Chapter 78

Management and Marketing Practices of Social Media Firms

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ABSTRACT

This paper examines the key variances in application and strategy between different social media management strategies and its effective marketing. Social media firms have shown a great ability to control the stages in their product life cycles. These practices lead to managers in these firms overachieving on their respective KPIs and garnering industry attention. An analysis of social media management firms practice shows that high participatory decisions and intellectual and manual skills contributed to these organizations' successes. Other factors like introducing the 'Like' button and various innovations are observed to have improved consumers' attitudes towards the social media brand. Customer engagement and content enrichment are proven to be driving forces in how online consumers perceive the social media brand. Consumers are demonstrated to be the main means of continuous sustainability and growth.

INTRODUCTION

Management Theory and Practice Related to Social Media Firm

It is without a doubt that social media practices and content have taken the world by storm (Pan & Crotts, 2012). With the inception of social media, consumers are responding to its call by engaging in social network sites. Online customers are also taking part in microblogging, as well as indulging in the download of applications that can be used in their social lives by enhancement of sharing activities (Andzulis, Panagopoulos, & Rapp, 2012). The most interesting bit as presented by Divol, Edelman, and Sarrazin (2012) is that if Facebook users, a leading social networking site, constituted a country, they would, in fact, be considered to rank as the third in the number of "citizens" after the populous China and India. Application of social media in a vast number of sectors seems to be taking effect.

A majority of businesses are incorporating the social media tools in their marketing strategies among many other activities that the media is applied. Social media takes note of mobile and technology that

is web-based, to come up with platforms that are very interactive (Zhangand & Sarvary, 2011). Social media has generated what can be said to be a new communication landscape. The development of this communication landscape began many years back. Currently, the social media ecology constitutes a diverse pool of sites. These sites are different regarding their functionality, scope and focus (Kietzmann et al., 2011).

A recap of the functionality and focus of some of the social media sites is that some are meant for the general public, some are more of professional networking purposes, some are meant for sharing with a bias to photos and videos. For these social media firms to thrive as quite some of them have been noted to, certain theoretical models and frameworks are in place to ensure that they are properly managed (Kietzmann et al., 2011). It is critical to note that theorists have for a long time tried to identify the most suitable management tool when it comes to dealing with people. The theories in management that have been determined by the said theorists, as mentioned by Business.com (2014), are aimed at bringing out the best of the personnel in organizations. Managers may incorporate bits of the management theories that are in place; however, understanding of the application of the said theories is critical.

Social media is a very powerful tool and its management ought to be powerful as well. Management theories are aimed at enhancing the quality of the product and services that organizations offer as well as increasing the productivity of the said organizations as noted by Hawthorne (n. d.).One management theory that applies to the management of social media firms is the Y theory. This Management Theory is also referred to as the Human resources management theory. The factors that are attributed to this theory include the fact that people have the desire to work and that they have some sense of responsibilities and objectives that ought to meet. The theory further holds that these people would want to acquire success in what they do when they are aware of their place in the organizational structure (Dininni, 2011).

The theory Y is at times considered to be a motivational theory as noted by Dininni (2011). The theory views individuals as being independent and is quite the opposite from theory X which employs the rules of autocracy in the management of the organization. The application of theory Y managers, to their subjects promotes the active participation of other staff (See Figure 1 in the Appendix for the differences between theory X and Y). According to Lowe and Brown (2016), when looking at this kind of management theory, certain factors come in handy for managers to understand and which they ought to embrace in their day to day management activities. These factors include knowledge of intellectual perspectives, manual skills, and the interaction of the social aspects as well as skills in problem-solving. It is the embrace of such like factors, by the managers of social media firms that are attributed to the growth which is noted in these companies.

Social media companies that apply the above practices are bound to achieve outstanding performances not only for the company but at a personal level, as depicted by Lowe and Brown (2016). Management that is deemed to be participative is considered to be the best option for social media companies. This is critical when making participatory decisions that are aimed for the benefit of the company, especially with the incorporation of input from the competent task force who were molded by the effective leadership present in the respective company.

Identification of the components of theory Y is important, especially for the understanding of its application in the organizational setting, in this case, social media firms. According to Friesen (2014), some pointers are crucial to understanding the application of theory Y. Having a vision is critical where expectations for the future are noted. In this component, strategic planning may be applied in the bid to realize the vision of the company. Leadership that is effective is paramount where in this case; reduction

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