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Application of Social Media to Organisation Branding in Nigeria

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Abstract

This paper looks at the application of social media to organization branding. The business environment is speedily becoming highly competitive; it takes good corporate identity which makes a brand conspicuous in the minds of the customers, for an organization to have a good portion of the market share. This is a function of consistent, well circulated effective communication readily being offered by social media. Using two companies from the Nigerian insurance sector, survey was adopted for this study. Findings revealed these organizations, like many others, do not make use of social media as constant means of communication with their clients and potential clients. The study, therefore, recommends that corporate organizations should concentrate on their branding campaigns through the social media, which have robust audience base.

Keywords: Social media; Communication; Buzz stream; WhatsApp

Introduction

In consumer marketing, brands often provide the primary points of differentiation between competitive offerings and, as such, they can be critical to the success of companies. This success of a product, services, individual, business or organization is based on being perceived as unique [1,2]. As markets become more competitive and clients become more demanding, organizations must work harder to secure their fundamental relationship. As a result, every organization is creating a niche for itself in the mind of its customers and, this has positively differentiated them from the rest of the players in the particular market or segment of the market.

Effective branding creates a perception that there is no other product, service or organization quite like your organization and whether the distinction is as a result of function, form, ease of use, price or prestige, the customers believe you offer something exceptional. As competition increases, communication develops [3]. It is not just to communicate but choosing the right media to say what you have to say as customers become increasingly smart, sophisticated and hard to please. According [4], the consumers have taken control of your brand's position in the marketplace. In other words, consumers have as much control over your brand's perception as you do. By nurturing your relationship with them, you can create brand advocates who will do the selling for you.

However, competition in the global business environment is tough and achieving a unique position as well as competitive advantage is becoming more and more difficult and expensive. With milestone advances in the technological and global marketplaces, many organizations are rethinking their tried- and-time branding strategies [5]. Thus, there is the need to look at new ways to reach the target customers. This has made the world of social media an option worth exploring for 21st century businesses.

On the social media are many services. A brand manager can choose to interact with the customers, influence their opinion, correct any negative impression and get customers' input in order to constantly have unique offerings in the marketplace. These social media include Facebook, LinkedIn, YouTube, WhatsApp, Twitter, Flickr, among others. What is so appealing about social media is the power to reach, not just one customer at a time, but a huge number of people who are customers and potential customers. According to Paul May, founder and CEO, Buzz stream, new market winners will be the companies that excel at identifying and engaging their customers' influencers across the social web. Following this realization, a growing number of companies are now using social media sites to complement their marketing, customer service and communication strategies. However, the publics, which are the customers and prospects of insurance companies in Nigeria, have little or no knowledge of the activities, policies about the organization and their products, hence the customers perceive them as being dubious when it comes to claim compensation. This perception may mar the reputation of the organization if spread as alludes that in the new age of social media, a customer has the tools to tell ten millions [6].

The focus of the paper is to examine how Insurance companies use social media to brand their organizations in Nigeria, using Mutual Benefit Assurance Plc and Niger Insurance Plc.

Statement of the Problem

There is increasing quest by corporate organizations to carve out a winning image and personality for themselves in a highly competitive business environment. However, the publics of these organizations appear to have negative perception about them. They also do not understand the activities and policies of these organizations. In the era of 21st century business, not many organizations, especially insurance companies in Nigeria, appear to explore the great potentials that social media hold to succeed in making the desired impression on customers with their brands' names. This paper examines how social media can be applied to brand organizations, especially in the Insurance subsector of the Nigerian economy, using Mutual Benefit Assurance and Niger Insurance as case study.

Methodology

Survey design was chosen as the research method to obtain data

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about the practices, situations and views of the respondents. Also, the paper employed questionnaire and interview guide as research instruments; both open and closed-ended questions were used. Structured interview were also conducted with the regional managers of Niger Insurance Plc and Mutual Benefit Assurance Plc. One hundred copies of questionnaire were administered to one hundred respondents who are or had been customers of either of the two insurance companies. These respondents were chosen by purposive sampling.

Literature Review

Concept of marketing

The purpose of Marketing is to sell more stuff to more people, more often for more money in order to make more profit [7]. This has been the focus of organization when marketing their products; to make profit. However, [8] opined that marketing should be seen from the point of view of the final result, that is, from the customers' point of view. The customers' point of view will consequently determine or influence how the organizations package their products and their communication.

Marketing communication

Marketing communication provides the means by which brands and organizations are presented to their audience. Its aim is to influence the target market so that customers feel enthusiastic about what the organizations offer, without which potential buyers may never hear about the products and services, and may result in missed sales opportunities and profits [9,10]. Therefore, organizations use variety of marketing communications to promote the company, their products and their services. Among these marketing communications are branding, Advertising, Public Relations and Social Media.

Branding

Branding differentiates products and makes the products easily identifiable. It allows users (customers) to form their opinion and preference for the product [11]. In other words, branding is your image seen from outside [2] says, 'it is who you are–your strength, integrity and reputation. 'This image is the sum total of the customers' experiences and perception. So, to succeed in branding, it is important to understand the needs and wants of the customers and prospects in order to communicate with them from their point of view, hence the use of social media to identify prospects, and communicate with customers.

Social media

Social media is a new set of communication and collaboration tools that enable many types of interactions that were previously not available to the common person [12]. Social media marketing seeks to engage customers in the online social locations where they normally spend time.

According to Evans [13]:

The use of social media very often begins in the marketing, public communication, or a similar office or department with a direct connection to customers and stakeholders. This makes sense, given that a typical driver for getting involved with social media is slew of negative comments, a need for "virality" or boost to overall awareness in the marketplace and especially in the minds and hearts of those customers increasingly out of reach of interruptive(aka traditional) media. This has helped the contemporary marketers who focus their energy on how people engage with their brands online as against the usual practice of the traditional marketers who focused their energy on what people thought about brands.

Social media is about communicating across a wide variety of channels for a sustained period of time. It is not just for young people. It is for everybody [12,14,15].

Perception of publics about insurance policy in Nigeria

The general perception of an average Nigerian is that the insurance companies are quick to collect premiums but slow to settle claims. They are also accused of unethical behaviour such as non-payment of claims, a situation which has created an image problem for the insurance business [16]. Stephen Jagun, a former IFMA president, in an interview in Vanguard Newspaper said:

Insurance marketers are always desperate and sweet-tongue you into taking policy with them but will not explain some of the hidden clauses in the policy…….it is only when problems occur that they will start to explain the hidden clauses…

Some customers see insurance as additional form of taxation, and others claim not to have confidence in its policies. Although the chairman of Nigerian Insurers Association (NIA), MrOlusolaLadipo-Ajayi, claimed that insurers now pay claims [17] stated that the insurance industry has failed to sensitize the public on the indispensability of insurance in the modern business environment.

Social media has emerged as a major background-check tool for employers and nearly 68 per cent of them decide against hiring a person after finding negative details about the candidates, a survey has found. According to a survey by job site Career Builder India , as many as 59 per cent employers are currently using social media to research on job candidates, while another 33 per cent are planning to access the platform soon.

How insurance organizations can brand with social media

Insurance organizations can use conversations on social media platforms to shape market strategies in order to correct the negative perception about their companies, address any grievances of the customers, and communicate directly with both existing and potential customers. Some of the ways in which insurance organizations can use social media to brand are listed below.

Creation of awareness: This can be done through Facebook, LinkedIn and Wireality. LinkedIn is regarded as the largest corporately focused professional networking site in the world [18]. The Punch claimed that over 200 million users are on this site, while Wireality is described as a leading online forum about branding and identity. So, the insurance companies can easily connect with their publics on the site to create awareness about the types of policies they have, how the policies can be got and explain every clause that is involved in which the customers and prospects are wary of as customers use the site to compare price and research about insurance products that benefit them. Also, the organizations should carefully craft their communications with the marketplace to consistently reflect their organizational values [19].

Customer service relationship: Customers demand more and more from business. They are sophisticated shoppers and if they are not happy with your insurance products or renewal prices, they use social media to share their opinion. They want information on demand at any time and by the method that best suits them. Often,

they will initiate a demand for information-not just passively receive communications sent to them GMC (2012). When prospects grow to "know, like, and trust" a company, through interacting with their representatives on social networking sites, they are much more likely to do business with that company [20]. Companies can set up blogs to communicate product development information and gather comments from consumers; companies can also engage their customers on Twitter and give them the opportunity to express their opinion on a product/service [21].

Referrals: Social media make it easier for people to find information from people we trust. As marketers bombard the target market with more advertisements every day, consumers are unsure about whom to believe. Social media help us to filter the high volume of information because we trust the experience sand reviews of friends or like-minded individuals [15] Supporting this view [22], say that people do not want to hear from companies anymore, they would rather hear from the other people. They ask questions, through social media, to their connections and friends, seeking advice on things like the best car insurance company, or where to get the best deal. To this effect [23], opine that companies should create Twitter and Facebook, blogs profiles in order to respond to the requests of their customers. He alludes that it can be done through brand by brand so that the potential customers will not see it as hard sell.

Comment and suggestion/Feedback: As a result of an actual experience or interaction with your brand, product or service, your customers have specific information about your business processes and probably an idea or two on how your business might serve them better in the future [24]. This information can only be disclosed if these customers feel they are connected to the organization [25] says 'It is well-established that people feel more connected with a company when they have direct communication on an ongoing basis and opportunities to express their opinions'[25] calls this 'output' of the customers. This ongoing communication usually takes place more often on Facebook, Twitter, blog, LinkedIn and Wireality.

Correction of negative impression: Social networking sites offer a business that no other form of public interface does: the ability to monitor public perception of its brand, products, and services in real time. As an accompanying result, companies also have the opportunity to provide a quick and effective response, if there is any negative perception through social media's worldwide interconnected platforms [15,20] opine that Facebook and Twitter could be used for this purpose whereas [24] as well as [26] add Podcasting-a way for small and large organizations to broadcast their thoughts, comments, or perspectives on a wide variety of topics and Flickr.

Ideas for products and service innovation: Based on the customer relationship that may have been established, customers continually broadcast their live events within social media. This is usually an opportunity to share information regar ding their needs and wants.

Theoretical Development

Have developed a classification scheme for social media source: The dimension social presence/media richness stems from media research. Social presence refers to the intimacy and immediacy of a medium, where higher social presence implies a larger influence communication partners have on each other's behaviour, while media richness means the amount of information transmitted in a given time period [27]. The second dimension is that of self-presentation/self-disclosure, which social processes are. Self-presentation refers to people's desire to present them and control others' impressions of them, while self-disclosure is "the conscious or unconscious revelation of personal information" [27] (Table 1).

Findings

The customers of the two insurance companies claimed that they have been contacting their insurance companies through written letters like memos, telephone calls and face-to-face. Even when they have claims, they would have to write letters to that effect. This was corroborated by the Manager of Mutual Benefit when she was asked how they contact their customers; she stated telephone calls, email, letters and official visit while the Manager, Niger Insurance, said through direct marketing, Insurance Brokers, agent (marketing). This shows that there is very low media richness; therefore, customers are not engaged by these companies and so, these companies will be losing customers and potential customers.

It can be inferred that since there is very low media richness, there will be little or no revelation of personal information about the customers as [27] disclosed in their theory. This little or no revelation of personal information about the customers may result in customers hiding facts which may be germane to the insurance companies while carrying out their activities, especially during claim settlement. When the two managers were asked about how they get feedback from their customers, Mutual Benefit listed email, official visit, telephone and letters, while Niger Insurance listed email and Face book. However, the customers said they are not aware of any social media employed by these companies. It can, therefore, be stated that these companies may not be able to monitor public perception about their brands, products, and services in real time. As such, they may not have the opportunity to provide a quick and effective response, if there is any negative perception through social media's worldwide interconnected platforms. This can jeopardize the companies' reputation, if care is not taken.It can be deduced that the customers of these insurance companies may have been walking away with their opinion, comments and suggestions which would have importantly help the growth of these companies. These comments, opinion and suggestions are what [13] describes as 'output of the customers'. Also [27], theorized that self-presentation refers to people's desire topresent them and control others impressions of them. Since there is no or little intimacy, there will be no opportunity for these companies to present their policies, mission and vision and any other activities as well as hear the complaints of these customers, what the customers are saying about them and their competitors. Findings also show that these companies make use of traditional marketing strategies which [20] says focus on talking at prospects and clients and not with clients. This implies that since there is low media richness, these companies may lose customers and potential customers as [22] state, 'people do not want to hear from companies other than other people'.

Self Presentation/Self disclosure		Social Presence/Media richness		
	Value	**Low**	**Medium**	**High**
	High	Blogs	Social networking Sites (e.g. Face book)	Virtual social networks (e.g. Second Life)
	Low	Collaborative projects (e.g. Wikipedia)	Content communities (e.g. YouTube)	Virtual Game worlds (e.g. World of War Craft)

Table 1: Classification of social media.

Recommendations

Based on the findings of study, the following recommendations are suggested:

- Corporate organizations should embrace the use of social media in planning their marketing communication strategies.
- There should be real commitment on the part of organizations, especially insurance companies, to monitor the perception of people about them and their operations through the social media.
- Feedback is important to the growth of every business, insurance companies should employ the social media in engaging their customers and potential customers so as to get quick and effective responses from them which will, in turn, help in the formation of right perception about them.
- Due to the interactive and conversational nature of social media, corporate organizations, through their customer service, should be positive and prompt in their use of social media to engage customers for the purpose of obtaining personal information from them.

Conclusion

Attempt has been made in this paper to examine how the social media could be used for branding corporate organizations, making use of two insurance companies in Nigeria (Mutual Benefit Assurance Plc. and Niger Insurance Plc.) as case studies. It has been discovered that branding differentiates products and makes them easily identifiable just as it allows the customers to form their opinion and preference for the product [11]. This makes branding the image of an organization seen from outside. Successful branding is rooted in consistent, well circulated effective communication, which the social media readily offer because of their prompt interactive nature and vast audience base.

Organizations, especially insurance companies, can constantly and successfully connect with their customers through the social media. This will greatly help in building mutual understanding between the organization and the customers. This could be summed up in the words of [6] "conventional marketing wisdom long held that a dissatisfied customer tells ten people, but…in the new age of social media, he or she has the tools to tell ten million."

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