Ways to Create and Measure e-WOM on Social Media

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The thesis has been conducted and executed in collaboration with the degree project in Business Administration, specialization in marketing, at Luleå University of Technology. The authors have gotten key insights into how users and experts work within the field of online marketing, Social Medias and managing WOM online. Hopefully, this thesis will be of interest to the readers, especially e-commerce companies with a goal to develop their marketing efforts and the creation of e-WOM through Social Medias, such as Facebook.

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*The creation of positive e-WOM could increase our total revenues with 5-10%.*
– Fredrik Lindh, CEO, Köksbörsen AB

Markus Leksell
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ABSTRACT

**Keywords**: Social Media marketing, electronic Word-of-mouth, marketing strategy

Marketing is seen as a subject of high importance by companies, and the objective with marketing is commonly said to make the selling process unnecessary. As technology has evolved, a shift from traditional marketing to online marketing took place. This shift has had extreme effects on companies, forcing them to adapt their marketing strategies to include online marketing. As the increased importance of online marketing and usage of the internet has increased, so has the expression electronic Word-of-Mouth. With the uprising of e-WOM, word-of-mouth has shifted from being a one-on-one method to a one-to-many, which has increased the importance of companies to work with e-WOM.

This thesis aims to examine e-WOM, how e-commerce business-to-business companies can and do create e-WOM and the measure of it. To be able to solve the problem at hand, the following two research questions have been constructed:

**RQ1**: How can e-commerce, Small & Medium-sized Enterprises measure e-WOM on Social Media?

**RQ2**: How is e-WOM created on Social Media by e-commerce Small & Medium-sized Enterprises?

The research is performed with an inductive and qualitative approach. Multiple case-studies were used to gather empirical data, three cases were thoroughly and holistically investigated. The objective of the cases was to gain experts point of view on the topic and find one potential user.

The conducted interviews showed the importance of e-WOM and marketing on Social Media, the user estimated that a positive e-WOM would lead to a 5-10% increase of the company’s total revenues. Ten specific recommendations for how to use Social Medias such as Facebook in order to create e-WOM was investigated. The interviews showed that ‘Being Active’ and ‘Choosing the right Social Media channels’ are the most important recommendations. The findings also implied that ‘Social Media Monitoring’ is the right tool to use when measuring e-WOM and that it will become just as important and widely used as Search Engine Optimization.

Hopefully, those recommendations will be implemented by companies when forming their strategies for online marketing at Social Medias.

Uppsatsen syftar till att utvärdera e-WOM, hur e-handelsföretag kan idag skapa det och hur det kan mätas. För att kunna lösa syftet med rapporten, har två forskningsfrågor blivit utformade:

FF1: Hur kan små och medelstora e-handelsföretag mäta e-WOM på sociala medier?

FF2: Hur kan små och medelstora e-handelsföretag skapa e-WOM på sociala medier?

Forskningen är gjord på ett induktivt och kvalitativt tillvägagångsätt. Flerfallsstudier har använts för att samla empirisk data, tre fallstudier var från grunden holistiskt studerat. Målet med fallstudierna var att införskaffa experters synvinkel på forskningsämnet, men även finna en potentiell användare av ämnesområdet i fråga och den identifierade slutsatsen.

Intervjuerna visade hur viktigt det är för företag att arbeta med e-WOM, där användaren berättade att ett positivt e-WOM kunde uppskattas till att öka företagets omsättning med fem och tio procent. Vidare utreddes tio rekommendationer kring hur företag ska använda sociala medier, så som Facebook, för att skapa e-WOM. Intervjuerna visade att vara Aktiv samt att Välja rätt kanaler i sin marknadsföring online var absolut viktigast i arbetet med skapandet av e-WOM. Uppsatsen visar även att Social Media Monitoring är rätt verktag att använda vid mätning av e-WOM samt att det inom några år kommer vara minst lika viktigt och använt som sökmotoroptimering är idag. Förhoppningsvis kommer de identifierade rekommendationerna användas av företag som utformar sina marknadsföringsstrategier online via sociala medier.
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LIST OF USED ABBREVIATIONS

List of most frequently used abbreviations.

- WOM, Word-of-mouth
- e-WOM, electronic Word-of-mouth
- SME, Small & Medium-sized Enterprises
- ROI, Return on Investment
- RQ, Research Question
- SEO, Search Engine Optimization
- NPS, Net Promoter Score
- ABM, Account Based Marketing
1. INTRODUCTION

In this introducing chapter, a background to the thesis will be presented that then advances into a problem discussion, research questions and purpose. The thesis is investigating electronic Word-of-mouth, how it can be measured and taken to consideration in companies’ online marketing strategies.

1.1. BACKGROUND

Marketing is a broad field of study and mostly perceived by people as a sales increaser, in the form of advertising, such as sales calls, TV-commercials, e-mail and direct-mail (Kotler, Armstrong, & Cunningham, 2005). This is however, just the tip of the marketing surface (ibid). In fact, the objective with marketing is to make selling unnecessary and it requires a creation of an independent and self-driven process (ibid). According to the marketing authority Kotler, marketing could be defined in many ways, but he chooses the following definition:

“The process by which companies create value for customers and build customer relationships in order to capture value from customers in return.” (Kotler, Armstrong, & Cunningham, 2005)

As technology evolved a paradigm shift from traditional marketing to online marketing took place (Gurău, 2008). More specifically digital marketing was also one of the underlying factors that facilitated integrated marketing communications (ibid). Digital marketing focuses on internet as a core medium for promotions, supplementary mobile and traditional TV & radio (Ekhlassi, 2012). Over the last five years, the number of worldwide internet users has increased with over 50%, resulting in both opportunities and threats for companies (ibid). As the changes, opportunities and threats has direct effects on the traditional marketing, it has become more relevant for companies to start consider online marketing (internet live stats, u.d.). Online marketing is a grouped term for internet as a core promotional medium for targeting, measuring and creating interactions of products or services (Sheehan, 2010). Online marketing is dynamic and a fast-moving field in marketing and still undeveloped since it is still in an experimental stage (Sheehan, 2010). Online marketing is also changing continuously, as a result of changing consumer behavior, where consumers adapt to new media and new ideas (ibid). As company or source the purpose to send a message to the receiver is to attract and preserve customers (Frankel, 2007). This can be done by promoting brands and engaging with the customers in order to increase sales (ibid).

Online marketing is rapidly changing due to its dynamic characteristics and dependence of the information technology, internet. As the internet develops, so do the field which refers to an evolving and constantly changing environment to study (Frankel, 2007). There is also statistics that shows that internet users increase linearly globally, but exponentially for developing countries (Miniwiatts Marketing Group, 2015). This is shown in Table 1 on page 2.
For example, the paradigm shifted from the fact that the consumer was shopping physically to today, where they are given the possibility to order online (Nielsen Global, 2016). This enhanced the businesses of e-commerce, hence internet is opening up opportunities for both the consumer and the marketer (ibid). Some marketing opportunities is Social Media and its optimization to maximize interaction with the consumer (Dahlen, 2010). These mediums allow consumer-to-consumer (C2C) and business-to-consumer (B2C) conversations to be obtained, which according to Dahlen (2010) points for creating presence, relationship and mutual value. In the past years social networking sites have become more and more popular amongst users (Miniwatts Marketing Group, 2015). As an example, Figure 1 on page 3 shows, the growth of active users on the Social Media network site Facebook (ibid).

### Table 1. World Internet Usage and Population Statistics

<table>
<thead>
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<tbody>
<tr>
<td>Africa</td>
<td>1,158,355,663</td>
<td>16.0 %</td>
<td>330,965,359</td>
<td>28.6 %</td>
<td>7,231.3 %</td>
<td>9.8 %</td>
</tr>
<tr>
<td>Asia</td>
<td>4,032,466,882</td>
<td>55.5 %</td>
<td>1,622,084,293</td>
<td>40.2 %</td>
<td>1,319.1 %</td>
<td>48.2 %</td>
</tr>
<tr>
<td>Europe</td>
<td>821,555,904</td>
<td>11.3 %</td>
<td>604,147,280</td>
<td>73.5 %</td>
<td>474.9 %</td>
<td>18.0 %</td>
</tr>
<tr>
<td>Middle East</td>
<td>236,137,235</td>
<td>3.3 %</td>
<td>123,172,132</td>
<td>52.2 %</td>
<td>3,649.8 %</td>
<td>3.7 %</td>
</tr>
<tr>
<td>North America</td>
<td>357,178,284</td>
<td>4.9 %</td>
<td>313,867,363</td>
<td>87.9 %</td>
<td>190.4 %</td>
<td>9.3 %</td>
</tr>
<tr>
<td>Latin America /</td>
<td>617,049,712</td>
<td>8.5 %</td>
<td>344,824,199</td>
<td>55.9 %</td>
<td>1,808.4 %</td>
<td>10.2 %</td>
</tr>
<tr>
<td>Caribbean</td>
<td>37,158,563</td>
<td>0.5 %</td>
<td>27,200,530</td>
<td>73.2 %</td>
<td>256.9 %</td>
<td>0.8 %</td>
</tr>
<tr>
<td>Oceania / Australia</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WORLD TOTAL</td>
<td>7,259,902,243</td>
<td>100.0 %</td>
<td>3,366,261,156</td>
<td>46.4 %</td>
<td>832.5 %</td>
<td>100.0 %</td>
</tr>
</tbody>
</table>

Source: Internet World Stats - internetworldstats.com, 13 May 2016
Figure 1. Facebook Growth in the World, 2013 – 2015

Adapted from Internet World Stats – www.internetworldstats.com/facebook.htm, retrieved 2016-05-26

The power through marketing has shifted to the mass and individuals using Social Media (Saravanakumar & Suganthalakshmi, 2012). Social Media marketing occurs in eight forms, more exactly; social networks, microblogs, media sharing sites, social bookmarking and selection sites, analysis sites, forum and effective worlds (ibid). Between 2009 to 2012, the number of tweets increased over 100 times and the users of Facebook grew from 100 to 800 million people (Everyone’s hack now, 2012). This thesis focus on social networks, since these are the most fast growing form (Chaffey, 2016). Saravanakumar & Suganthalakshmi (2012) means that those platforms are used for creating buzz, learning from customers and targeting customers. Basically, the purpose with buzz marketing is to monitor and influence the customer, which is a feature that comes with social networking (Walter, 2006; Sheehan, 2010). Where the goal is to have continuous conversations with the consumer, who has conversations with likeminded people (Sheehan, 2010). When a conversation occurs about the consumer good or service, it is called a buzz (ibid). A buzz may either be positive or negative (ibid). Buzz is also known as institutional WOM (Walter, 2006). Institutional WOM refers to WOM communication where it takes at least one representative to take part of the campaign (Drew & Heritage, 1992). Another type of WOM happens everyday and is defined as informal, and includes at least two conversational representatives from the organization or its brand, product or service (Buttle, 1998). This can take place both online and offline (ibid).

WOM can be traced back to ancient scholars such as Aristotle, that stated that:

"Interpersonal influence was the most important single work in the history of speechcraft" (Thonssen & Beard, 1948).
As WOM was introduced so was more research conducted where both Day (1971) and Morin (1983) found out that personal recommendations stimulated purchases more effectively than any other marketing campaign (Day, 1971; Morin, 1983). Those influences are based on relationships of loyalty and belief in profitability (Reicheld, 1996). Even today researchers claim that WOM is the most efficient way of attracting and keeping customers (Trusov, Bucklin, & Pauwels, 2009). Therefore, an adequate method how firms’ need of measuring the effects of WOM communications and how it is significant compared to other types of communication should be developed (Trusov, Bucklin, & Pauwels, 2009).

Through the expansion of the internet described above and the digitalization, WOM has evolved to electronic WOM (Kapur, 2012). Electronic Word-of-Mouth, or e-WOM, is described as customers sharing their experiences through online fora (ibid). With the creation of e-WOM, the reach of WOM has amplified (ibid). The digital revolution transformed the one-on-one WOM to become a one-to-many e-WOM, and has evolved to the one-to-many e-WOM through product reviews and comments posted online (ibid). Some consumers even create their own blogs and web pages, just to give reviews of companies, goods and services (Bughin, Doogan, & Vetvik, McKinsey & Company, McKinsey Quarterly, 2010). The current trend toward Social Media is seen as a throwback for the initial purpose of the Internet that was simplifying information exchange between users/consumers (Kaplan & Haenlein, 2010; Sheehan, 2010). This made it possible for e-commerce to commence (Frankel, 2007; Sheehan, 2010).
1.2. PROBLEM DISCUSSION

E-WOM is commonly spread through Social Media communication platforms. Platforms like Facebook has an implemented system, giving their users the possibility to interact with companies and the possibility for companies’ customers service divisions to create and manage those digital Social Media platforms. Companies should construct their own communication platform to collect and deal with negative consumer comments. In order to make a buying decision, people tend to seek information before making up their mind. Negative information has an effect on consumer purchase decisions, making the consumer less likely to buy a specific item. Just as positive information has an effect on consumer purchase decisions, making the consumer more likely to buy a specific item. However, negative information has a larger effect on consumer purchase decisions than positive information (Liu, Wang & Wu, 2010; Katz & Lazarsfeld, 1995).

According to Bae and Lee (2011), consumers are more influenced by a negative review online than by a positive one, and females are more influenced by e-WOM than males. However, positive WOM and e-WOM increases the probability of purchase for both males and females (Bae & Lee, 2011). Sotiriadis and van Zyl (2013) argues that the most crucial factors from a viral marketing perspective are source reliability, expertise and knowledge. Hence it is recommended to implement actions to positively react to e-WOM (Sotiriadis & van Zyl, 2013). Suggestively, a company’s trained staff should monitor users on Social Media, their reviews and react in an appropriate way, using the positive postings and addressing the negative ones (ibid).

Although Word of Mouth and e-WOM is targeted by a lot of researchers, few have a focus on the measuring of it (Goyette, Ricard, Bergeron, & Marticotte, 2010). Marketers tend to spend large amounts of money on advertising campaigns through different channels, but still, WOM is the most efficient way, it is free, but complex (Bughin, Doogan, & Vetvik, McKinsey & Company, McKinsey Quarterly, 2010). Hence you can not spend a fixed amount to get customers to talk freely about your product (ibid). Therefore, it is difficult to measure and track the Return on Investment (ROI) of WOM (ibid). However, science and studies shows evidence of the importance of WOM in an online context (Godin, 2001). Bughin, Doogan & Vetvik (2010) predicts an increased influence on buying decisions from WOM, due to the digitalization.

One of the industries being influenced the most by e-WOM, could be e-commerce companies (Goyette, Ricard, Bergeron, & Marticotte, 2010). This industry is so heavily affected by the increased use of e-services and e-WOM, that research has shown that those correlates in the specific context of e-commerce (ibid). The study conducted by Goyette, Ricard, Bergeron & Marticotte (2010) actually showed that within the specific context of e-WOM and e-commerce companies, negative e-WOM had less effect than positive, which is the complete opposite from other industries and sectors.
According to Kim (2004), Small and Medium-sized enterprises (SMEs) are the ones using the least resources online, but could benefit the most from it. The potential of using online-marketing is huge and it is not as expensive as traditional marketing, making it practical to use for SMEs (Gilmore, Gallagher, & Henry, 2007; Kim, 2004). This give SMEs the opportunity to reach a larger audience with a small amount of resources, a small change resulting in a greater award and therefore investigated further in this research along with e-WOM persuasion (ibid).

1.3. PURPOSE & RESEARCH QUESTIONS

The general purpose with this research is to investigate if small & medium-sized enterprises (SME) within e-commerce can create e-WOM and measure it on Social Media. The purpose is achieved when general Social Media strategies and the measuring of the results of them are identified. Whereas the final purpose of accomplishing this objective is to contribute to the area of Social Media marketing. Hence, SME’s within e-commerce may use the information presented in this thesis. The following research is conducted based on the following Research Questions (RQ), whereas each would contribute to achieve the research purpose stated above.

- **RQ1: How can e-commerce, SMEs measure e-WOM on Social Media?**
  - This research question is defined after current methods and theories about how to measure e-WOM.

- **RQ2: How is e-WOM created on Social Media by e-commerce SMEs?**
  - The question is proposing examples of how e-WOM is created today, by small and medium-sized e-commerce companies. Further, the purpose of this question is to add a perspective of how to possibly apply the presented models to practice in a general approach of strategies.

1.4. DELIMITATIONS

The delimitations of this thesis is set to be B2B companies and the e-WOM created and measured on Facebook.

1.5. OUTLINE OF THESIS

This section presents an outline of the thesis, a brief overview of each chapter. The thesis consist six chapters and two sections, as shown in Figure 2 on page 7. The introductory chapters 1-3 is described as the phase of understanding and planning the decisions regarding the conducted research. Meanwhile, chapters 4-6 represents the studied field and the findings based on previous decisions in the introductory chapters.
Figure 2. Outline of Thesis
This chapter presents an overview of literature and theories that is considered relevant to the research area, in order to answer the research questions. Adequate models and theories will be presented in the order as the research questions are described.

### 2.1. WOM AND E-WOM

WOM is a well-studied subject, but has hardly been conceptualized together with e-WOM (Goyette, Ricard, Bergeron, & Marticotte, 2010). The difficulty of defining them, is due to the many definitions that WOM are given (ibid). Goyette, Ricard, Bergeron & Marticotte (2010) has composed a table of different definitions of WOM. The conclusion may be done, that there are many and different definitions of WOM and that time has changed it, see Table 2.

**Table 2. Definitions of WOM**

<table>
<thead>
<tr>
<th>Source</th>
<th>Definition</th>
</tr>
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<tbody>
<tr>
<td>Arndt (1967, p.3)</td>
<td>“. . . is defined as oral, person-to-person communication between a receiver and a communicator whom the receiver perceives as non-commercial, concerning a brand, a product, or a service.”</td>
</tr>
<tr>
<td>Richins (1983, p. 17)</td>
<td>“The WOM communication was defined as the act of telling at least one friend or acquaintance about the dissatisfaction”</td>
</tr>
<tr>
<td>Brown and Reingen (1987, p. 350)</td>
<td>“The WOM exists at the macro level of inquiry (e.g., flows of communication across groups), as well as the micro level (e.g., flows within dyads or small groups)”</td>
</tr>
<tr>
<td>Higie, Feick, and Prince (1987,p. 263)</td>
<td>“Conversations motivated by salient experiences are likely to be an important part of information diffusion”</td>
</tr>
<tr>
<td>Westbrook (1987, p. 261)</td>
<td>“In a post purchase context, consumer word-of-mouth transmissions consist of informal communications directed at other consumers about the ownership, usage, or characteristics of particular goods and services and/or their sellers.”</td>
</tr>
<tr>
<td>Haywood (1989, p.58)</td>
<td>“WOM is a process that is often generated by a company’s formal communications and the behavior of its representatives.”</td>
</tr>
<tr>
<td>Swan and Oliver (1989, p. 523)</td>
<td>“Post purchase communications included positive versus negative word-of-mouth and complaints and praising directed at the three entities in the exchange (i.e., the salesperson, dealer, and manufacturer)”</td>
</tr>
<tr>
<td>Singh (1990, p. 1)</td>
<td>“(c) telling others about the unsatisfactory experience (that is, negative word-of-mouth).”</td>
</tr>
<tr>
<td>Source/Author</td>
<td>Definition/Description</td>
</tr>
<tr>
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</tr>
<tr>
<td>File, Jude, and Prince (1992, p. 7)</td>
<td>“Positive and negative word-of-mouth are examples of exit behaviors exhibited by consumers at the conclusion of a service encounter.”</td>
</tr>
<tr>
<td>File, Cermark, and Prince (1994, p. 302)</td>
<td>“Word-of-mouth, both Input and Output, is the means by which buyers of services exchange information about those services, thus diffusing information about a product throughout a market.”</td>
</tr>
<tr>
<td>Bone (1992, p. 579)</td>
<td>“WOM communication is conceptualized herein as a group phenomenon—an exchange of comments, thoughts, and ideas among two or more individuals in which none of the individuals represent a marketing source.”</td>
</tr>
<tr>
<td>Bone (1995, p. 213)</td>
<td>“Word-of-mouth communications (WOM), interpersonal communications in which none of the participants are marketing sources, . . .”</td>
</tr>
<tr>
<td>Silverman (2001, p. 4)</td>
<td>“1) Word-of-mouth is communication about products and services between people who are perceived to be independent of the company providing the product or service, in a medium perceived to be independent of the company. 2) Word-of-mouth is originated by a third party and transmitted spontaneously in a way that is independent of the producer or seller.”</td>
</tr>
<tr>
<td>Anderson (1998, p. 6)</td>
<td>“Word of mouth refers to information communications between private parties concerning evaluations of goods and services.”</td>
</tr>
<tr>
<td>Mangold &amp; al. (1999, p. 83)</td>
<td>“WOM was far more likely to be initiated by receivers’ need for information than by communicators’ satisfaction level.”</td>
</tr>
<tr>
<td>Kim, Han, and Lee (2001, p. 276)</td>
<td>“Word of mouth is the interpersonal communication between two or more individuals, such as members of a reference group or a customer and a salesperson.”</td>
</tr>
<tr>
<td>Salzman, Matathia, and O’Reilly (2004)</td>
<td>Buzz is a “WOM effect, a transfer of information through social networks. It frequently occurs in a spontaneous manner, without so much as a raised finger on the part of a marketing specialist or any other person.”</td>
</tr>
<tr>
<td>WOMMA (2006)</td>
<td>WOM is “an act by consumers providing information to other consumers.”</td>
</tr>
</tbody>
</table>

Source: Adapted from Goyette, Ricard, Bergeron & Marticotte (2010) p.9
2.1.1. WOM

WOM is recognized as one of the oldest channels for exchanging opinions on goods and services (Goyette, Ricard, Bergeron, & Marticotte, 2010). According to Bughin, Doogan and Vetvik (2010), WOM has a considerable effect on 20-50% of all purchasing decisions and the majority of the buying decisions it affects, is during the first time a consumer buys a good or from a new seller. The reasoning behind letting this large amount of purchasing decisions being affected by WOM, might be explained as customers tend to rely more on information that is not being presented by the sellers, instead from users, since they lack the perceived commercial interest as the companies have (East, Hammond, & Lomax, 2008). Past research have established that self-enhancement is a driver of positive WOM, while customers are likely to share negative brand experiences associated with others to bolster themselves, which will lead individuals to continue to share experience through WOM and time (Wien, 2015). However, the changing factor of WOM would be within the media it is communicated through (ibid).

2.1.2. E-WOM

The change of WOM, from being a one-on-one method to become a one-to-many, have had serious impact of the businesses of today (Cockrum, 2011). Cockrum (2011) states that marketers have been taught to think of one angry customer as seven, since they expected every unhappy customer to tell seven of their friends. With today’s Social Media and e-WOM, every customer might potentially impact a company’s business negatively in front of hundreds or even thousands of possible customers (ibid). The conceptual differences between WOM and e-WOM is explained in Table 3 (Wang, Keng-Jung Yeh, Chen, & Tsydypov, 2016).

Table 3. e-WOM vs WOM

<table>
<thead>
<tr>
<th>Aspects</th>
<th>e-WOM</th>
<th>WOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setting</td>
<td>Online and Virtual</td>
<td>Offline and Physical</td>
</tr>
<tr>
<td>Message Source</td>
<td>More from anonymous sources</td>
<td>More from acquaintances</td>
</tr>
<tr>
<td>Duration</td>
<td>Longer, in the electronic form</td>
<td>Shorter, from ear to ear</td>
</tr>
<tr>
<td>Accessibility</td>
<td>Higher, no geographic and time limitations</td>
<td>Lower, from ear to ear</td>
</tr>
<tr>
<td>Feedbacks</td>
<td>Usually is open and more measurable</td>
<td>Usually is limited and short-lived</td>
</tr>
</tbody>
</table>

Source: Wang, Keng-Jung Yeh, Chen & Tsydypov (2016) p.1035

2.2. MEASURING E-WOM

There are different methods of measuring the result of the online-marketing investments on Social Media and the created e-WOM. The different methods of measuring e-WOM are WOM Equity, Key Figures on Facebook and skepticism toward e-WOM. In order to understand what the impact of different creations of e-WOM is, WOM Equity are described in the following section. (Bughin, Doogan, & Vetvik, 2010)
2.2.1. WOM EQUITY
Bughin, Doogan and Vetvik (2010) developed a conceptual model to measure the impact of different kinds of recommendations since this can occur in different relationships, trusted versus dispersed. Bughin, Doogan and Vetvik (2010) successively developed a way to calculate WOM equity. It is described as the average sales impact of a message that marketers send out multiplied with the number of sent WOM messages. By analyzing the impact as volume of these messages the formula gives the marketer an opportunity to test their effect on sales and markets share for marketing activities such as campaigns, ads and further. The impact describes the ability of a WOM recommendation to persuade or change a decision makers’ behavior. This may vary by product or service category, see Table 4. (Bughin, Doogan, & Vetvik, 2010)

Table 4. WOM Equity formula

<table>
<thead>
<tr>
<th>Volume</th>
<th>Impact</th>
<th>=</th>
<th>WOM Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Few messages</td>
<td>Where?</td>
<td>What, content?</td>
<td>Strong when?</td>
</tr>
<tr>
<td>Many messages</td>
<td>+Close/trusted</td>
<td>+Relevant key buying factors</td>
<td>+Few messages</td>
</tr>
<tr>
<td></td>
<td>-Large/dispersed</td>
<td>-Irrelevant key buying factors</td>
<td>+Close/trusted</td>
</tr>
<tr>
<td>Who?</td>
<td>What, source?</td>
<td>+Influential</td>
<td></td>
</tr>
<tr>
<td></td>
<td>+Influential</td>
<td>+Favorable buying factor</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-Noninfluential</td>
<td>+Consumer experience</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-Hearsay</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from Bughin, Doogan & Vetvik (2010), p.1.

WOM Equity enhances companies by giving them opportunity to understand WOM’s impact on brand, service or product performances. Marketers know that the impact can be significant but not how powerful it is. The equity shows a flexibility of deploying it for any case regardless company, category, industry, product and service. By considering the equity, it can be used to identify what is making a difference on the WOM impact. The difference gives an insight that is critical for marketers to convert knowledge into power. (Bughin, Doogan, & Vetvik, 2010)

2.2.2. KEY FIGURES ON FACEBOOK
Facebook has been embraced as a key marketing channel to drive engagement and brand awareness, by brands and businesses all over the world (Malhotra, Malhotra & See, 2013; Rohm, Kaltcheva & Milne, 2013). A lot of the marketing conducted on Facebook, is measureable (ibid). A recommendation for
businesses is to create unique content, support channels and special relationship-based offers to fans, all of which is measureable (Price, 2011).

By ‘liking’ on Facebook, by writing a comment or reviewing a company or product, people are doing exactly what the definition by Cermak, File and Prince (1994) defines as WOM. Facebook gives companies the opportunity to brand themselves by posting pictures, links and make comments to engage their current and potential customers (Gummerus, Liljander, Weman, & Pihlstrom, 2012). WOM is executed when the customers respond to those posts and messages, by liking and/or commenting on them (ibid). Facebook brand pages can engage customers in different ways, the most popular ones being liking and commenting (Wallace, Buil, & de Chernatony, 2012).

By getting a person to like a company page, all the brand’s posts will appear on the persons page, making their friends see it and all upcoming posts from the brand (Wallace, Buil, & de Chernatony, 2012). All likes a page has, has a live feed, giving brands the possibility to always see the measured amount of likes for their page, posts, reach etc. (Kabadayi & Price, 2014).

Another popular way for a company to get customers and potential customers to engage with them, is by getting them to comment the brands posts or/and on their page. When the consumer comment on a company’s post or page, all users of Facebook are able to see the comment, and their friends even get the comments highlighted in their news feed. (Kabadayi & Price, 2014)

Both the number of comments and likes of every specific post is measured and presented for everyone able to see the posts, and the companies themselves may get weekly key figures for their pages. Facebook helps businesses to piece together the details showing the most important customers to a brand and gives a company the possibility to track specific consumer behaviors. (Barnard, 2011)

2.2.3. MEASURING SKEPTICISM TOWARD E-WOM
On the internet, distrust is evolved from integration with perception of how a specific case can be generalized to another one (Pavlou & Gefen, 2004). Hence, a user's approach toward a company may harm the entire industry, because of that formed image is being generalized, this is amplified if the approach is negatively formed (ibid). Internet users increased skepticism toward e-WOM, may be a determinant of online interaction (Zhang, Ko, & Carpenter, 2016). According to Sen and Lerman (2007), the one that sends a message through online communications has two options that is perceived by the receiver, as either ‘the truth’ or ‘not the truth’.

Qui, Pang and Lim (2012) researched this matter further by having an experiment, where they created false messages and ratings. A messages' total ratings, influences the consumers' judgment of the ratings credibility, the ratings described in previous section, may be a measurement of e-WOM (Cermak, File, & Prince, 1994). Hence, there is a trend that consumers will not believe positive reviews and risks suspicion for anonymous e-WOM communication (Qiu, Pang, & Lim, 2012).
Further, another research about e-WOM by Dou, Walden, Lee and Lee (2012) stated that the internet users evaluate sources in how genuine an e-WOM message is. Whereas they proved that there is an evaluating process of determining how genuine a message is, by suspecting a review and being source critical (Dou, Walden, Lee, & Lee, 2012). The criticism is then based on potential marketing intentions behind e-WOM messages, which let the critic to establish a defensive attitude against this type of persuasion strategy (Dou, Walden, Lee, & Lee, 2012).

Equivalently, Lee and Yuon (2009) found that distrust or suspicion indicates users of the internet to sense danger of review manipulation and therefore developed a defensive attitude towards e-WOM messages. Meanwhile, Sher and Lee (2009) investigated further into the skepticism of consumers, by noting the differences between low respectively high skepticism amongst consumers and how they are influenced by the number and quality of e-WOM reviews. Their findings were noticeable, since it showed that people with higher levels of skepticism do not evaluate e-WOM messages precisely, instead trusting their instincts (Sher & Lee, 2009). Meantime, consumers with low skepticism are more probable to be persuaded by the numbers of reviews (ibid).

Later, a new research conducted by Zhang, Ko and Carpenter (2016) differs extensively, their study focused on the perspective of ‘suspicion’ instead of ‘credibility’, like the previous researchers did. They argue that e-WOM skepticism is conceptually different from what it is in traditional advertising, because of the unique characteristics of e-WOM communications (Ford, Smith, & Swasy, 1990; Boush, Friestad, & Rose, 1994; Mohr, Ergul, & Ellen, 1998; Obermiller & Spangenberg, 1998; Tan, 2002), see Table 3, page 10 (Wang, Keng-Jung Yeh, Chen, & Tsydypov, 2016). Many researchers have tried to find an appropriate instrument of measuring e-WOM skepticism (ibid). E-WOM skepticism needs to be considered within three dimensions, truthfulness, identity and motivation of the e-WOM message sender (Zhang, Ko, & Carpenter, 2016).

In order to actually identify how important, the negative e-WOM is, the measured e-WOM need to be correct in order for the company to meet the feedback and evolve its business (Zhang, Ko, & Carpenter, 2016). Also, by identifying the creator of the e-WOM, the company would be able to get as much feedback as possible from it, and it is also important to understand what the motivation for creating the e-WOM was (ibid).

### 2.3. CREATING E-WOM

According to Hedges (2009), about 92% out of 72 million, WOM conversations in the US, were done offline in 2006. This number has however changed and decreased over time (Hedges, 2009). WOM marketing is characterized as being firm initiated but customer implemented, with other words: A company should not be obvious about their WOM marketing, but adapt their products and services after customer and expressed customer needs (Godes, 2009). Before the explosion of e-WOM, businesses had to manage WOM through other channels than Social Media and the internet (ibid).
By time, it has become harder for online businesses, mostly due to increased competition and the nowadays large number of agents involved in e-commerce (Casaló, Flavián, & Guinalíu, 2008; Swani, Milne, & Brown, 2013). This effect, with the evidence suggesting that e-WOM on Social Media induce brand awareness, increased sales revenue and ROI, has lead online-marketers to focus more on customer loyalty and positive e-WOM (ibid). The objectives of the newly developed online marketing strategies, includes increased brand awareness, brand loyalty, buyer engagement, foster relationships, and increase sales and profitability (Michaelidou, 2011; Rapp, Beitelspacher, Grewal, & Hughes, 2013). According to Swani, Milne and Brown (2013), companies producing good material, making consumers click and like them, is likely to get a positive effect of all the above mentioned objectives.

2.3.1. CREATING E-WOM ON SOCIAL MEDIA
The concept of Social Media is a priority on many executives and businesses agenda today (Kaplan & Haenlein, 2010). Where consultants and many other stakeholders tries to find a way into Social Media by using its full capacity to increase profitability (ibid). This causes the most viral and used platforms for Social Media to become a place for where marketing happens (ibid). The potential of the world’s most popular Social Media, Facebook, is huge (Statista, 2016).

One of the first kind articles regarding Facebook and its business opportunities were discussed by Dholakia and Durham (2010). They found out that Facebook fan pages was an effective marketing tool (Dholakia & Durham, 2010). This has become more and more relevant, as the number of users of Facebook is increasing (Statista, 2016). In the article written by Kaplan & Haenlein (2010) they give ten recommendations to companies that decides to use Social Media. The recommendations that they state is valid today, since they took into account that Social Media is an active and fast-moving medium (Kaplan & Haenlein, 2010; Dholakia & Durham, 2010; Sheehan, 2010). What is modern and popular today, can however be changed by tomorrow (ibid).

It is crucial for businesses to have a set of guidelines that they can apply for their Social Media channels, in this case Facebook pages (Vickery & Wunsch-Vincent, 2007; Kaplan & Haenlein, 2010). They came up with five points concerning the parameter ‘Social’ and respectively for ‘Media’, as following:

Recommendations of being ‘Social’:

- Be active
If the purpose is to develop a relationship, then it is always advisable to initiate processes by being continuously active (Kaplan & Haenlein, 2010). Interaction and sharing experiences is the center of the purpose that Social Media as Facebook fulfills, in that way the content seems fresh and that the business implicates to engage with their customers (Wang, Keng-Jung Yeh, Chen, & Tsydypov, 2016). The purpose of using Social Media such as Facebook as a platform is not to defend the brand and its product offerings, mainly, it is to create
an open and active interaction between potential and current customers (Kaplan & Haenlein, 2010).

- **Be interesting**
  As every conversation goes, nobody wants to talk about something that no one has an interest in (Kaplan & Haenlein, 2010). If a firm wants its customers to engage then an incitement need to be established, such as generating interesting posts that wakens interest (ibid). In order to accomplish this, the firm needs to listen to its customers (Frankel, 2007; Dwyer & Tanner, 2009; Kaplan & Haenlein, 2010; Barreto, 2013). First, find out what they would like hear, talk about or what they would find valuable to spend time engaging with. Secondly, deploy such content that correlates to those requirements (Kaplan & Haenlein, 2010).

- **Be humble**
  According to (Kaplan & Haenlein, 2010), a cornerstone for Social Media is to be humble, which can be done by thinking that it existed before any firm tried to engage in them. Hence by thinking that external organizations know better how to use them than users that spend hours of their personal time on e.g. Facebook (ibid). In conclusion, it is important to take into consideration to take some time to discover and learn about both the customer and the intended platform for marketing, in order to make it a sales increaser (Shu-Chuan & Yoojung, 2011).

- **Be unprofessional**
  As any personal communication, it is not personal if the other end is only referring to business and an overly-professional approach, as in fact it is essential for WOM to even work (Katz & Lazarsfeld, 1955). This is seen as one of the most common mistakes today (Kaplan & Haenlein, 2010). The essence of Facebook for an example is that it consists of users just like you, so by approaching them as a business would approach any representative is to prefer (ibid).

- **Be honest**
  As any relationship, noise take place when lies and false information takes place (Dwyer & Tanner, 2009). Therefore, by being honest and respecting the norms of Facebook or any Social Media is highly important when setting up a Company’s online profile (Kaplan & Haenlein, 2010). If this is violated, it can backfire on the company and its general perception by customers (ibid).

**Recommendations of using ‘Media’:**

- **Choose carefully**
  Today, a world filled with technology is allowing many versions of Social Media, whereas the core recommendation to choose wisely becomes important (Frankel, 2007). The effect of introducing new sales channels can increase work load since those need to be managed actively, which is why the core business tend to be effected (Kaplan & Haenlein, 2010). The right medium depends on what business is driven, since it is an advantage to choose a medium where the firm can find its target audience (ibid).
• **Pick the application**
After the decision is made and the company has decided to use Social Media as an extensive sales channel, then it is time to choose which existing Social Media application (Kaplan & Haenlein, 2010). Preferably choose the one that benefits the businesses with its popularity or user base, where Facebook is leading in both categories today (Statista, 2016). But at the same time, it might come to change and a particular Social Media application may be created that fits the businesses more, where it is possible to target the right audience (Kaplan & Haenlein, 2010). This function is also available today with Facebook ads, where a company can choose a target audience based on location, demographics, behavior, contacts and interest (Barreto, 2013) (Facebook, 2016). In the end, it is all about involve, collaborate, share and discuss with others rather than traditional selling and advertising (Kaplan & Haenlein, 2010).

• **Ensure activity alignment**
If the business, then decides to integrate and increase the number of platforms in order to gain a larger reach, it is crucial to align those so no contradicting messages are communicated (Kaplan & Haenlein, 2010). Since this can cause uncertainty and a noise in the intended marketing channel (ibid). Therefore, an alignment with the rest of what the company stands for and communicates through all the channels is to prefer (Strahle, Spiro, & Acito, 1996).

• **Media plan integration**
As any type of medium, ‘integration’ is an important parameter (Kaplan & Haenlein, 2010). If anything shows to be a success on one forum, or becomes viral (ibid). Then it is to an advantage to integrate the success on other mediums and channels, partly to reach a larger audience but it is also cost efficient by having more people to relate to the same message (Gurău, 2008; Kaplan & Haenlein, 2010).

• **Access for all**
Once a firm decides to deploy Social Media applications, it is important to check that all employees can access the accounts, both privately and on work (Kaplan & Haenlein, 2010). Since firms and countries censor some of them, for an example Facebook is blocked in China, which automatically makes the Chinese market not accessible through Facebook (Wauters, 2009). There is also a risk of chaos when all the corporates in a firm can access and publish on Social Media, since then the whole organization uploading things (Kaplan & Haenlein, 2010). Meanwhile, it is to an advantage that everybody has access and are participants, but just a dedicated team that works actively with Social Media can only publish and manage it (ibid). At some point, it is also relevant to utilize certain guidelines for internal behavior on Social Media (Kietzmann, Hermkens, McCarthy, & Silvestre, 2011). For an example it is in the company’s great interest to have its employees identifying themselves when posting a comment or anything that interacts with the corporates page (ibid). On the other hand, there is a risk that end-users think that anonymous accounts are used to post fake messages with overly-positive feedback, which can damage the credibility of the whole marketing campaign (Zhang, Ko, & Carpenter, 2016; Kaplan & Haenlein, 2010). Resulting in skepticism, explained in 2.2.3 Measuring Skepticism Toward e-WOM.
2.4. FRAME OF REFERENCE

The theories that has been stated above is composing the fundamentals of the framework that this research is conducting. It is clear that e-WOM is an undeveloped area with a continuously improving research, whereas conceptualization of the term and meaning is changing over time. Therefore, a dynamic subject will require a dynamic approach. The theories above states different tools that could be used and taken to consideration, thus a frame of reference is conceptualized.

As the introductory chapter is explaining, the objective of this research is to attain the stated research purpose by answering the RQ’s. In order to measure whether each RQ is answered, two objectives for the RQ’s should be remarked, which are defined as following:

- RO1: What online tools and methods could be used to measure e-WOM on Social Media platforms? The objective is to investigate possible tools that could identify ‘shares’ on Facebook or ‘hashtags’, measurability is a prerequisite for objective fullness.

- RO2: Find information about how SME’s within e-commerce organization create e-WOM. What focus do they have and how to they work with Social Media and the creation of e-WOM? Do they use personalized stories about their companies, share what the employees do on a typical day at work, or do they create e-WOM through advertising a specific offer?

The research questions and their relations are illustrated by a model that describes and clarifies the intended research. The model is describing how e-WOM has been studied, which is by clarifying the terms and definitions in order to then structure what tools and scales that can be used for measuring it as a key figure. Further, to exemplify this, some found ways of creating WOM is presented. To stage e-WOM in an environment of Social Media is also correlated. This is then followed up by examples of how this is done today in practice, by presented case studies. To be able to understand what e-WOM actually is, experts and a user will be asked to define it. The model is shown in Figure 3.

![Figure 3. Conceptualization Figure of Research Relations](image-url)
The general area for this research has been literature regarding WOM and e-WOM, where two perspectives has been looked at, creating and measuring e-WOM. In order to do so, four key elements as theories has been explained in this chapter, 2 Literature review. Regarding RQ1, WOM equity, key figures on Facebook and partly how skepticism can be taken to consideration for measuring e-WOM. Further, an approach of explaining general recommendations for creating e-WOM has been explained. See Table 5 for the frame of used references.

Table 5. Frame of Reference

<table>
<thead>
<tr>
<th>Area</th>
<th>Theory</th>
<th>Literature</th>
<th>Reference (in order of appearance)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>e-WOM</td>
<td>Wang et al (2016)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Key Figures on Facebook</td>
<td>Gummerus et al (2012)</td>
</tr>
<tr>
<td><strong>RQ2</strong></td>
<td>Creating e-WOM</td>
<td>Creating e-WOM on Social Media</td>
<td>Kaplan &amp; Haenlein (2010)</td>
</tr>
</tbody>
</table>
3. METHODOLOGY

This chapter will present the chosen methodologies for this thesis. Each approach and technique for gather and validate reliable information will be described in order to achieve and answer the research’s purpose respectively questions. The chapter motivates descriptions for the research’s purpose, approach and strategy, in order to do so, a description of data collection, sample selection and chosen data analysis method will also be described. To ensure that the thesis will be conducting research with relevant methodology, a discussion of validity and reliability will conclude this chapter together with a summary of the chosen methodology. This research design is mostly based on the given literature by Saunders, Lewis & Thornhill (2009) and a supplement of methodological literature.

3.1. RESEARCH PURPOSE

According to the authors, it exists three different purposes on how to conduct a research study. It could either be descriptive, exploratory and explanatory or a combination of these (Saunders, Lewis, & Thornhill, 2009). The purpose is developed in coherence with the research questions that are defined for the research. An exploratory research objective is to increase understanding of a problem and explore the subject further. This can be conducted in three outcomes with the research:

- Interviews with experts within the field
- Focus group interviews
- Literature reviewing

Meanwhile, a descriptive study’s purpose is to describe particular cases and examples of procedures. The authors states that the purpose of a descriptive study is ‘to portray an accurate profile of persons, events or situations’ (Saunders, Lewis, & Thornhill, 2009). Which they also describe as an extension or background of a piece of exploratory or explanatory study. Further, an explanatory research refers to describe correlations between factors, in order to obtain a clearer view of a situation (ibid). It focuses on problems where correlations can be found.

This thesis is focusing on an exploratory purpose due to the formulated research questions and the authors’ unfamiliarity to the topic. The research questions are focusing on ‘How to measure’ and ‘How to create’ which implies an exploration of the subject. In order to understand the subject an initiative introduction to the subject was conducted in purpose to gain deeper insight, which can partially be described as a descriptive direction. This combination is common according to Saunders, Lewis and Thornhill (2009).
3.2. RESEARCH APPROACH

A research approach is consisting of three different approaches to address a scientific problem (Saunders, Lewis, & Thornhill, 2009). The approaches are deduction, induction or a combination of the two last mentioned. They describe two ways of approaching a set of collected data with theory (ibid). To obtain the collected data, a decision whether qualitative or quantitative data gathering should be used is also necessary, both can also be combined (Creswell, 1998). Following two sections will give an explanation of each alternative and the choices that is made concerning this research.

3.2.1. INDUCTIVE OR DEDUCTIVE

As previously mentioned, there is two research approaches that can be deployed for designing a research, they are inductive and deductive approaches. A deductive approach is concerning a development of theories by conducting hypotheses and then validate them or find correlation with how the reality works (Saunders, Lewis, & Thornhill, 2009).

An inductive approach would consist of a development of a theory regarding comparing existing data with reality, such as performing interviews (Creswell, 1998). Resulting in a gained insight of the nature of the problem, the interview data is then collected and analyzed. This thesis is conducting an inductive approach, a smaller amount of audience has been interviewed in purpose to develop a theory of the correlations between theory and practice. A deductive approach is partially involved since the research questions are based on the circumstances that e-WOM is existing and can be measured.

3.2.2. QUANTITATIVE OR QUALITATIVE DATA GATHERING

A qualitative research approach is a research that facilitates exploration of a phenomenon by developing a variety of data sources, for example interviews is such source (Baxter & Jack, 2008). Certain behaviors can be taken to account (Saunders, Lewis, & Thornhill, 2009), and this approach is usually considered when the research are of explorative nature. Since a qualitative research results in answering questions like ‘Why’ and ‘How’ (Baxter & Jack, 2008). This research is like previously mentioned, an exploration of the topic of e-WOM and ‘How to measure’ and ‘How to create’ it. Primarily, this employs a qualitative data gathering approach that does not take a numerical data to consideration in its collection.

3.3. RESEARCH STRATEGY

The strategy for a research is to address the possible ways of employing the research. Each strategy can be used for an exploratory, explanatory or descriptive research (Yin, 2009). The set of strategies may belong to either an inductive or a deductive approach (Saunders, Lewis, & Thornhill, 2009). Yin (2009) is expressing of how each strategy should be used and when, the author defines five general strategies for a research as following:

- Experiment
In order to know which to choose, Yin (2009) refers to adjustment for the three stated conditions: (1), (2), (3), according to Table 6.

<table>
<thead>
<tr>
<th>Method</th>
<th>Form of Research Question (1)</th>
<th>Requires Control of Behavioral Events? (2)</th>
<th>Focuses on Contemporary Events? (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experiment</td>
<td>‘How’, ‘Why’?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>History</td>
<td>‘How’, ‘Why’?</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Case Study</td>
<td>‘How’, ‘Why’?</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Source: Yin, 2009, p. 8

Thus, the stated research questions in this thesis are formulated with ‘How’ which gives a choosing span of alternatives of following: ‘Experiment’, ‘History’ and ‘Case Study’. The fact that the research didn’t require any control of behavioral events, the alternative ‘Experiment’ could also be excluded from the span. Finally, the alternative ‘History’ could also be excluded since the research that was conducted focused on both contemporary events but also prospective possible outcomes. In conclusion, the chosen ‘Research Strategy’ is then ‘Case Study’.

### 3.3.1. CASE STUDY

In the focus of ‘Case Study’, Yin (2009) expresses that there exists four kinds of strategies. The span of selections consists of two dimensions; ‘Single or Multiple Case Studies’ and ‘Holistic or Embedded Case Studies’ (Yin, 2009; Saunders, Lewis, & Thornhill, 2009).

Single case studies refer to one specific case or company. The strategy is mostly used to find correlations between a phenomenon and previous findings. The alternative within this dimension is multiple case study, which purpose is to focus on more than one specific case. The strategy is to find coherence and consistency among the cases and further generalize the results. This strategy usually fits an inductive research approach. (Saunders, Lewis, & Thornhill, 2009)

Further, the second dimension regarding a ‘Holistic or Embedded Case Study’ takes a consideration to what kind of analysis is conducted. If the researchers’ objective is to focus on a whole organization, a holistic case study is then
chosen (Saunders, Lewis, & Thornhill, 2009). Hence, an embedded case study focuses on different subdivisions or subsidiaries within an organization (ibid). Generally, one alternative consists of one way of analyzing a phenomenon, meanwhile embedded case study engages from more than one direction.

In conclusion, this research used a ‘Multiple Case Study’ since correlation between cases was conducted, and in matter of fact, seen as necessary to draw the right conclusions. Furthermore, a usage of ‘Holistic study’ was implied since each expert that was interviewed contributed with one cornerstone to fill in for a holistic view of the research topic. Meanwhile, the case that was researched regarding the potential user of the theory, gave a fully holistic view of the case.

3.4. DATA GATHERING

The way of gathering empirical data was decided after a chosen ‘Research Strategy’. Collecting data can be grouped in two categories, either ‘Primary Data’ or ‘Secondary Data’ (Saunders, Lewis, & Thornhill, 2009). Primary data is gathered by the researcher through observations, questionnaires or interviews in different forms. Saunders, Lewis and Thornhill (2009) mean that interviews can either be ‘Unstructured’, ‘Semi-structured’ or ‘Structured’. Meanwhile ‘Secondary Data’ is data that already has shown to be proven or brought up by other researchers’ (ibid).

According to Saunders, Lewis and Thornhill (2009), ‘Structured’ interviews are used with a standard interview guide, where the questions are the same between the interviews. Further, ‘Semi-structured’ and ‘Unstructured’ uses a more dynamic and adjustable approach for each interviewee (Saunders, Lewis, & Thornhill, 2009). The differences between those two is that semi-structured interviews are used with the same theme meanwhile unstructured interviews doesn’t operate through a guide or structure, and therefore an informal alternative.

This research used ‘Semi-structured’ interview guides to gather data. The reason why this form was chosen was because of the opportunity it gives the interviewee to discuss areas that the person feels involved with and to explore other areas that may be related to the topic. This method was utilized to secure the quality of the research, in case that something was missed. The interviews concerning the gathering of primary data was collected in two ways; two of the interviews was conducted face-to-face in Stockholm, and the other one through Citrix Go-to-meeting since the interviewee is living in the United States. Two interviewees were seen as ‘Experts’ within measuring and creating WOM, meanwhile the third interviewee was seen as a ‘User’ of the theories and potential findings.
3.5. SAMPLE SELECTION

To provide this research with the right sample selection technique, the techniques were divided into two subcategories. The categories are ‘Nonprobability’ and ‘Probability’ sampling. Probability sampling is referring to a statistical estimation of the characteristics of a population (Saunders, Lewis, & Thornhill, 2009). This thesis excluded this technique since no experiments, surveys or similar were conducted. Therefore, a ‘Nonprobability’ sampling technique was used, which according to Saunders, Lewis and Thornhill (2009) is the most practical for an exploratory research and also the most suitable to the chosen research strategy, ‘Case Study’. A non-probability technique provides a set of different tools to employ the research, tools as sampling types such:

- Quota 
- Purposive 
- Snowball 
- Self-selection 
- Convenience

Primary, this thesis used ‘Purposive’ sampling technique since this method enabled the possibility to choose the case that was most likely to answer the research questions, particularly since it’s a specific subject. However, the authors made contact with Köksbören because of their unique case of fake-users setting up a fake company page on Facebook to spread negative WOM.

Vendemore were contacted in order to give expertise within innovative marketing and possibly refer the authors to further cases, both authors were familiar with the companies since before. In matter of fact, this method is the most suitable while having a small number of samples and are preferred with the research strategy ‘Case Study’ (Saunders, Lewis, & Thornhill, 2009). Additionally, ‘Snowball’ was also used since Vendemore provided another case with expertise (Proof) that served as an adding piece to the puzzle. See Appendices for list of interviewees and interview guides. The study was limited to investigate companies within B2B, but no pilot study was conducted to gather information, regarding topic disparity and where sales takes place in the chain. B2B companies was chosen since there are less research conducted regarding e-WOM and those companies are show to also be affected (Bughin, Doogan, & Vetvik, 2010).

3.6. DATA ANALYSIS

Next step in the research design is to analyze the gathered empirical data. In order to do so, the gathered data needs to be transcribed and processed. Hence, an analysis in form of correlations can be conducted in order to later, draw conclusions. Methods for data analysis depends on what kind of information has been collected (Saunders, Lewis, & Thornhill, 2009). The information that has been gathered in this thesis is of ‘Qualitative’ nature and therefore non-numerical and hasn’t been quantified. Qualitative data analysis require classification, and in order to analyze it, it has to be conceptualized (ibid). Further, Saunders, Lewis and Thornhill (2009)
means that the processing of qualitative data analysis involves one or more of the following stages:

- Summarizing data
- Categorizing data
- Structuring data

All of which are used as a method for data analysis of this thesis. Those three stages are carried out and recognized in the inductively based analytical procedure of ‘Data Display and Analysis’, which also was used in this thesis. According to Miles & Huberman (1994) this consist of three concurrent sub-processes:

- Data reduction
- Data display
- Drawing and verifying conclusions

All of the above mentioned stages are used in this thesis. Data reduction summarizes and simplifies the collected data, in purpose to focus on the parts that is concerning the conducted research (Miles & Huberman, 1994). Further in the process of analyzing, comes data display. The meaning of data display is to structure and order the gathered data into tables and figures so it gives a clearer synopsis of the empirical data (ibid). The last part in the analysis process is to verify the collected data (ibid). This is done by drawing conclusions and then put into sentence.

3.7. VALIDITY & RELIABILITY

According to Saunders, Lewis and Thornhill (2009), the credibility of a research and its design has for long been an issue of research findings. Therefore, an adequate discussion regarding this thesis research design will be brought to attention. Two particular emphases will be discussed, namely, reliability and validity. Both has a meaning of the likelihood that another researcher would have the same results by conducting the same research (Saunders, Lewis, & Thornhill, 2009). The issue that needs to be addressed is the difficulty to ensure that the study has high reliability and validity. Hence, the realization of reducing risks as much as possible concerning both validity and reliability. Yin (2009) suggest four tests to ensure the quality of a research, and shown in Table 7 on the next page.

- Construct validity
- Internal validity
- External validity
- Reliability
Table 7. Case Study Tactics for Four Design Tests

<table>
<thead>
<tr>
<th>Tests</th>
<th>Case Study Tactic</th>
<th>Phase of research in which tactic occurs</th>
</tr>
</thead>
</table>
| Construct validity | 1. Use multiple sources of evidence  
2. Establish a chain of evidence  
3. Have key informants review draft case study report | 1. Data collection  
2. Data collection  
3. Composition |
| Internal validity | 1. Do pattern matching  
2. Do explanation building  
3. Address rival explanations  
4. Use logic models | 1. Data analysis  
2. Data analysis  
3. Data analysis  
4. Data analysis |
| External validity | 1. Use theory in single-case studies  
2. Use replication logic in multiple-case studies | 1. Research design  
2. Research design |
| Reliability      | 1. Use case study protocol  
2. Develop case study database | 1. Data collection  
2. Data collection |

Source: Adapted from Yin (2009), p 41

3.7.1. CONSTRUCT VALIDITY

Construct validity is defined as it; “identifies the correct operational measures for the concepts being studied” (Yin, 2009). Therefore, Yin (2009) recommends ‘Multiple Sources of Evidence’, ‘Establishing a Chain of Evidence’ and then ‘Have Key Informants Reviewing the Case Study Report’. Resulting in higher validity of the research. This thesis used interviews where an adequate frame of reference of theories left a chain of evidence that then an interview guide was based on. Then the collected data was compared and analyzed on existing theory. Finally, a draft and final version of the thesis was reviewed by interviewees, supervisors and peers, resulting in an increased validity and reduced risks of wrong information/transcription.

3.7.2. INTERNAL VALIDITY

Internal validity is only an issue for explanatory case studies, where the purpose of the research is to establish correlation between factors (Yin, 2009). Considering that the research purpose of this thesis was exploratory and partially descriptive, no consideration was taken to account to increase the internal validity.

3.7.3. EXTERNAL VALIDITY

External validity is defined as it; “defines the domain to which a study’s findings can be generalized” (Yin, 2009). The issue that it addresses to is the validity.
with drawn generalizations, especially when qualitative data is analyzed (Saunders, Lewis, & Thornhill, 2009). To strengthen the external validity, Yin (2009) put two recommendations into meaning, first, ‘the Use of Theory in Single-case Studies’ and secondly ‘the Use of Replication Logic in Multiple-case Studies’.

This thesis utilized the collected empirical data through analysis with interpretation to existing theories in the literature review. This enables higher validity to the research by reducing the possibility of false drawn conclusions/assumptions. On the contrary, the results given from empirical data and of its increased validity, the conclusion is that this thesis is to a more specific nature. Thus there is a difficulty of generalizing findings. To antagonize a low validity, this thesis used a replicative method of conducting the expert interviews and analysis. In purpose to securely not making any methodological differences between cases and utilize a replication logic.

3.7.4. RELIABILITY

Concerning the reliability, Yin (2009) follows up the last test as the definition; “the demonstration of that operations of a study can show repeated procedures, with same results”. Thereby, the objective of reliability is to ensure the quality of the thesis by reducing biases and errors to its highest degree. The case study should be managed so any stakeholder of the report can be able to follow the procedure of the way the research was conducted. Yin (2009) recommends the use of ‘Case Study Protocol’ and a ‘Case Study Database’ so it would be easier for researchers to replicate the research. For this case, an interview guide was made with the purpose to serve as a checklist, to ensure that questions were taken up. This guide enables another researcher to ask the same questions and thereby, most likely, gather similar result, see Appendices. By the time, Saunders, Lewis and Thornhill (2009) means that there is an issue to address to when non-standardized methods are used repeatedly. The issue that follows is that situations and research change over time, as this industry where the experts that were interviewed are active.

Furthermore, problems are occurring when conducting data collection and analysis, at least according to Saunders, Lewis and Thornhill (2009). Those problems are addressed to the risks for errors and biases. The interviewers’ bias is to be considered firmly. To avoid bias or misinterpretation during the interviews, the both authors of this thesis was present to take notes, later compared and discussed. In order to retrieve unbiased information as possible, much thought was considered to holding a neutral tone and minimize non-verbal communication, also, Saunders, Lewis and Thornhill (2009) highlights the importance of those thoughts.

Both interviewed experts’ benefits from this conducted research since it is specifically focused towards their industry, which is seen as emerging. They both had an interest to provide as rightful information as possible and there are not many practitioners of this type of analytics for marketing. Both considered themselves as practicing marketing on a level that is ahead of current research. However, there is still a risk of bias or errors from the interviewee. Especially since the choice of sample is using a non-probability sampling selection
(Saunders, Lewis, & Thornhill, 2009). To avoid this, all interviews were audio recorded and the participants have not been discussing the thesis in detail with the interviewers, nor knew what the interviewers were going to ask in beforehand.

Two of the interviews were conducted in Swedish since all the participants were Swedish native speaking and then translated into English. The translation was not seen as a risk of transcribing wrong data or terms since the authors’ translations skills are seen as good. The third conducted interview was conducted in English and a risk that the interviewers were not comfortable enough to speak on the same terms and freely as the interviewee was. Another benefit for this research was that both authors participated in the interviews, taking notes and asking questions.
3.8. SUMMARY OF METHODOLOGY

To sum up, Figure 4 shows an outline of the chosen methodology in this theses. Colored boxes notes the chosen methodology path, meanwhile non-colored is the range of possible choices.

Figure 4. Outline of Chosen Methodology
4. EMPIRICAL DATA

This chapter is concerning the collected primary data that was used to answer the formulated research questions. As previously mentioned, the data was gathered through interviews with two experts and one potential user. The empirical data that are to be presented will serve as a summary of the responses and structured according the frame of reference. The following data is used in the next chapter, data analysis.

4.1. RESEARCH QUESTION ONE

The constructed interview guide was based on theories that were stated in the frame of reference. The answers that was received by the two experts was mostly similar, meanwhile the user gave completely different answers. As described in the methodological section, the user is a small sized company, operating partly as an e-commerce company. While the other two interviewees are seen as experts, as they have dedicated their careers to extensive, hi-tech marketing and marketing tools.

Two different interview guides were used for the different type of interviewee. Therefore, to give an overview of the given responses two different tables are comprehended, where the tables are representing a research question and one type of interviewee each. Firstly, Table 8 and Table 9 summarizes the collected empirical data for research question one and each type of interviewee: ‘How can e-commerce, SMEs measure e-WOM on Social Media?’

Table 8. Summary of Answers RQ1, User

<table>
<thead>
<tr>
<th>Interview Question#1</th>
<th>Summary of Answers</th>
<th>Type of Interviewee: User</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does your company work with online marketing?</td>
<td>Yes, in different type of forms, Search Engine Optimization (SEO) such as AdWords is the most used form. They had customers that, on Social Media, has written false and bad reviews. Further, a dissatisfied customer has created a Facebook page in Köksbörsern name and then posted posts to create negative and false Word-of-Mouth. Partly due to this issue, a large part of the marketing budget is allocated to online-marketing in purpose to improve the image of Köksbörsern.</td>
<td>User</td>
</tr>
</tbody>
</table>
**Interview Question #2**

*Do you handle Word-of-Mouth on the Internet?*

Many negative reviews have been written about them on different platforms, mostly Facebook. Even Google has their own review function where the same customer has expressed their dissatisfaction. They have managed to deal with all false e-WOM, they have succeeded to remove/report it from some of the platforms. One of their salesman have confronted the critique online. They also have in mind to hire someone that works part time with Social Media. Furthermore, construct a strategy for online marketing on Social Media and how the company should address to similar issues in the future. They are prepared to allocate a budget of five to ten thousand SEK per month for this project.

**Interview Question #3**

*Have you ever tried to measure Word-of-Mouth on the Internet? How?*

The CEO, Mr. Lindh, estimates that he has missed sales of six figures because of the fake-user. He backs his assumption on what customers has told him, in matter of fact, a customer told Mr. Lindh that they choose a competitor because of all the online critique of Köksbörsen. According to Mr. Lindh, this resulted in lack of trust from the customers' perspective. Besides lost market shares, he also claims that lost five to ten percent of the yearly turnover, based on customers that visited the affected platforms. He clearly states that negative WOM destroys more than an entrepreneur think. Further, he claims that an action/investment to prevent such things for happening is to establish a plan with routines of how Social Media should be managed. The keyword for the management would be *Presence* and it should impregnate their Social Media channels. He says that this should be done with continuous updates of new products and further, in purpose to show that they are active and desires to create value for the customer. A way he sees to establish this is by creating personal stories concerning the managed business.

**Interview Question #4**

*Do you think it might be important to measure word of mouth on the Internet for your company? Why?*

Yes, by establishing a plan and strategy of how e-WOM on Social Media should be encountered, he can evaluate different approaches and conclude which one has the best practice. From another point of view, it would be very interesting to find out how many people recognizes the brand and what they think/feel about Köksbörsen. Since, this could be an effect of e-WOM, he claims that reputation has a clear connection to sales.
Table 9. Summary of Answers RQ1, Expert

<table>
<thead>
<tr>
<th>Interview Question#1</th>
<th>Summary of Answers</th>
<th>Type of Interviewee: Expert</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How would you define e-WOM?</strong></td>
<td></td>
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</tr>
<tr>
<td>The opinions of how e-WOM is defined was similar from the perspective of both experts. Mr. Stouse defined it as people sharing experiences with companies, shared views of trust and confidence. Further, it becomes more and more available for larger scales digitally, because of technology improvement. He also states that the social channels are most precise for marketing analysis tools and it’s an owned and shared channel, meanwhile traditional marketing channels refers to only paid and owned channels. Paid and owned channels only function to make the audience aware, he exemplifies this with customers only remembers an ad but not the product. Meanwhile, shared and owned channels are where customers are searching to find confidence and/or trust. Mr. Engman interview was very similar since he confirmed that the objective with e-WOM is to create a result of Awareness, Confidence and Trust with their customers and the end-customer.</td>
<td></td>
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</table>

| Interview Question#2 | | |
| **Are you aware of any current methods to measure e-WOM/WOM?** | | |
| Yes, both were confident with saying that there are familiar methods for measuring e-WOM/WOM. Mr. Engman that is more specialized in IT-solutions says that it isn’t too hard to create a representative proxy such as measurement of likes, shares, comments, clicks and further. Such is already measured today. Cost ($) per like is an interesting proxy but can be misleading, because the performance indicator may relate to likes that is not coinciding with the companies’ business model. Mr. Stouse were agreeing that this indicator may just be an arbitrary number, since cost and value are two completely different terms. Further, Mr. Stouse gave two more general methods of capturing e-WOM/WOM, as following: | | |
| • Focus groups | | |
| • Net Promoting Score (NPS) | | |
| Firstly, he claims that focus groups are not statistically significant, since respondents may not be representing the total population. He exemplifies this by hiring, the discrepancy that occurs when a person conducts a 360 degree-analysis by asking 150 people about themselves and when the person only ask five people. The keyword to prevent this is; triangulation. He claims therefore this isn’t applicable for WOM and companies because of the large size of the population and therefore not significant. | | |
| Secondly, NPS shows a number on a scale of -100 to 100, calculated with a formula. The scale is based on one question, “how likely would you be to recommend the company/brand/product to a friend, colleague or relative?” He says that stakeholders then are categorized into three groups, either they are; promoters, passives or detractors. Promoters responds with highest score and detractors with the lowest. The levels are that each exhibits value-creating patterns, such as buying, loyalty and | |
the degree of referrals. Further, he claims that the problem with NPS is that there are no correlations between NPS and growth, so NPS can’t give a proof of that.

**Interview Question#3**

*Why do you think e-WOM should be measured? What does this mean to you and the company in general?*

Both experts were agreeing that e-WOM in general is extremely efficient to measure, since you can show the customer a result of engagement and provide proof for people that you care about their opinions. Generally, Mr. Stouse claims that business analytics is the best way to catch and understand what the market wants.

By measuring e-WOM, it would provide a value what is closest to the truth. What many marketers don’t reflect to is; silence, when no WOM is occurring, it should be considered negatively. By sending a message, the receiver will reflect to the extent it provokes interest. Therefore, a marketer should never send more than two messages since it’s hard for the customer to perceive and show such interest.

Furthermore, Mr. Engman confirms that the product of e-WOM is incredibly hard to measure. They haven’t solved the case of how to create Awareness, Confidence and Trust amongst people. He tells us that they are very interested in solving how and when the stages are fulfilled. Partially, Vendemore delivers the solution today, they show how their customer have created trust amongst the end-customer. This is done by comparing a company that utilizes Account Based Marketing and one that doesn’t. Further, he states that If it’s possible to ROI of e-WOM then it’s considerably easier to sell their services to their customer.

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4.2. RESEARCH QUESTION TWO

Secondly, Table 10 and Table 11 summarizes the collected empirical data for research question two and each type of interviewee: ‘How is e-WOM created on Social Media by e-commerce SMEs?’

<table>
<thead>
<tr>
<th><strong>Table 10. Summary of Answers RQ2. User</strong></th>
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</thead>
<tbody>
<tr>
<td><strong>Interview Question#1</strong></td>
</tr>
<tr>
<td>Have you tried to create Word-of-Mouth on the Internet concerning your company?</td>
</tr>
</tbody>
</table>
### Interview Question #2

**Have you tried creating Word-of-Mouth on Facebook?**

The hired salesman and one of his relatives has privately written good reviews from their Facebook. The effect was that the previously, negative e-WOM, became less visible, since it got moved further back on the timeline. The user claims that the result has been good so far, since potential and current customers hasn’t encountered those reviews yet, at least what he is aware of.
### Table 11. Summary of Answers RQ2, Expert

<table>
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<th>Interview Question#1</th>
<th>Summary of Answers</th>
<th>Type of Interviewee: Expert</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Why do companies need to work with e-WOM on Social Media e.g. FB?</strong></td>
<td>Mr. Engman claims that this question can only be answered when the decimation is made, according to his presented graph at least. His graph was drawn as Figure 5. But, yes company’s like ICA should work with e-WOM since they are interested what every consumer thinks about their products, campaigns, service and so on. So, they are not potential customers for Account Based Marketing (ABM), since their customers is every single person in Sweden. Meanwhile, companies on the middle of the graph needs to work with e-WOM in another scale. In order to create positive e-WOM about a company’s products or services he exemplifies that it’s important to address the marketing towards their customers and potential customers’ organizations. The bigger companies, such as Fortune 2000, needs to work with ABM and the creation of e-WOM in other figures. This is exemplified with a group of purchasers that wants to implement a new IT-system so they need to have the majority of the internal organizations on their side. In that case, the decision makers need to have support from the majority to even consider the change of IT-system. Consequently, it will benefit the decision making by reducing the lead time of the decision.</td>
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#### Figure 5. Company Categorization

Meanwhile, Mr. Stouse supports what Mr. Engman said by concluding that a company benefits from being aware of the ROI for the marketing effort put onto Social Media. Therefore, it’s possible to use this to cut deal velocities or the required time for a sale to go through. The reason why this is needed is to affect the unsureness of the buyer, where there is a lack of trust to process the deal. Marketing on Social Media isn’t like ads where you can instantly post and put things for a price, posts on Social Media needs to be reviewed carefully so what is being posted is representative of what the bran stands for, otherwise it can emerge into brand discrepancy.
He also says it's important to address immediately to negative WOM on Social Media, because of this group of WOM is the most frequent one. It's all about creating a brand that the customer remembers, not an ad like the Super Bowl commercials.

Mr. Engman confirms this by mentioning a technique for measuring impact on Social Media, namely Social Media Monitoring. Also, other tools and software can be used, which he emailed a list of, which looked like Figure 6. Those can be used to review, analyze and take measurements on Social Media for each particular need. Furthermore, he mentioned the services of Hootsuite and PRnewswire.

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*Source: Gartner (October 2015)*

*Figure 6. Social Media Monitoring Vendors*
**Interview Question#2**

*How can e-WOM on Social Media be managed? Strategies?*

Mr. Stouse is convinced that influencer marketing is an area where the purpose is to get e-WOM moving. Which is becoming more and more important at firms with higher costs and risks. It will result in a reduced time for sales to go through. Mr. Engman continues with confirming that this is really hard to accomplish in practice. He claims that the amount of receivers is huge in B2C, where likes, clicks, comments, reviews has to be managed.

Meanwhile in B2B and especially for larger organizations, it is needed to establish strategies that covers how particular groups are convinced in decision making, which is dynamic and specified for each case. He explains that they work with strategies as following: One of Vendemore’s customer’s sellers has an account plan for one of their customers where the target group is the purchasing group (because they are the decision makers for introducing a new product to their category). Vendemore then applies a strategy which addresses positive marketing about the products' benefits towards Vendemore’s customer’s customer.

In that case, positive e-WOM will be created in both the purchasing group but also amongst decision makers.

**Interview Question#3**

*Today, how do companies work with e-WOM on Social Media?*

They rather work with paid and owned channels, since those can be controlled. Such as the company’s own website and therefore marketers find this way convenient. Otherwise, they do A/B testing (analysis between Company A and Company B) and clicks. Mr. Stouse asks if it is truly enough or representative.

Mr. Engman claims that companies work with e-WOM on Social Media by both untargeted and targeted marketing. They make people like, share, comment and tweet and so on. Also, the content of each e-WOM needs to be reviewed, for an example a simpler comment is of less value in e-WOM than a more developed and detailed.

**Interview Question#4**

*Is it possible to gather information about customers to then target right information to them to increase the chance of a sale? E.g. through FB. How?*

They both agree that this is possible, the hard part is not the gathering of data, because it can be found in books, accounts, reports and so on. The problem is not the measurement, it is the analysis and how the user uses the data. A common mistake marketers do is not to look after correlations between data. Further, as any data analysis, garbage in is garbage out.
5. DATA ANALYSIS

This chapter is including the analysis which presents relationships between the gathered data and the purpose of the research and the frame of reference that has been conceptualized as a basis for this research. Resulting in answering the earlier presented research questions.

5.1. ANALYSIS OF E-WOM MEASUREMENT

The definition of e-WOM were similar according to the interviewees but also with literature. The experts defined it as a way of sharing experience which Goyette et al (2010) claims in their summary of the terminology. One of the experts commented also on the ‘e’ in e-WOM and claimed that it refers to a place, the Internet, which aligns with what Wang et al (2016) study concludes. Further, the experts claimed that it is not important how it is defined, rather what result could be obtained by measuring e-WOM.

The expert at Vendemore, and the other expert at Proof are considered experts in the field of e-WOM. The user Köksbörsten however, is considered the main case study for this report. With their annual turnover of about 30 million SEK, the user is identified as a medium-sized company, with a part of their sales going through the e-commerce sale channel. According to the results presented by Kim (2004) the user is the kind of company that would benefit the most from the use of online marketing. This is confirmed by the user, when he discusses how much resources they put at online-marketing and how much they have benefited from it.

The user operates as a B2B-company within the restaurant and fast-food industry with sales cycles vary from going through within a day to a year, with an average of six months. Within Figure 5. Company Categorization, page 35, that is presented by one of the experts, the user would be identified within the second quartile. Hence, the effects of e-WOM would have a direct effect of the user’s revenues within the year which was discussed by an expert. Which is confirmed by the user, as he by the date of the interview, had not noticed the effects of the positive e-WOM created on Facebook just a few months before.

The fact that the user had not noticed the effect of the positive e-WOM his employee created, a short period before the interview, may also be explained by Lee and Yuon (2009). Lee and Yuon (2009) found that distrust or suspicion indicates users of Internet to sense danger of review manipulation, which would make the potential customers that viewed the positive e-WOM, less likely to be affected.

The case of Köksbörsten and Vendemore, explained that both companies were aware that measuring e-WOM is possible, both positive and negative. However, none of them did measure it frequently. Pavlou & Gefen (2004) highlights that the approach toward a company online may affect the company and their whole industry, and is amplified if the approach were formed in a negative way. The user and expert seemed aware of the importance of the measurement of e-WOM, but did not have an effective tool to measure it, which would explain why they did not measure it. Further the user presented the fact that the first time he realized they were affected by e-WOM, was just a few years ago. This confirms the fact that online-marketing, the
effects of it and the potential to use it have increased with the rapid technological expansion of over the last decade.

As the technology proceeds to develop, the importance of measuring e-WOM is risen. Which is implied by experts, user and theory. From a users’ point of view, it is important to know how to measure e-WOM because of the possibilities it has to indicate Return on Investment (ROI) on marketing. Key figure as this, describes how efficient marketing is, given the opportunity to improve the marketing process and thereby cut sale cycles. SME’s within e-commerce is an excellent example of such user, their core business setting and presence is online and virtual. Such businesses will be identified depending on what product or services they deliver since it corresponds to particular average sale cycle. As mentioned before, as greater the average sale cycle is, the more efficient e-WOM becomes to be. E-WOM can push purchase decisions forward and shorten sale cycles, the more comprehensive the purchase decision is the more efficacious e-WOM is. Concluding that it is important to know how it can be measured.

By finding correlations between theory and experts, it is concluded that a company can measure e-WOM. There are many methods, precise algorithms that can calculate specific ROI for each case but there also general ways of doing this. A general approach is necessary in the case that SME’s within e-commerce are not familiar of e-WOM nor doing measurements. An adapted general approach can benefit awareness amongst the marketing responsible(s). Then Table 4, page 11 gives an excellent first approach to measure e-WOM on Social Media (Bughin, Doogan, & Vetvik, 2010), in order to adapt the formula for online practices, a company need to define ‘e-WOM Equity’ as following in Table 12.

Table 12. Adjusted formula for e-WOM

<table>
<thead>
<tr>
<th>Volume</th>
<th>×</th>
<th>Impact</th>
<th>=</th>
<th>e-WOM Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small reach</td>
<td></td>
<td>Where?</td>
<td>×</td>
<td></td>
</tr>
<tr>
<td>Large reach</td>
<td></td>
<td>+Close/trusted</td>
<td>×</td>
<td>+Large reach</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Large/dispersed</td>
<td>×</td>
<td>+Close/trusted</td>
</tr>
<tr>
<td>Who?</td>
<td></td>
<td></td>
<td>=</td>
<td>Strong when?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>What, content?</td>
<td></td>
<td>+Influential</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+Relevant key buying</td>
<td></td>
<td>+Favorable</td>
</tr>
<tr>
<td></td>
<td></td>
<td>factors</td>
<td></td>
<td>buying factor</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Irrelevant key buying</td>
<td></td>
<td>+Consumer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>factors</td>
<td></td>
<td>experience</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+Influential</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>+Consumer experience</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Noninfluential</td>
<td></td>
<td>-Hearsay</td>
</tr>
</tbody>
</table>

Source: Adapted from Bughin, Doogan & Vetvik (2010), p.1.

The conceptual difference between this formula and the previous stated one at page 11, is that a larger reach is to prefer in online and virtual practices. The reason is
because the same resources are used to reach a small audience as it is to reach a larger, therefore it is more efficient to strive for a larger reach (Gilmore, Gallagher, & Henry, 2007). In matter of fact, the optimal e-WOM equity is retrieved when SME’s within e-commerce can reach every single user on Facebook with their message. Secondly, when the message is inherited by close and trusted one’s on Facebook. As any cycle, the message has a maximum reach and will always have someone’s close and trusted users to engage on those messages, which influences the next one to engage. The impact will then be favored when the engagement contains favorable buying information spread by a consumers’ experience. Based on Table 12, Figure 7 was created in order to enhance the most important factors of the formula for e-WOM. This implies rather creating e-WOM than measuring, but prove that looking at impact and volume gives marketers the opportunity to measure the effects of e-WOM messages more accurately.

**Figure 7. e-WOM Equity Optimal Cycle**

Further, if an SME within e-commerce is currently pursuing measurements on Social Media, then they are having an approach that is described by the interviewed experts. Those are either one or more of following:

- Focus group
- Proxies
- Net Promoter Score
- Social Media Monitoring

*Focus group* is clearly the least representative method of measuring e-WOM, as mentioned before by the second experts, this is an unrepresentative method because of its’ statistical non-significance. Mention-worthy is that it is still a method of capturing what reactions are existing regarding the brand or its’ product/service. It might be unrepresentative for the majority but it s still representing the costumers’ voice in some amount, how much will always be unclear. Meanwhile, using quantitative data in shape
of proxies can serve as a complement for a focus group. An example for such proxy is *value per like*, where the budget allocated for a particular message is divided per received like. Where a like is a way to tell the sender that the content is interesting (Gummerus, Liljander, Weman, & Pihlstrom, 2012). As discussed in the gathered data, this is also unrepresentative since costs are not equal to value, but can serve as a proxy and not a proof.

*Net Promoter Score (NPS)*, was introduced to this research through the second expert, which confirmed that NPS asks and quantifies the following question:

> “How likely is it that you would recommend our company/product/service to a friend or colleague?”

This question is answered through quantitative methods such as surveys or questionnaires, resulting in categorizing customers into three groups sorted on likeliness to promote the product/service/company. An idea to integrate this part to focus group is also seen as a feasible solution, as any case, NPS does not provide proof of a connection between NPS and growth. Again, this method is also seen as a proxy to give an overview/piloting for a case.

As stated in 2.2.3, e-WOM skepticism can be measured in truthfulness, identity and motivation of the e-WOM message sender (Zhang, Ko, & Carpenter, 2016). However, as the trend goes for online skepticism it has to be considered since it has a negative impact on the delivered product/services. Therefore, in the case of Köksbörse, messages are being negatively promoted because of the fake-user. As this continuous, receivers will be perceiving a negative attitude towards the messages truthfulness, identity and motivation of the message which results in a growing skepticism.

Finally, what has seen as a feasible solution to measure and give exact results of how companies can measure e-WOM is by *Social Media Monitoring*. Technology advances and so does severe algorithms that are included in offered user-friendly software. The first expert provided a list of vendors that offers this service today. This tool is used to actively monitor Social Media channels for information about a company, it allows companies to track what customers are saying about their product or brand (Financial Times, u.d.). This can then be used to facilitate a plan for meeting those reactions or sayings. Figure 8 on the next page, illustrates the four identified approaches and the importance of them, with Social Media Monitoring as the most relevant while focus groups are the least relevant.
Today, companies are using Search Engine Optimization, which is the process of used techniques to optimize the visibility of a website in a search engines results, this is often used with help of third-party companies/software (Ortiz-Cordova & Jansen, 2012). Social Media Monitoring should be used similarly as SEO to gain higher ROI on performed marketing campaigns on Social Media. Which is seen as the most efficient for any SME’s, the most representative and cost efficient alternative. Considering that resources should be allocated to perform core activities and the organizational power is not strong enough to develop an own software.

The second expert confirms that software for measuring are existing, for an example his software Proof, which delivers proof for business value of marketing. By giving concrete numbers and trends to performances, such as e-WOM, incentives are given resulting in room for improvement. Hence, strategies can be formed to create and increase margins of these numbers. See Appendix F – Screenshots of Social Media Monitoring Software for an indication of what result these software provides.
5.2. ANALYSIS OF E-WOM CREATION

According to Kaplan & Haenlein (2010) a company need to be active on Social Media in order to develop relationships with potential customers. Further the research explains that the interaction and sharing of experiences are considered as fresh content, making the customers see that the company engage with their customers. The interviewed experts confirmed the importance of being active online and finalized the importance of being active on the right channels, as he described a story of how one their partners had been amazed of how much a foreign, potential customer had known so much about the expert, without ever meeting him. The user did not have an online marketing strategy applied for Social Media, which had given a result of them closing the Social Media accounts down since they were not being used, but he highlighted how important he thought it was to be active on the used Medias.

Neither the user nor the experts, had a strategic plan covering of how to appear interesting, pick the right application, high accessibility, and be humble, unprofessional and honest on Social Medias. According to Kaplan & Haenlein (2010) those are however of great importance and need to be considered by companies appearing online on Social Media. The author further explains how to reach the above mentioned goals. A few of the considerations mentioned in the theoretical chapter, is to listen to the customers, respecting the norms of the media and realizing that the media did exist before any firm tried to engage in it.

However, both the user and the experts described how they had evaluated different Social Media channels before start the use of them, which is confirmed as being important by Kaplan & Haenlein (2010).

According to both interviewed experts, it is of great importance to make sure of activity alignment. They both were confident that posting the wrong or contradicting messages, would hurt the business more than it would benefit it, since an alignment need to be done between the posts and the rest of what the company stands for and communicates. This fact is highlighted and confirmed by Strahle, Spiro & Acito (1996). One of the experts continued within the subject, describing that a company at the most could have two messages per posts, in order for the messages to have a chance of being received by the readers.

Further one of the experts explained that the action of using a successful post on one media channel, would be effective to use on other as well. Which is confirmed by Kaplan & Haenlein (2010).

However, the user also added two recommendations to the identified list of recommendations. The first one being the importance of actually having a strategic plan of marketing on social media and the creation of positive e-WOM. The other one was that he highlighted that being active is not just about being active, but more about providing a continuity.
Table 13 describes the recommendations ranked according to their importance, for companies to use on Social Media. The most important recommendation being used and mentioned by literature, adaptors and experts, the least important recommendations only being recommended by one source, in this case the literature.

Table 13. List of Comparison between Recommendations

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Literature</th>
<th>Experts</th>
<th>User</th>
</tr>
</thead>
<tbody>
<tr>
<td>Be active</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Evaluate Channels</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Activity Alignment</td>
<td>✓</td>
<td>✓</td>
<td>✗</td>
</tr>
<tr>
<td>Media Plan Integration</td>
<td>✓</td>
<td>✓</td>
<td>✗</td>
</tr>
<tr>
<td>Accessibility</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>Pick Application</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>Appear Interesting</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>Be Honest</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>Be Unprofessional</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>Be Humble</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>Strategic Plan</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>Provide continuity</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
</tr>
</tbody>
</table>
6. FINDINGS & IMPLICATIONS

Within this section, the major findings of this report is described. Furthermore, the most vital recommendations for companies to use when about to measure and create e-WOM are described. Finally, the recommendations for future research within the chosen subject are found at the last subsection. The stated Research Questions has been answered and were defined as following:

- RQ1: How can e-commerce, SMEs measure e-WOM on Social Media?
- RQ2: How is e-WOM created on Social Media by e-commerce SMEs?

6.1. FINDINGS ON E-WOM MEASUREMENT

Findings of this thesis presents that measuring e-WOM is possible with several methods, some more significant than others. As concluded in the analysis there is one general formula for e-WOM equity and four other more specific methods of measuring e-WOM. Focus group, NPS and cost per like (and such) are only considered as proxies and giving incentives for further research into a particular case. Focus group was expressed as non-statistically significant by the conducted interviews, cost per like was non-representative since value and cost are having two different meanings. NPS shown to be a question for just measuring purchase intention meanwhile e-WOM intends to also measure purchase behavior. Neither focus group nor NPS explains if WOM is taking place offline or online.

The main finding that has shown to be feasible for measuring e-WOM is Social Media Monitoring. This is a relatively newly introduced method on the market, mainly innovators and early adapters are using this today. This thesis highlights the importance of measuring and considering e-WOM, however the finding also implies that this method has potential to grow and become central within marketing just like Search Engine Optimization (SEO) is today. Both Social Media Monitoring and SEO are two ways of managing a company’s presence and marketing efficiency online. For a perspective of how these software can look like, please find it attached in Appendix F – Screenshots of Social Media Monitoring Software.

6.2. FINDINGS ON E-WOM CREATION

The findings of this thesis concludes that the phenomena of creating e-WOM on Social Media and Facebook, is not just about making customers talk, write and share their opinions. The interviews with both a user and experts, concludes that the wrong sort of e-WOM may be devastating for a company, especially a company working B2B and using e-commerce as one of its sale channels. The negative e-WOM has been estimated to have heavy effects on the total sales, the user estimated that his company lost about 5% of total revenues, due to the creation of negative e-WOM.

Since the creation of e-WOM is concluded to not only be about actually creating it, but rather about creating the right sort of e-WOM. In order for a company to understand how to create the right sort of e-WOM on Social Media, specifically Facebook, Table 13, page 43, were constructed. The table shows what recommendations that were
found to be of greatest importance, ranked down to the least important ones. The analysis concludes that the most important recommendations of how to create e-WOM on Social Media, is to be active, evaluate Social Media channels, align online marketing activities and to integrate a Social Media plan. However, by following all recommendations described in Table 13, page 43, a company would increase the chances of creating positive e-WOM on Social Media.

6.3. CONTRIBUTIONS FOR MANAGEMENT

By using the recommendations found in this thesis, the realized concrete contribution for a marketing manager is to start using Social Media Monitoring for the company’s presence on Social Media Channels. This thesis has indicated that this is the most significant method (in comparison to other alternatives described in 5.1 Analysis of e-WOM measurement of measuring, page 41) of measuring e-WOM on Social Media. Therefore, a manager is given a way of measuring ROI of marketing campaigns on Social Media. This is leading to the possibility to improve the given key figure in a positive manner for the company’s marketing result.

Further, a positive e-WOM is likely to occur. An increased positive e-WOM, is estimated to increase total revenues of 5 to 10%. In order to gain the increase of total revenues, a marketing manager need to make sure the company’s marketing strategy have a focus on being active on Social Media, evaluate and use the right social media channels, align the activities and integrate the media plan, as shown in Table 14. To get the most possible out of the efforts, it is however recommended for the manager to also include the six other recommendations, shown in Table 13 at page 43.

Table 14. Four main recommendations

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Literature</th>
<th>Experts</th>
<th>User</th>
</tr>
</thead>
<tbody>
<tr>
<td>Be active</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Evaluate Channels</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Activity Alignment</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Media Plan Integration</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- 45 -
6.4. IMPLICATIONS FOR THEORY DEVELOPMENT

Something that the user highlighted during the interview, is the fact that he estimated a creation of positive e-WOM would increase his total revenues of 5 to 10%, which is a number that the investigated literature never mentions specifically. The user also suggested that the theoretical recommendations could be expanded by at least two more recommendations. The first recommendation the user suggested was the importance for the company to have a strategic plan of marketing on social media, and the creation of positive e-WOM. The user also mentioned that being active was important, he however suggested that being active could be about being active and provide a continuity in the creation of positive e-WOM through Social Media channels.

6.5. IMPLICATIONS FOR FUTURE STUDIES

As this research were conducted, a main conclusion was to implement Social Media Monitoring. In order to do so, a further investigation has to be overseen. Such investigation could be an explorative and comparative study regarding the effects of different algorithms and software’s, test their significance. Consequently, Social Media Monitoring can give proof of the importance of measuring ROI for marketing activities on Social Media, resulting in a developed theory.

During the interviews with the experts, a specific set of view of e-WOM was presented. The experts did not see the specific creation of e-WOM as a problem, neither did they find the measuring of how many people liked, shared, commented and wrote about posts a problem. They did however see how the creation of Awareness, Confidence and Trust through e-WOM creation as a major problem that they wanted us to deal with. The limitation in time and resources, prevented the authors of this thesis to go further in to their wishes. However, the authors would like to highlight how much B2B companies would benefit by being able to both create awareness, confidence and trust, but also measure when potential customers go through the different stages and what makes them do so. If a company were able to identify when and how they could create confidence and trust for their company and products, they would be able to increase their sales rapidly.

The chance of increased sales or increased total revenues, could also be investigated further. The number estimated by the user, was 5-10%, which would be of great benefits for any given company. But in order to validate this number, research should be conducted, where the total revenues are compared before and after a social media marketing strategy resulting in positive e-WOM are done.

Further, future research may be delimited to specific categorizations of the sales cycles the target companies have. One of the experts presented their customers as being part of the segment of business sales cycles that were occurring during the longest time and mentioned that companies like Ericsson and ABB within this segment. Within this segmentation, our user would be categorized within the second quartile. This would mean that the user would see results of the created, positive e-WOM on Social Media within a few months, while companies like Ericsson and ABB would see the results first after years of positive e-WOM creation. The expert highlighted that a thesis or report
should be developed, with a focus of one specific of those segments and he expressed an interest of offering assistance in the creation of such a report or thesis.

To gain a higher validity on this research, a further investigation should be conducted. This can imply a quantitative research and testing Social Media Monitoring. A quantitative research is great to use in order to quantify and gain numerical data to analyze the subject. This can be done by looking at company's usage of Social Media Monitoring and draw conclusions corresponding to the given results related to the practice of marketing. Finally, skepticism should be further investigated due to its trend and negative impact on marketing campaigns.


Tan, S. J. (2002). Can consumers' scepticism be mitigated by claim objectivity and claim extremity? *Journal of Marketing Communications*(8(1)), 45-64.


APPENDICES

The following section concludes the appendices that were used for conducting this research. For given implications of the appendices, please read the reference points.

TABLE OF APPENDICES

APPENDIX A – LIST OF INTERVIEWEES ........................................................................................................ II
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APPENDIX E – INTERVIEW GUIDE SWEDISH VERSION, VENDEMORE & PROOF ................................................ VI
APPENDIX F – SCREENSHOTS OF SOCIAL MEDIA MONITORING SOFTWARE .................................................... VII
APPENDIX A – LIST OF INTERVIEWEES

<table>
<thead>
<tr>
<th>Name</th>
<th>Fredrik Lindh (See appendix 1,2)</th>
<th>Christopher Engman (See appendix 3,4)</th>
<th>Mark Stouse (See appendix 3,4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>Industry kitchen</td>
<td>Account Based Marketing</td>
<td>Business Impact Analytics for Marketing</td>
</tr>
<tr>
<td>Experience (years)</td>
<td>10</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Role</td>
<td>CEO</td>
<td>CEO</td>
<td>CEO</td>
</tr>
<tr>
<td>Company</td>
<td>Köksbörsen AB</td>
<td>Vendemore</td>
<td>Proof</td>
</tr>
<tr>
<td>Medium</td>
<td>Face-to-face, Stockholm</td>
<td>Face-to-face, Stockholm</td>
<td>Citrix Go-To-Meeting, USA, AZ</td>
</tr>
<tr>
<td>Length</td>
<td>2h 15 min</td>
<td>1h 45 min</td>
<td>2h</td>
</tr>
<tr>
<td>Date</td>
<td>22 April 2016</td>
<td>25 April 2016</td>
<td>28 April 2016</td>
</tr>
<tr>
<td>Type of Interviewee</td>
<td>User</td>
<td>Expert one</td>
<td>Expert two</td>
</tr>
</tbody>
</table>
APPENDIX B – INTERVIEW GUIDE ENGLISH VERSION, KÖKSBÖRSEN

Background information
1. With purpose to complement our notes, is it okay if we record this interview?
2. Name?
3. Academical background?
4. Current position and area of responsibility?
5. Number of years within the industry?
6. What is Köksbörsen?
   a. What does Köksbörsen work with? What industry are you in?
   b. What is your competitive advantage?
   c. What is Köksbörsen Unique Selling Point?
7. What sales channels do you use?
   a. Internet/sellers/shop?
8. Estimate the sales percentage through your website or internet in general?
9. How many employees does Köksbörsen have? How much do you turn over?
10. Who is working with marketing at Köksbörsen?
    a. Does he/she only work with marketing, or something else too?

Questions regarding Research Question 1
1. Does your company work with online marketing?
   a. On Social Media, like Facebook?
2. Do you handle word of mouth on the Internet?
   a. For example, people who enter and write both good and bad things on sites like Facebook, such as ratings etc.?
3. Have you ever tried to measure word of mouth on the Internet?
   a. For example, how much can it be valued, what value can positive e-WOM have respectively negative.
4. Do you think it might be important to measure word of mouth on the Internet for your company?
   a. What advantages respectively disadvantages do you find?

Questions regarding Research Questions 2
1. Have you tried to create Word of Mouth on the Internet concerning Köksbörsen?
   a. If, yes, how has it gone?
   b. Have you gathered any experience from it?
2. Have you tried creating Word of Mouth on Facebook?
   a. If no, why not?

Final questions
1. If there is someone else that works with marketing, do you think we can get to interview him/her too?
Do you have any questions for us?
APPENDIX C – INTERVIEW GUIDE SWEDISH VERSION, KÖKSÖRSEN

Bakgrundsinformation
1. Med syftet att komplettera våra anteckningar, är det ok om vi spelar in den här intervjun i en röstfil?
2. Namn?
3. Akademisk bakgrund?
4. Nuvarande position och ansvarsområde?
5. Antal år i branschen?
6. Vad är Köksbörsen?
   a. Vad arbetar ni med? Vilken bransch är ni i?
   b. Vad är er konkurrensfördel?
   c. Vad kännetecknar Köksbörsen?
7. Vilka säljkanaler använder ni?
   a. Internet/säljare/fysisk butik?
8. Hur stor del av er försäljning sker via er hemsida och internet?
9. Hur många anställda har Köksbörsen? Vad omsätter ni?
10. Vem är det som arbetar med marknadsföring hos er?
    a. Arbetar han/hon bara med marknadsföring, eller med annat också?

Frågor som berör Forskningsfråga 1
1. Arbetar Köksbörsen med Online Marketing?
   a. På Social Media, som Facebook?
2. Försöker ni hantera word of mouth på internet?
   a. Exempelvis folk som går in o skriver både gott och ont på Facebook, sajter så som rejtat, osv?
3. Har ni försökt mäta WOM på internet?
   a. Exempelvis hur mycket det är, vilket värde positiv e-WOM kan ha, vilken påverkan negativ e-WOM kan ha?
4. Tror du det kan vara viktigt att mäta word of mouth på internet för ett företag?
   a. Vilka fördelar och nackdelar kan du tänka dig att det kan ha?

Frågor som berör Forskningsfråga 2
1. Har ni försökt skapa word of mouth på internet kring Köksbörsen?
   a. Om ja, hur har det gått?
   b. Har ni dragit några lärdomar av det?
2. Har ni försökt skapa Word Of Mouth på Facebook?
   a. Om nej, varför inte?

Efterfrågor
1. Om det är någon annan, tror du vi kan få intervjuar han/henne också?
2. Har du någon fråga till oss?
APPENDIX D – INTERVIEW GUIDE ENGLISH VERSION, VENDEMORE & PROOF

Background information
1. With purpose to complement our notes, is it okay if we record this interview?
2. Name?
3. Academical background?
4. Current position and area of responsibility?
5. Number of years within the industry?
6. What is Vendemore?
   a. What does your company work with? What industry are you in?
   b. What is your competitive advantage?
   c. What is your Unique Selling Point?
7. What sales channels do you use?
   a. Internet/sellers/shop?
8. Estimate the sales percentage through your website or internet in general?
9. How many employees does your company have? How much do you turn over?

Questions regarding Research Question 1
1. How would you define e-Womb?
2. Are you aware of any current methods to measure e-WOM/WOM?
   a. $ per like? Other ROI? How?
3. Why do you think e-WOM should be measured? What does this mean to you and the company in general?
   a. Why is this important? To measure ROI on e-WOM? What could this lead to if this could be measured.
   It can give the opportunity to compute the cause and effect relationship hidden inside a business, marketing, communications and sales data. This is measured by packaged and proven algorithms. It can deliver evident of what business value the marketing and communication create for stakeholders. Which can be used to decrease a sales lead time or higher the sales velocity.

Questions regarding Research Questions 2
1. Why do companies need to work with e-WOM on Social Media e.g. FB?
2. How can e-WOM on Social Media be managed? Strategies?
3. Today, how do companies work with e-WOM on Social Media?
   a. Ads, clicks?
4. Is it possible to gather information about customers to then target right information to them to increase the chance of a sale? E.g. through FB. How?

Final questions
1. Who is working with marketing at your company?
   a. Is he/she just working with marketing or other tasks too?
   b. If it’s somebody else, do you think we can talk to him/her too?
2. Questions to us?
APPENDIX E – INTERVIEW GUIDE SWEDISH VERSION, VENDEMOR & PROOF

Bakgrundsinformation
1. I syfte att komplettera våra anteckningar, är det okej om vi spelar in den här intervjun?
2. Namn?
3. Akademisk bakgrund?
4. Nuvarande position och ansvarsområde?
5. Antal år i branschen?
6. Beskriv kort vad Ni gör?
   a. Vilken bransch är ni i?
   b. Vad är er konkurrensfördel?
      i. First-mover advantage
7. Vilka säljkanaler använder ni?
   a. Internet/säljare/fysisk butik?
8. Hur stor del av er försäljning sker via er hemsida och internet?
9. Hur många anställda har Ni? Vad omsätter ni?

Frågor som berör Forskningsfråga 1
1. Hur skulle du definiera e-WOM?
2. Känner du till några nuvarande metoder för att mäta e-WOM/WOM?
   a. Krona per like? Andra ROI? Hur?
3. Varför vill Ni kunna mäta e-WOM? Vad innebär detta för dig och företaget i allmänhet?
   a. Varför är det viktigt att kunna mäta ROI på e-WOM? Vad skulle det innebära om alla kunde mäta e-WOM?

Frågor som berör Forskningsfråga 2
1. Varför behöver företag arbeta med e-WOM på social medier ex. FB?
2. Hur kan e-WOM på sociala medier hanteras? Strategier?
3. Hur skapar företag idag e-WOM på Social Media?
   a. Annons? Klick?
4. Är det möjligt idag att samla information om kunder för att sedan trycka ut “rätt” information till de via Social Media (ex. FB)? Hur?

Efterfrågor
1. Vem är det som arbetar med marknadsföring hos er?
   a. Arbetar han/hon bara med marknadsföring, eller med annat också?
   b. Om det är någon annan, tror du vi kan få intervju han/henne också?
2. Frågor till oss?
APPENDIX F – SCREENSHOTS OF SOCIAL MEDIA MONITORING SOFTWARE

Following screenshots are taken from the software that the company hootsuite.com is delivering.