivity and involvement was used.

**Correia et al. (2013)** Surveyed to learn about the contribution of facebook as a marketing tool for companies. The study was based on secondary data. It was depicted that organizations should consider social network and mobile technology as a new way of expanding the business. The social aspects are a part of the experience in the facebook community and also the shopping experience. It is important to monitor these behaviors in facebook for long periods to perceive user's behaviors. The study of the behavior helped the companies to transform their fans into loyal customers.

**Tsimonis and Dimitriadis (2013)** examined the reason for creating brand pages in social media. They used Qualitative exploratory methology for this purpose. The findings revealed that firms are making price competition, announcing new product/services, interacting with fans, providing advice and useful information and handling customer's issues.

**Schivinski and Dabrowski (2014)** identified the effects of firm-created and user-generated social media brand communication on the matrix of consumer based brand equity. The study examined the impact of social media on the consumer waste brand equity across non-alcoholic beverages, clothing and mobile networks provider industry. Structural equation modeling technique (SEM) and critical ratio difference

was used for data analysis. The results indicated that consumers of non-alcoholic beverages brands are stimulated by social media brand communication from both firms & peers. Firm- created social media brand communication generate brand awareness. However it was further reported that in the clothing industry social media brand communication had no impact on CBBE metrics. Further positive impact on brand awareness was found for mobile network provider industry. The results also concluded that user generated social media brand communication influenced both brand loyalty & perceived quality.

**Ainin et al. (2014)** investigated the factors influenced Facebook usage among small and medium enterprises. It further examined the impact of facebook usage on financial and non-financial performance of SME. Integrated model, Partial Least Square (PLS) method was used. The results revealed the positive impact of facebook usage and financial performance of SME. It was further found that it positively impact the nonfinancial performance of SME in terms of cost reduction on marketing and customer service.

**Malhotra and Singh (2015)** examined the impact of Facebook usage on the financial performance of banks in India. Univariate analysis and ols regression tools of research methodology were used. It was found that facebook user banks are more profitable as compare to non user of facebook. Further it revealed no significant association between use of facebook pages and their financial performance.

### 3. Objectives of the study

- To analyze whether Indian businesses use facebook in their business
- To identify the purpose and level of usages of facebook page by Indian companies

### 4. Research Methodology

This study has been confined to top 50 companies that are included in BSE 200Index for the year2017.Web content analysis was used to gather data from Indian business organizations website and their facebook pages. Listed below are contents of facebook page which are used for purpose of uses.

- **Exposure:** For this strategy the contents of facebook that are used are history, mission, URL to website and logo of the company are considered.
- **Sharing:** For this strategy photos posted by company, video, posted items and press release contents of facebook are used for analysis.
- **Involvement:** Under this strategy company's mail id, phone no., events and sharing one's reviews are considered for analysis.

Web content analysis was used to gather data from Indian business organisation's website and their facebook pages. The analysis was carried out in different steps .The first step involves collecting the list of Indian business organizations. The main source was BSE-200index listed companies. After getting the list of companies the second step was to identify whether

the organization has facebook page. For this purpose website homepage of every organization were searched and screened. Each of the organisation home page were screened for the facebook .The presences of facebook was identified from their symbol or tagline "find us on facebook". For the purpose of analysis a table was constructed in the Microsoft excel worksheet with the following headings: name of the organization, facebook, history, mission, url to website, logo, photo, video, post editors, press release, mail id, phone, events and sharing ones review. Data is entered in the excel sheet if the organization has any of these contents on their facebook page. it is coded as1 otherwise as 0.subsequently, the frequencies and percentages were calculated to identify the purpose of using facebook by business organizations.

## 5. Finding and Results

After collecting the list of business organizations, their websites were browsed to search for their social media presence. A total of 50 business organisation's websites were browsed. it was found that 41business organization has presence on facebook. After it the organizations' uses of exposure, sharing and involvement strategies were investigated appeared on the corporate pages on facebook. It was found that the frequencies of certain strategies were higher than the other. Under the exposure strategies logo, URL to websites and

history of the organization were commonly used by most of the organization. Merely 97% of the organization had the company logo on their facebook page. About 94% of the organization had the URL to their corporate websites and about 93% of the organization had the history about the organization. In terms of the mission statement about 48% of the organization included the mission statement in the facebook page.

Next the sharing strategies was examine and it was found that most of the organizations share photos and posts on the page. Merely 97% of the organization had posted photos and 96% of the organization posted items on the page followed by 95% of the organization shares videos. About 73% of the post press release on the corporate facebook page. Therefore it can be concluded that most organizations sharing information via photos or items which are the easiest way to sharing information.

With respect to involvement strategies it was found that 73% companies provide their mail id's on the facebook page of the organization. Merely 65% companies had their phone numbers on their official facebook page. Apart from these about 56% of the organizations had display calendar of future events in their pages and only 48% of the organization sharing to once review.

**Table-1 Strategies used by organizations**

Exposure	Percentage	Sharing information	Percentage	Involvement	Percentage
History	93	Photos posted	97	Company email id	73
Mission	48	Video files	95	Telephone	65
URL to websites	94	Posted items	96	Calendar of future events	56
Logo	95	Press release	73	Sharing to own reviews	48
Average	82.5	Average	90.25	Average	60.5

Based on the results above it can be seen that in general (Table1), the sharing strategies (90%) are widely used by organizations in India followed by exposure (82%). Finally only an average of 60% of the organizations use the involvement strategy which is less compared to the other strategies.

## 6. Conclusion

Not many studies have been conducted on organizational usage of facebook in India. Thus this study contributes to the field of knowledge in Indian context. Despite of the growing importance of facebook for business purpose in India the organizational usage of facebook is still in its growing stage. Furthermore the results shows that most of the organizations that have a facebook page still have not completely disclosed more information about their organization to public as these organizations might not realize the complete benefit from facebook usage. Its usage helps to reach new customers

interactive communication. Therefore efforts must be taken to increase the awareness about the benefits of facebook. Proper staff should be employed by the organizations to monitor the functions of facebook and update the page in a smart and timely manner.

This study also has certain limitations. Firstly research method used in the study is content analysis which provides only overview of the facebook usage but to investigate in detail future studies should used other methods to get complete insight of the facebook usage and its impact on organizational performance. Secondly this study does not take into consideration the size of the organization. Future studies might investigate the differences between the usage of facebook among large medium and small organizations.

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