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Challenges and opportunities of social media marketing in the South African petroleum industry

Bongi Bako

A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Management in Strategic Marketing

Johannesburg, 2016

ABSTRACT

Despite the continued popularity of social media (SM) platforms globally, limited research on their challenges and opportunities has been done in the South African (SA) petroleum industry context. A semi-automated qualitative study was conducted with the objective of gathering data from the five largest petroleum companies in SA through semi-structured interviews using a purposive sample to ascertain these challenges and opportunities. The data were gathered; pre-tested, transcribed, and then analysed using NVivo 11 software.

The research findings of this study show that the key challenges marketing practitioners encounter in SA include the lack of leadership buy-in as well as the absence of risk of mitigation plans when participating on the dialogue medium.

The key opportunities include real-time customer engagement, ease of market development, data access, data mining, and wider customer reach.

Based on the findings, a framework for implementing SM strategies in the SA petroleum industry context is proposed to help marketers in mitigating the failure risk of SM campaigns contributing positively to their bottom line.

Recommendations obtained from participants include implementation of processes and procedures for customer engagement through social media, exploitation of strategy partners who are already active in social media, and the development of content strategies.

Limitations are highlighted and future research areas that can be used by the petroleum industry and contribute to the body of knowledge are recommended.

Key words: Integrated marketing communication, petroleum, promotional mix, social media, South Africa.

DECLARATION

I, Bongiwe Petunia Bako, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management in Strategic marketing (MMSM) at Wits Business School, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Bongiwe Petunia Bako

Signed at ……

On the …….. day of …… 2016

DEDICATION

This research is dedicated to my husband, TK, and my children, Lulu and Zeezee. Thank you for inspiring me to do my best. Your unceasing love, support and encouragement brought me to this point.

Thank you.

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CHAPTER 1. INTRODUCTION

1.1 Purpose of the study

The purpose of this research was to identify and assess the key challenges and opportunities facing social media marketing practitioners in the petroleum industry in South Africa and to develop a framework that could be used in the SA petroleum industry and other industries.

1.2 Context of the study

Since 2004, social networking sites have offered customers and people in general, an opportunity to be part of universal communities that share views with one another. To date, social media continue to gain popularity (Hayes, Van-Stolke-Cooke, & Muench, 2015; S. Singh & S. Sonnenburg, 2012) Facebook proves to be very popular with the Y-generation (Milošević, Živković, Arsić, & Manasijević, 2015). Marketing practitioners are taking cognisance of social media as a key component of customer engagement and are including it as part of their integrated marketing communication (IMC), ensuring that it maintains a uniform message within social media and other customer engagement fora (Kaplan & Haenlein, 2010).

In spite of the popularity of social media marketing, the current literature is limited and focuses only on social media marketing in the health, safety, academic, political, and beauty industries; (Johnson & Kaye, 2015; A. S. Miller, 2013; Satici & Uysal, 2015; Shen & Bissell, 2013). Most of the past studies on social networks focused on consumers' perspectives (Chan & Saqib, 2015; Johnson & Kaye, 2015; Rui & Wang, 2015; Wang, Segev, & Liu, 2015).

Kaplan and Haenlein (2010) suggest that the challenges social media present include how to choose social network applications, deciding on whether to buy a social media application or to collaborate with a strategic partner, implementing integrated marketing communication (IMC) within various social media applications, and ensuring activity alignment from every social network activity in which an organisation is participating. According to Hayes, van Stolk-Cooke,

and Muench (2015), the challenge may be to choose applications that will optimally attract the desired target market and provide perfect frequency for brand exposure and interaction with the desired market segment.

There have been prior studies in the developed markets on the challenges that social media present to marketing practitioners (Drossos, Giaglis, Lekakos, Kokkinaki, & Stavraki, 2007; Kelly, Kerr, & Drennan, 2010; Merisavo et al., 2007; Michaelidou, Siamagka, & Christodoulides, 2011). In the South African environment, we have seen that the petroleum industry has started to implement social media as part of their IMC (Engen, 2015; SASOL, 2015). The landscape of the South African petroleum industry has changed drastically in the last 10 years. The major oil companies of the country are slowly losing market share to the new entrants (Nova-Communications, 2013).

Little, if any, research on social media is linked to the petroleum industry. This paper aims to address that gap, specifically in the context of South Africa. Therefore, this research focused on examining the challenges and opportunities of social media marketing in the South African petroleum industry.

1.3 The social media landscape in the industry

An investigation into the social medial landscape of the top petroleum companies in the country produced the following results (listed in alphabetical order):

1.3.1 BP

There is one BP website (www.bp.com), which is mostly standardised. The web page has tabs that include the following: About BP, Products & Services, Sustainability, Investors, Press, Careers and Gulf of Mexico Restoration. The Products and Services tab is divided into the following: On the Road, For the Home, and For the Business. The language defaults to English, although a French site is available as an option. BP's chosen social media platforms include Twitter, Facebook, LinkedIn, YouTube channel and Flickr. Social media activity is currently mainly on its global site and BP in America, and not affiliated

countries' pages. BP currently has 178 000 likes. A Facebook page is mainly used for corporate messaging. BP receives many comments and likes. The company has 1 100 000 followers on its LinkedIn global account and 16 000 followers on its Twitter account, with 3 204 tweets thus far.

1.3.2 Caltex

Caltex has chosen Twitter, LinkedIn, and YouTube channels as its social media platforms. Caltex has a non-responsive website (www.caltex.com/za) and a global site that contains a drop-down menu for web pages for countries affiliated with Caltex. The company has 27 000 followers on the LinkedIn account.

1.3.3 Engen

Engen has chosen LinkedIn and Instagram as its social media platforms. Engen has a fairly standard, non-responsive website (www.engen.co.za). The company has no Twitter account but has a LinkedIn account with 23 000 followers. LinkedIn is used mainly for public relations and job adverts.

1.3.4 Sasol

Sasol's chosen social media platforms are Twitter, LinkedIn, WeChat and Facebook. SasolSA has 18 000 followers on Twitter and has posted 2984 tweets thus far. However, it has 100 000 Facebook followers that are engaging in the social conversation on the Facebook page. Sasol's LinkedIn account has 98 000 followers.

1.3.5 Shell

Shell has a single site (www.shell.com). The site has a consistent look and feel with some customisation to it. Shell Marketing has a global site that contains a drop-down menu for other web pages of countries affiliated with the company. When typing "www.shell.co.za", one is directed to the main website page associated with the country. Language defaults to business language in that country with no option to change to English. Shell's chosen social media platform includes Facebook, Flickr, Twitter, YouTube channel, and LinkedIn but

only on the global site. Shell has 5.4 million likes. The company has 1 600 000 followers on its LinkedIn global account and 95 000 followers on its Twitter account, with 2 402 tweets thus far.

1.3.6 Total

With regard to messaging or look and feel, Total has the least standardised website of all the petroleum companies. When accessing the company's website, it becomes a challenge to gain access to the country's website page. The affiliated countries' websites have a different look and feel from the main site, although most of the countries' sites are similar. The website defaults to French with an option of switching to English. Total engages in one-way conversation with customers about downloads, surveys, topical information, and motoring tips. The company has 630 591 LinkedIn followers so far. It has 79 000 followers on its Twitter account, with 7 424 tweets thus far

The above-mentioned findings are summarised in Table 1.1 below.

Table 1.1: *The South African Oil and Industry Social Media Landscape*

Company name	Official Twitter account	Un-official Twitter account	Official Facebook account	Un-official Facebook account	YouTube channel	Linked In Global	Linked In local	Flickr
BP	1	0	1	1	0	0	1	1
Caltex	0	1	0	5	1	1	0	0
Engen	0	0	0	0	0	1	0	0
Sasol	2	0	0	0	0	1	0	0
Shell	1	0	1	0	1	0	1	1
Total	1	0	0	0	0	0	1	0

Source: Own compilation from participating companies' online social activity (2015).

The rows indicate the companies, and the columns the type of social media engagement.

1.4 A review of the social media consumer demand and engagement in the South African petroleum industry

Most of the South African petroleum companies are already present on social media platforms such as Facebook, Twitter and LinkedIn. Therefore, customers are already discussing their brands and related interests.

Chaffey and Smith (2013) suggest employing social listening and online reputation management. He believes that the key to improving insight is to listen to conversations. The insights covered here include the following:

1.4.1 Market insight

If companies understand the issues that are of interest to the target audience, they may tailor content that will stimulate engagement from the target audience. This insight should contribute to the product development of companies.

1.4.2 Brand mentions

This refers to the degree of popularity of the company's brand when compared to those of its competitors. Companies also need to pay attention to issues that are discussed concerning their respective brands compared to those of their competitors.

1.4.3 Sentiment polarity

Sentiment polarity is a ratio of positive to negative mentions compared to competitors. It is vital to comprehend what ratio of active social media participators the company has, as well as the type of audience for the type of industry.

Chaffey and Smith (2013) state that sentiments refer to how many users are speaking positively about a brand. This is one of the scorecards a company may use to see how well its competitors are using social media. This tool may be viewed as key performance indicators (KPIs) a company may use to track itself as well as its competitors.

Table 1.3 illustrates that the sentiments are largely neutral. The negative and positive sentiments are almost balanced except for those of Total, which has approximately 27 percent positive sentiment and approximately 13 percent negative sentiments.

1.4.4 Engagement KPI

Engagement KPI is a tool used to track the network size, the number of fans or followers of the main social networks and level to which content is shared on the network through conversations, posts, interactions, mentions and reach. Table 1.4 illustrates user engagement on the social media of the petroleum industry in the country. This analysis may be used in conjunction with the analysis of top active social media platforms in South Africa in 2015 (Table 1.5).

1.4.5 Social Media Profile Tool

Practitioners may also use the Social Media Profile Tool, which will allow the company to see the different levels of users' involvement according to their age, gender and location.

The analysis in Table 1.2 used the tools under discussion to come up with the social media users' profile in the South African petroleum industry. This profile was considered in conjunction with the top active social media platforms in South Africa in 2015, as displayed in Table 1.5.

Table 1.2: *The Social Media Users' Profile in the South African Petroleum Industry*

	% Male	% Female	% aged 18-24	% aged 25-34	% aged 35-44	% aged 45-54
All Brands	54%	46%			62%	
BP	64.2	35.8	100			
Caltex	45.8	54.2	-	-	-	-
Engen	49.9	50.1	100			
Sasol	53.4	46.6	50	-	50	-
Total	53.1	46.9	14	29	43	14

Source: Adapted from data provided by Smit (2015)

Table 1.3: *An Overview of Users' Sentiment on Social Media in the South African Petroleum Industry*

	Activity Breakdown	% positive sentiments	% neutral sentiments	% negative sentiments	Sentiment drivers
All brands	Facebook (FB) page, news, twitter, blog, Instagram, forum		62%		Cape, Market research, wireless Internet access, South African last week, industry, South Africans, market, total, 2015, well, international, including rugby world cup, company, report, provides, world, Cape Town, three day, September 2015
BP	FB page, twitter, news, Instagram, forum, blog,	12	74	14	Interest rates, South Africa's Energy, FTSE 100, percent, well, chief executive, now, shell, BP, oil markets, gas, top, tickets, oil spill, BP garage, global, 2015, east coast radio, east coast, great, climate change, Cape Town, Cape Town international, petroleum
Caltex	FB page, twitter, news, forum, Instagram, blog	16	67.9	16	Nelson Mandela Bay, Gautrain Bus, local, sugar beans, South Africa's 083 770, 2015, public transport, shopping centre, 2015, lamb , chicken , masala, beef
Engen	FB page, twitter, news, blog, Instagram, forum	14*	71.1	16*	Dezzi raceway, race car, one, national production, Ajax Cape Town, Cape Town, rand filling station, knock-out challenge, Engen knock-out challenge
Sasol	Twitter, FB page, , news, blog, Instagram, forum	16*	72.9	12*	Factory, top 40, share price, national, index, business, South Africans, top 40 index, stage, best company, 2015, zoon Cronje Nikon
Total	FB page, news, blog, twitter, forum, Instagram	27*	59.4	13.6*	Western Cape, market total, available, million, billion, wireless Internet solution, report, rugby world cup, South African , 2015

Source : Adapted from data provided by Smit (2015).

Table 1.4: *Engagement of social media users in the South African petroleum industry*

	Conversations	Posts	Interactions	Mentions	Engagement rate	Reach
All brands	7688	39096	165497	44511		
BP	589	1797	18359	1923	33%	10087
Caltex	175	381	4941	349	46%	4707
Engen	266	1015	3465	1163	26%	2752
Sasol	2138	3533	13296	1854	61%	6741
Total	4583	32784	129344	39688	14%	87273

Source: Smit (2015).

Table 1.5: *Top Active Social Media Platforms in South Africa in 2015*

Social networks	% growth	Comment
Facebook	26	13 million users. Video has the highest engages. Photo engagement is 58% down
Google+	15	
Twitter	13	Increased by 12% from 6.6 million to 7.4 million users
Linked In	12	Up by 20 % from 3.8 million to 4.6 million users
Pinterest	9	Down by -17 % from 910 thousand to 840 thousand users
Instagram	8	Up by 133% from 1.1 million to 2.68 million users
Messenger / Chat app / VoIP		
WhatsApp	31	10.6 million Users. South Africa's biggest mobile platform
Facebook messenger	19	
Skype	11	
WeChat	7	Fastest growth in South Africa
YouTube		Up from average 2700 views to 7100 views

Source: Facebooknewsroom (2015); "Africa Internet Usage and 2015 Population Stats" 2016)

1.5 Problem statement

1.5.1 Main problem

Earlier studies of social media in the developed markets (Drossos et al., 2007; Kelly et al., 2010; Merisavo et al., 2007) and increased studies in emerging markets (Jucaitytė & Maščinskienė, 2014; Ngai, Tao, & Moon, 2015; Parveen, Jaafar, & Ainin, 2015; Vahdati & Yasini, 2015) neither focused on the petroleum industry nor suggest a framework to practitioners on how to leverage opportunities presented by the social media.

Against this background of the research elaborated upon above, the research problem for this thesis is formulated as follows: “Currently, no list of opportunities and challenges is available for companies who want to adopt SM as part of the IMC strategy”.

1.5.2 Background to research questions

The research questions were formulated to gain insight into the adoption of social media by SA petroleum companies as part of IMC strategies, the opportunities offered to the industry if they adopt social media, and the challenges companies face when they use SM as part of their IMC strategy.

This study aims to address the following key research questions (RQs):

- RQ 1: Why have petroleum companies adopted social media as part of their IMC strategies?
- RQ 2: What challenges and opportunities in social media marketing are marketing practitioners facing in the South African petroleum industry?
- RQ 3: How can marketing practitioners address the challenges and exploit opportunities presented by social media?

1.6 Significance of the study

The development and adoption of a framework may assist companies in improving their social media performance through effective implementation, leading to a more socially interactive, cutting-edge, consumer-friendly approach with increased sales. This study endeavours not only to make a contextual contribution but also to make a practical contribution by developing a framework that can be used by marketing practitioners when implementing social media strategies.

1.7 Study constraints

The research constraints pertaining to this paper are as follows:

1.7.1 Limitations

Owing to time constraints, only ten participants in five companies in the SA petroleum industry were interviewed.

1.7.2 Delimitations of the study

The study did not aim to develop the final framework; therefore, the recommended framework requires further testing.

1.8 Definition of terms

	Term	Definition
1	Cross-case analysis	In this study the researcher studies two or more cases and displays the data in a single Table to create a uniform framework.
2	Distribution index	List of key words found by means of a word search using NVivo 11 software.
3	Framework	Broad overview of interlinked concepts that support an approach to a specific subject goal. It can be modified when the need arises.

	Term	Definition
4	NVivo 11	NVivo 11 is regarded as the most advanced software currently available for qualitative content analysis.
5	Percentage disclosure	This is a percentage of relevant text or a construct revealed by the participants to the study.
6	Semi-automated qualitative study	It is a qualitative study using manual and automated processes for analysis.
7	Social media	Shimp and Andrews (2014) define social media as Web applications used to turn communication into a collaborative exchange of ideas and an automated communication through which content generated by users is shared in the consumer's social network.
8	Social media platform	This is a tool that provides users with the means to build, mix, and promote community engagement, conversation, and user-generated material. One can also share content, such as blogs, and link them all together
9	South African petroleum industry	This refers to the top six of the South African companies involved in the marketing of processed or refined petroleum products and convenience services.
10	Within-case analysis	The research makes a detailed description of a case and its setting and establishes the patterns between two or more cases

1.9 Overview of the thesis structure

The thesis is structured by means of a simplified approach to ensure the reader understands.

Chapter 2: The literature review in this chapter identifies the effect of challenges and opportunities brought about by social media in various business enterprises. The issue investigated is the application of social media to various industries in emerging markets. The researcher concludes by investigating the evolution of the petroleum industry with regard to marketing communication and the trends that may be observed in marketing in the petroleum industry.

Chapter 3: This chapter covers the research design and paradigm, the population and sample, the method of data collection, the methods of data analysis and interpretation, and finally, the criteria for rigorous qualitative data analysis.

Chapter 4: In this chapter, all the results obtained during the study are presented graphically.

Chapter 5: This chapter presents the summarised themes from the semi-structured interviews that were conducted for this qualitative study. The semi-automated qualitative investigation was done to gather data on the opportunities and challenges identified in terms of the research questions.

Chapter 6: This chapter begins by summarising the research findings and presenting the derived conclusion of the study, where research questions are answered. Recommendations with regard to the implementation of effective social media strategies based on the research findings are made to social media practitioners operating in the South African petroleum industry. Suggestions for further research are proposed to further expand on the findings of this research study.

1.10 Assumptions

This research study assumed that

- all of the five oil companies leading in the South African petroleum industry had had some activity in social media;
- the results generated from the survey are reliable;
- the participants would answer honestly;
- participation by leading oil companies in the South African petroleum industry on social media was transparent to allow for satisfactory analysis of the subject matter.

CHAPTER 2. LITERATURE REVIEW

2.1 Introduction

Hill and Jones (2001) acknowledge that integrated marketing communication is also referred to as the promotional mix and is defined as the communication between an organisation and its customers through different channels with the aim of influencing the prospective customer's behaviour and attitude favourably. Kerin, Hartley , Berkowitz, and Rudelius (2006) state that communication channels include promotional activities, advertising, personal selling, sales promotion, public relations, and direct marketing. Mangold and Faulds (2009) and Perreault and McCarthy (1996) advise that different communications are co-ordinated through integrated marketing communication (IMC), which is defined as various communication vehicles that are deliberately co-ordinated to create a single, consistent, comprehensive message and strategically appropriate marketing effort to maximise customer response. Kerin et al. (2006) expand the definition to an idea of designing marketing communication platforms to integrate all IMC components, advertising, personal selling, sales promotion, public relations, and direct marketing to provide one consistent message. Belch and Belch (2004) support the two definitions and take it further by stating that IMC is about integrating various promotional components with other marketing activities that interact with the customers of the organisation. Figure 2.1 depicts the seven components of IMC.

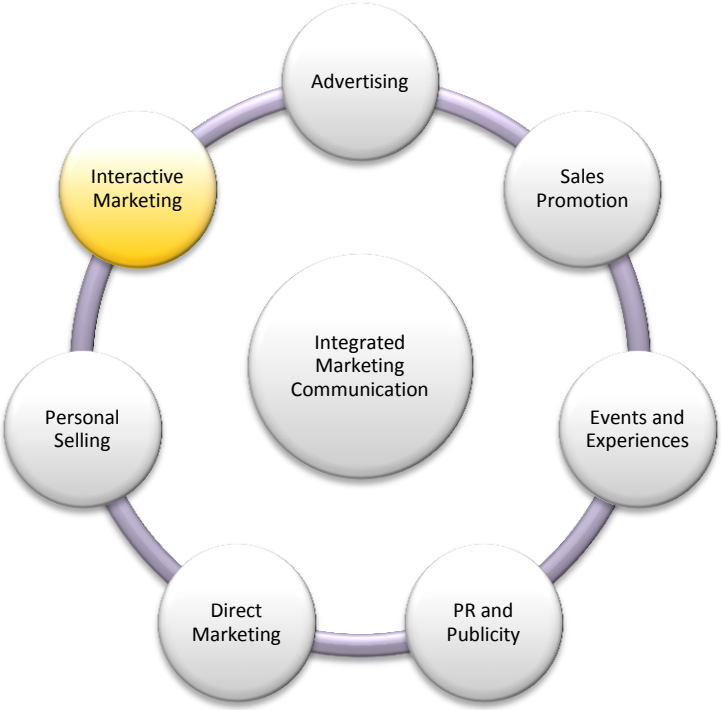


Figure 2.1: Integrated marketing communications.
Source: Own compilation (2015)

The IMC approach illustrated in Figure 2.1 consists of the following components:

1. **Advertising:** According to Belch and Belch (2004) and Kotler (2000), advertising is a paid-for method of non-personal communication about an organisation in a form of demonstration and promotion of ideas, products or services, by a recognised sponsor. Shimp and Andrews (2014) build on this definition by adding that it is intended to motivate the receiver to act now or in the future. In the marketing context, advertising is applied in the point-of-purchase displays, billboards, and print and broadcast advertisements.

2. **Personal selling:** Belch and Belch (2004) and Shimp and Andrews (2014) define personal selling as a paid person-to-person communication in which the vendor determines the needs and wants of potential shoppers and endeavours to induce these shoppers to buy the products or services of the company or to act on the idea.

Kotler (2000)'s definition is broader, as he includes that the objective of personal selling is to make presentations, answer questions, and take orders. In the marketing context, personal selling has been applied in sales presentations, sales meetings, and incentive programmes.

3. **Sales promotion:** The success of sales promotion is measured by the margin of immediate sales achieved. Belch and Belch (2004) define sales promotion as marketing strategies executed in such a manner that they provide enhancements and motivate not only the sales force, but also distributors and consumers.Kotler (2000) and Shimp and Andrews (2014) include a time factor in their definition by stating that sales promotion is a variety of short-term incentives to encourage trial or purchase of a product or service by customers, distributors, wholesalers, or retailers and/or the sales force of the company. In the marketing context, advertising has been applied in trade in allowances, continuity programmes, tie-ins, fairs and trade shows.

4. **Public relations (PR):** PR refers to the management function that assesses public attitudes (Belch & Belch, 2004), links the policies and procedures of an individual or organisation with the public interest, and implements a programme to earn stakeholders' understanding and favourable reception. Shimp and Andrews (2014) expand this definition and assert that public relations are an organisational action involved with nurturing goodwill between a company and its various stakeholders. Kotler (2000) explains that PR has a variety of programmes intended to promote or protect the image of a company or its specific products. In a marketing context, advertising has been applied in charitable donations, company magazines, and sponsorships.

5. **Direct marketing:** Direct marketing is a system in marketing used by an organisation to communicate directly with customers in order to

generate a favourable response and/or transaction (Belch & Belch, 2004; Kotler, 2000; Shimp & Andrews, 2014) . In the marketing context, advertising has been applied in catalogues, mailings, telemarketing, and TV shopping.

According to Tiago and Veríssimo (2014), affordable Internet access, technology advancement and the need of organisations to communicate with their target customers generally led to organisations initiating interactive information sharing over the Internet. This created a major shift in digital marketing strategies, mainly with regard to the promotional-mix element.

The five components in Figure 2.1 are the traditional marketing and communication elements. Kaplan and Haenlein (2010); Mangold and Faulds (2009) and Schumann, Artis, and Rivera (2001) suggest that the advancement of technology and the focus on the digital world have meant that social media, which is part of interactive media, has become the key component of IMC strategy. This has led to an extension of IMC.

Kerin et al. (2006), Bird et al. (2004), and Kotler (2000) report that marketing practitioners rely on the effective use of the marketing communication mix through IMC to achieve efficacy in communicating with their customers. Social media as a communication tool is part of interactive media that now forms part of the communication mix.

According to Mangold and Faulds (2009), marketing practitioners ought to include social media in the promotion mix when developing and executing their IMC strategies. Kaplan and Haenlein (2010) suggest that the introduction of social media has meant that, in IMC, marketing practitioners have had to incorporate the social media component, although they have little control over social media activities. Neti (2011) discusses social media marketing and defines it as marketing to or persuading customers to have favourable behaviour and attitudes towards an organisation through the usage of online communities, social networks, blog marketing, and other platforms .

2.2 Definition of social media

Many definitions of social media exist, but a common definition is one by Kaplan and Haenlein (2010), who define social media as a web application that enables the conception and the exchange of content generated by users. Consumers see social media as a means of participation, sharing, and collaboration rather than an advertising and retailing medium.

Shimp and Andrews (2014) define social media as Web applications used to turn communications into collaborative exchanges of ideas. By means of automated communication, content generated by users is shared in the consumer's social network.

In this study, social media is defined as browser or mobile-based applications that allow users to easily create, edit, access and link to content and/or other individuals.

As previously stated, social media is a component of digital marketing or the interactive marketing channel in IMC, as Figure 2.1 denotes.

2.3 The research problem

Currently, no list of opportunities and challenges is available for companies who want to adopt SM as part of their IMC strategy.

2.4 Why have companies adopted social media as part of their IMC strategy?

A study in the UK found that the majority of small and medium enterprises (SME) in the UK are uncertain about the benefit of social media for their brands. Those that have adopted social media are using them for customer acquisition, strengthening their relationship with customers, and differentiating them from competitors.

2.5 What challenges and the opportunities in social media marketing do marketing practitioners face?

2.5.1 Opportunities

As digital space is increasingly included in IMC strategy, Tiago and Veríssimo (2014) recommend that marketing practitioners use social media to create digital links with customers by either acting as interactive firms and achieving high digital marketing usage or adopting a number of social media applications to increase its usage of digital marketing.

In their report, Martin and van Bavel (2013) claim that the opportunities brought on by social media include improved customer engagement, innovation, market insight, matching employees to tack, allocating resources and developing strategic plans. Wirtz, Piehler, and Ullrich (2013) and Mustonen (2014) also found that social media contribute to innovation.

Social media allow employees of the company to perform tasks that would have demanded an employee's physical involvement, like driving to the bank or to a doctor, through a mobile device, saving the company time and money (Lober & Flowers, 2011). Table 2.1 presents categorised opportunities brought on by social media as extracted from literature.

Mustonen (2014) professes that, in the future, opportunities of social media will involve mainly gathering feedback from customers on new product launches, product innovation, advertising, promotion, education, and training.

The opportunities offered by social media are summarised in Table 2.1.

Table 2.1: *Opportunities offered by Social Media*

Theme	Opportunities presented by social media
Innovation	Exposure to social media has made today's consumer better informed. Consumers know what they want or need. Therefore, there is an opportunity for organisations to migrate from company-centric to customer-centric value creation through collaboration and co-creation. According to Lorenzo-Romero, Constantinides, and Brünink (2014), this strategy is likely to give an organisation a competitive advantage and a competitive edge over its competitors.
Sales and lead generation	In their study, Dehghani and Tumer (2015) found that an organisation can enhance its brand image and equity, by utilising electronic word of mouth (e-WOM) and viral marketing, thus improving consumers' propensity to purchase its product. Paniagua and Sapena (2014) argue that social media have a wide-ranging effect on most business key performance indicators including finance, operations, and corporate social investment. Different social media platforms have different performance abilities. For example, a study empirically proves that publicly traded companies with a critical mass of Facebook likes ranging between 178 048 and 241 865 and Twitter followers ranging between 4 141 and 4 316 see a significant effect on their stock prices. The study on social media consumer behaviour by Wang et al. (2015) reveals that consumers value the e-WOM that comes with social networks and provides consumers with the information needed at their pre-purchase stage, thus assisting them to minimise the buyer's remorse. That said, Drossos et al. (2007) reported that social media adverts that have informative content with positive appeals are more successful than social media adverts that make emotional appeals. The study by Needles (2013) illustrates disclosures by participants that, since their organisations adopted social media, there has been an increase in revenue.
Brand awareness	Studies by Shojaee and bin Azman (2013);Chu and Kim (2011) illustrate that social media influence brand awareness positively. The positive results in brand awareness are linked to brand exposure, customer engagement, and electronic word of mouth.

Theme	Opportunities presented by social media
Community management	Studies by Jung, Kim, and Kim (2014) and Dehghani and Tumer (2015) reveal a link between the customer's attitudes towards social media in the form of online brand communities, the customers' likelihood to revisit, and brand trust. Laroche, Habibi, Richard, and Sankaranarayanan (2012) argue that brand communities provide organisations with an opportunity for brand value, trust, loyalty enhancement, and the heightening of feelings of community among members.
Insight and research	In their reports on social media, Nguyen, Yu, Melewar, and Chen (2015) and Sarabdeen (2014) suggest that social media have the strategic capability that provides an organisation with the marketing intelligence that highlights opportunities an organisation may exploit. Bharadwaj, El Sawy, Pavlou, and Venkatraman (2013) also identified valuable insight derived from mining customer data as a valuable contribution social media makes. Georgescu and Popescul (2015) and Needles (2013) agree that companies may use various social media channels as a tool to understand consumers' requirements better. Gensler, Völckner, Liu-Thompkins, and Wiertz (2013) argue that the advent of social media has meant that customers are now the authors of the brand story. Jung et al. (2014) suggest that an organisation may use consumer-generated stories from social media as part of their branding campaign. According to Hems, Soofi, and Perez (2013), insight from big data analysis is important for oil and gas companies.
Communication and outreach	Kim and Ko (2012) recognise that marketing communication aims to improve customers' equity drivers by strengthening the organisation's relationship with its customers and creating the customers' intention to buy products. Rutsaert et al. (2014) look at social media marketing as a strong contributor to an organisation's means of effective communication. Dehghani and Tumer (2015) argue that social media advertising is more about pull messages than the push messages for which the traditional media are known.

Theme	Opportunities presented by social media
Reputation management	Social media allow users to engage customers efficiently and cost effectively (Kaplan & Haenlein, 2010). Furthermore, according to (Bergström & Bäckman, 2013; Jucaitytė & Maščinskienė, 2014; Kuttschreuter et al., 2014; Schniederjans, Cao, & Schniederjans, 2013), social media strengthen organisations' stakeholder engagement and allow organisations to share important and timely information. Walaski (2013) suggests that, during a crisis period, an organisation has opportunities to utilise social media effectively and to its advantage.
Adverting and awareness	According to Weinberg and Pehlivan (2011), social media brings forth opportunities such as enabling organisations to build their brands by having virtual relationships with customers. Michaelidou et al. (2011) agree by stating that social media contributes to increased brand awareness and effective customer engagement. Merisavo et al. (2007) argue that social media may be used to create strong brands and to gain competitive advantages against competitors. One of the key success factors in social media campaigns is brand strength, and oil companies can use social media to strengthen their brands.

Theme	Opportunities presented by social media
Customer engagement and cost effectiveness	In their studies on the effect of social media on consumers, Bergström and Bäckman (2013), Hajli (2014), Reinhold and Alt (2013), and Vukasovič (2013) maintain social media present new opportunities for customers to engage intimately through the Internet. According to McCorkindale, DiStaso, and Sisco (2013), it allows organisations to build and maintain relationships. According to Martin and van Bavel (2013), improved customer engagement leads to stronger brand loyalty, robust customer dialogue, more effective branding, effective data mining of customer data for insight, ability to personalise marketing campaigns, improved customer service and support, product development or feature enhancement due to customer insight. A study by Parveen et al. (2015) found that social media usage contributed to improving the performance of organisations in various ways, such as enhancing customer communication and customer service, improving the visibility of the brand, improving the information sharing, and enhancing the accessibility of information about the customers and competitors. Some organisations have also experienced a cost reduction in terms of advertising and customer service. Therefore, social media are viewed as a strategic tool for any organisation.
Market development	Martin and van Bavel (2013) list market development as an opportunity that may be exploited by companies as they embrace social media.
Reduced external communication costs	Martin and van Bavel (2013) indicate that another key benefit offered by social media is faster and more effective means of communicating with stakeholders at reduced costs. According to Enginkaya and Yılmaz (2014), social media afford organisations an opportunity to distribute customised messages to targeted customers cost effectively. Traditional communication channels cannot do this.

Theme	Opportunities presented by social media
Internal communication	Badea (2014) reports that, under conducive conditions, social media can contribute to the improvement of an organisation's internal communication, strengthen the organisational culture, and may be a stimulus for creativity and enhancement of collective intelligence. A study by Leftheriotis and Giannakos (2014) found that employees in insurance companies in Greece used social media to strengthen their relationships with other fellow employees as well as customers. The use of social media by employees was found to enhance trust among fellow employees and assist in transferring invaluable knowledge. The study also found a link between good performance and higher usage of social media. Empirical research conducted in a multinational Information technology company also found a positive indirect link between employees' use of technology such as social media and innovative job performance due to the networks an employee makes through social media tools (Ali-Hassan, Nevo, & Wade, 2015).

Source: Own compilation from themes from literature (2015).

2.5.2 Challenges in social media

As highlighted by a significant number of studies, marketing practitioners face many challenges when implementing social media (Chan & Saqib, 2015; Kelly et al., 2010; Michaelidou et al., 2011; Park, Kim, & Nam, 2015; Ryan & Xenos, 2011; Satici & Uysal, 2015; Schultz & Peltier, 2013). The challenges presented by social media are summarised in Table 2.2.

Table 2.2: *Challenges Presented by Social Media*

Theme	Challenges presented by social media, as extracted from literature.
Negative effect of social media on consumers' psychological being	The opportunities presented by social media are accompanied by challenges. There is a negative side to social networks. Hong, Huang, Lin, and Chiu (2014) found that a correlation between Facebook addiction and depression had been reported. In a study on online co-creation activities, Lorenzo-Romero et al. (2014) identified cautious consumers with regard to involvement in social media, as social media had been linked to Internet addiction, deteriorating cognitive processing, abstract vocabulary, critical thinking, and imagination cyber bullying.
Advertising clutter	Kelly et al. (2010), and Milošević, Živković, Arsić, and Manasijević (2015) point out the issue of advertising clutter, from the traditional media as well as the non-traditional media.
Reputation management and appropriate social media channel	In a study on online brand communities, Jung et al. (2014) were able to identify not understanding which social media channels to engage when handling irate customers as one of the critical challenges faced by social media practitioners.
Brand consistency meaning and IMC	Jung et al. (2014) regard the difficulty of ensuring consistent brand meaning in each social media application globally as a key challenge when the brand positioning differs from country to country.
Digital divide	Lober and Flowers (2011) identified computer or mobile phone literacy and technology anxiety were still found in the elderly group in developed countries such as the United States. Affordability of the applicable technological devices that will enable access to social media was a key challenge faced by social media practitioners.
Social media advertising credibility	Online advertising claims have to be taken with a pinch of salt (Kelly et al. (2010), as anybody can write claims on social media. The customer is removed from the physical product; it is virtual.
Control over social media content	Kaplan and Haenlein (2010) argue that organisations have little control over what is written about them on social media. According to Nadaraja and Yazdanifard (2013), customers trust the user-generated content (UGC) more than they trust communication from the organisations.

Theme	Challenges presented by social media, as extracted from literature.
Motivating communities to participate in product co-creation	In a study on online co-creation activities, Lorenzo-Romero et al. (2014) identified an organisation's ability to motivate the customer to participate in the co-creation process of a product, which, when exploited, provides an opportunity for creating a competitive advantage for an organisation against its competitors.
Security issues	In their study on the impact of the social media on business, Georgescu and Popescul (2015) indicate that social media are also susceptible to hackers and identity theft, which pose challenges to marketing practitioners when implementing social media marketing campaigns. Nadaraja and Yazdanifard (2013) list trust, privacy, and security issues as key challenges of social media and propose that organisations must take precautionary measures to minimise exposure to such risks.
Interference with organisational structure	According to Martin and van Bavel (2013), social media are informal and may interfere with the organisational hierarchy.
Change management	Martin and van Bavel (2013) argue that an organisation may battle with the transition from old technology, norms and behaviour to a new culture brought about by the introduction of social media technologies.
Risks and corporate vulnerability	Martin and van Bavel (2013) describe the organisation's fear of hateful messages passed by employees or inappropriate material on social media as one of the challenges of social media. Sarabdeen (2014); Picazo-Vela, Gutiérrez-Martínez, and Luna-Reyes (2012) argue that opportunities introduced by social media come with risks, such as the risk of privacy violations for both employers and employees.
Data security	Martin and van Bavel (2013) list data security as one of the challenges, as an organisation runs the risk of losing or involuntarily sharing commercially sensitive and private data through social media.
Leadership buy-in	As a catalyst to implementing a social medial strategy, Martin and van Bavel (2013) suggest that leadership lead by example by using social media at their level.

Theme	Challenges presented by social media, as extracted from literature.
Negative feedback from customers	Nadaraja and Yazdanifard (2013), and Mukkamala, Sorensen, Hussain, and Vatrapu (2015) argue that negative feedback may hurt the brand and the organisation's reputation if not handled properly and timeously. Gu and Ye (2014) agree that negative sentiments may hurt the organisation's brand and propose that the company ought to respond timeously to such comment by using the same channel to create similar exposure as the customer posting the comment. They suggest that, when posting a response, the marketer should consider both the aggrieved customer as well as other stakeholders.

Source: Own compilation of themes from literature (2015).

Early studies on social media highlight that there are dozens of social network applications, and one of the challenges is deciding which application to choose. In choosing the social media application, the next challenge marketers may face is implementing integrated marketing communication. This is especially a challenge where an organisation is active in various different social media applications. An organisation needs to maintain a uniform message in social media and other customer engagement fora to achieve efficacy of IMC. An organisation that is present in various social network applications has the challenge of ensuring activity alignment with every social network activity of which it is part (Kaplan & Haenlein, 2010). Research by Weinberg and Pehlivan (2011) found that budgeting for social media campaigns was a challenge for some organisations, as they required proof of the return on investment.

2.6 How can marketing practitioners address challenges and exploit opportunities presented by social media?

Table 2.3: *Recommendations for Implementation of Social Media*

Theme	Recommendations for implementation of social media
Digital / social media strategies with policies and guidelines	Martin and van Bavel (2013) recommend that, once the organisation has decided to embrace social media, there should be clear policies and guidelines in terms of participation on behalf of an organisation.

Theme	Recommendations for implementation of social media
IMC and brand experience/ leadership	Nash, Armstrong, and Robertson (2013) recommend that, for optimum customer experience in the social media industry, leaders need to ensure consistent brand messages across channels based on customer needs, preferences, and values. This will ensure a single customer view. They continue to argue that a positive customer experience will lead to customer satisfaction, loyalty, advocacy, and increased customer lifetime value, which will lead to a competitive advantage for an organisation, and, according to St Denis, Palen, and Anderson (2014) is applicable even when faced with crises.

2.7 Conclusion of literature review

The chapter covered the following two aspects:

- The reasons behind the adoption of social media by companies as part of their IMC strategy.
- The challenges and opportunities facing marketing practitioners of social media strategies.

The chapter covers these aspects adequately for companies outside the petroleum industry. However, not much literature was available for companies in the petroleum industry. It is recommended that further studies be conducted to address this.

CHAPTER 3. RESEARCH METHODOLOGY

This chapter covers the research methodology, research design, research paradigm, population and sample size, data collection method, methods of data analysis and interpretation, as well as the criteria for rigorous qualitative data analysis used in this study.

3.1 Research methodology

Creswell (2013b) lists three types of research methodologies, namely qualitative, quantitative and mixed methods. In this study, the researcher considered the advantages, disadvantages and limitations of each method and opted to use the qualitative method.

To understand the meaning of qualitative research, definitions from the following two scholars were considered:

- S. B. Merriam (2009, p. 14) defines qualitative research as “a determination to comprehend the state of affairs in their distinctiveness as part of a specific context and the interface”.
- Yin (2014) defines qualitative research as “a study of the meaning of people’s lives within their real world context”.

The two definitions above have a congruent meaning to qualitative research, with the last definition being more detailed.

The advantage of using this methodology is that it allows for more collaboration between the researcher and the participants. This can take place during a questionnaire-piloting phase, data analysis or data interpretation phase. Qualitative methodology considers the context of the study and is used to build theories where limited information exists.

Qualitative and quantitative methodologies address different types of research questions. The objective of quantitative research methodology is to test predetermined hypotheses and produce generalisable results (Marshall, 1996).

If a study wants to investigate the proportion of South African petroleum wholesalers that use social media as a marketing and communication tool, for instance, it will be appropriate to use a quantitative method. It is suggested that advantages of a qualitative approach include replicability using the same instrument in a different context and the depth of the subject matter it manages to cover, whereas a quantitative approach covers breadth of the subject matter (Bryman, 1984). It is argued that quantitative or qualitative methods have both advantages and disadvantages; therefore, when embarking on research, it is suggested that the researcher employs the best-suited methodology (Creswell, 2014).

An exploratory study was conducted by interviewing marketing practitioners with the objective to uncover the variables that function as opportunities and challenges experienced in the petroleum industry when implementing social media strategies. In addition, it aimed to uncover knowledge that would generate depth to the understanding of the phenomenon of social media.

Different viewpoints by participants were presented as themes under the findings and compared to the literature review.

3.2 Research Design

The research design was based on case-study methodology. This approach can be distinguished from other methods in that it is an empirical study that explores a current phenomenon in depth in its actual context by following a set of clearly set procedures enabling the researcher to generate insight into the phenomenon in relation to its broader context (Rule & Voughn, 2011; Yin, 2014). Case study research may also be used to complement other case studies offering a form of generalisability or transferability of previous studies.

Case studies offer in-depth insight of the phenomenon being studied rather than superficially investigating multiple instances (Rule & Voughn, 2011; Yin, 2014). The size of a case study design can range from an individual to a company, and from companies to a country. It depends on the research question and how much the researcher can manage within the given time (Rule & Voughn, 2011).

The multiple-case study was decided on because it allows for cross-case comparison, which brought some breadth to the study (Yin (2009).

The disadvantages of a case study are that the method is perceived to be less rigorous when compared to other research methods, and generalisation of case studies is often questioned. A case study is often believed to yield massive data that consumes too much time during analysis (Yin, 2014).

3.3 Population and sample

3.3.1 Population

The study purposefully focused on the five major petroleum companies in South Africa. Ten participants were interviewed.

3.3.2 Overview of the Population

Table 3.1 depicts the overview of the population on which this study focused. This overview is presented according to the company size, the number of employees, years of establishment, head office location, and years in social media.

Table 3.1: *Overview of the Population*

	INDUSTRY	SIZE	NUMBER OF EMPLOYEES	YEARS OF ESTABLISHMENT	LOCATION	YEARS OF SOCIAL MEDIA ACTIVITIES
COMPANY A	Petroleum	Large	>5000	>100	Gauteng	2 years
COMPANY B	Petroleum	Large	>5000	>100	Gauteng	>3 years
COMPANY C	Petroleum	Large	>5000	>100	Gauteng	>3 years
COMPANY D	Petroleum	Large	>3000	>50	Gauteng	>3 years
COMPANY E	Petroleum	Large	>3000	>100	Cape Town	<2 years

Source: Own compilation from websites of the respective companies (2015).

3.3.3 Demographic profile of respondents

The sample had to be obtained from all the major petroleum companies throughout South Africa. Most of the companies were located in the Gauteng region, with the exception of one company that was located in Cape Town. The intention was to interview participants from six of the major petroleum companies. Two of the participants were not available for interviewing.

Table 3.3: *Sample of the Population that Participated*

Participant	Company	Region	Gender	Management level	Education level	Age band
1	Company A	Gauteng	Male	Senior	Post graduate	41-50
2	Company A	Gauteng	Female	Middle	Graduate	31-40
3	Company A	Gauteng	Male	Middle	Post graduate	31-40
4	Company B	Gauteng	Male	Senior	Post graduate	41-50
5	Company C	Gauteng	Male	Middle	Post graduate	31-40
6	Company D	Gauteng	Female	Middle	Graduate	31-40
7	Company E	Cape Town	Male	Senior	Post graduate	31-40
8	Company F	Gauteng	Female	Middle	Graduate	21-30
9	Company F	Gauteng	Female	Middle	Graduate	41-50
10	Company F	Gauteng	Male	Middle	Post graduate	41-50

3.3.4 Sample selection method

To add rigour to a research study, Long and Johnson (2000) propose a systematic, non-probabilistic sampling approach, as it assists in identifying the most relevant participants that have better access to key knowledge on the phenomenon being studied. The researcher chose to interview only relevant marketing and marketing-related, functional practitioners based on their experience and competencies. The criterion used for sample selection was that the participants should have had experience in the crafting and implementation of social media strategy in the petroleum industry in South Africa for at least two years. This allowed for the assumption that they understood the phenomenon being discussed (S. B. Merriam, 2009).

3.3.5 Sample and sampling method

There are two types of sampling: probability and non-probability sampling. Probability sampling allows for generalisation of the findings. The selection of a

sampling method depends on the research question (Marshall, 1996). Long and Johnson (2000) argue that qualitative research is generally more time consuming and expensive than quantitative research is and that conducting probability sampling is sometimes not practical. It is argued that qualitative methodology does not call for probability sampling as long as the research objective is not to answer quantity-oriented questions (S. B. Merriam, 2009). Non-probability sampling was used for this study.

3.3.6 The research instrument

The research instrument was a semi-structured questionnaire with open-ended questions. The feedback was obtained through personal interviews, which were recorded and transcribed.

The questionnaire consisted of three sections, which were linked directly to the research questions as shown below:

RQ 1: Why have petroleum companies adopted social media as part of their IMC strategy?

1. **Interviewer:** How do you define social media?
2. **Interviewer:** Why has your company adopted social media, if it has?
3. **Interviewer:** What has been the contribution of social media to your marketing activities?
4. **Interviewer:** What is your understanding of content strategy?

RQ 2: What are the challenges and the opportunities in social media marketing that marketing practitioners face in the South African petroleum industry?

1. **Interviewer:** What challenges have you faced since the implementation of social media marketing?
2. **Interviewer:** Please expand on the critical challenges you have faced since implementing social media.
3. **Interviewer:** Why do you believe those are the critical challenges?
4. **Interviewer:** How have your identified critical challenges affected your IMC strategy?
5. **Interviewer:** Based on what you have said on the issue of the challenges, how has the company addressed the identified challenges?
6. **Interviewer:** How can the identified challenges be avoided in the future?
7. **Interviewer:** What opportunities have you faced since the implementation of social media by your company?

8. **Interviewer:** Any other opportunities?
9. **Interviewer:** Why do you believe that these are your critical opportunities?
10. **Interviewer:** How have your identified critical opportunities affected your IMC strategy?
11. **Interviewer:** How has the company exploited the opportunities that social media present?

RQ 3: How can marketing practitioners address the challenges and exploit the opportunities presented by social media?

1. **Interviewer:** What would you have done differently to improve your IMC strategy?
2. **Interviewer:** What are your recommendations to social media practitioners operating in this industry?

PARTICIPANT PROFILE				
Management level:	Junior	Middle	Senior	
Age-bracket:	21-30	31-40	41-50	>51
Education level:	under graduate	Graduate	Post graduate	

3.4 Procedure for data collection

The process of the data collection was rigorous and followed the data collection process described below:

3.4.1 Data collection process

Yin (2014) maintains that at least six sources of evidence may be used in a case-study research design, including documentation, archival records, interviews, direct observation, observation of participants, and physical artefacts.

The primary data were gathered through semi-structured, face-to-face interviews, and in some instances, video-enabled interviews were held at the participants' offices in Gauteng and Cape Town (video) region in South Africa. The data were collected from October to December 2015. All interviews were recorded digitally.

3.4.2 The research instrument and protocol

The results of the interviews were used as the primary source. To gather secondary data, the study further explored each social media application and websites each participating company was utilising.

Three types of interviews, namely highly structured, semi-structured, and unstructured interviews, are highlighted in Figure 3.4 below. Although it is argued that the use of structured questionnaires enables consistency as opposed to interviews that may be distorted by interviewer biases (Bell, 2014), the disadvantage of highly structured interviews is that they are too rigid and may allow only limited accommodation of different participants' point of view. In a structured interview, it is assumed that all participants will interpret the interview question in the same way (S. B. Merriam, 2009; Yin, 2014). With that in consideration, some of the questions were determined ahead of time and used in semi-structured interviews. The interview questions/guidelines are illustrated in Appendix A. The interview questions are divided three parts, which were derived from previous literature (Kaplan & Haenlein, 2010; Mangold & Faulds, 2009; Miller & Lammas, 2010; Neti, 2011) to capture the overview of opportunities and challenges of social media .

The questionnaire was piloted first to ensure that the instrument was indeed measuring what it was intended to measure and that the findings captured the true picture of the phenomenon. Piloting the questionnaire assisted in checking whether the encoded questions were decoded correctly (Leedy & Ormrod, 2005; S. B. Merriam, 2009). All documentation was filed securely and methodically to establish an audit trail (S. B. Merriam, 2009).

3.5 Methods of data analysis and interpretation

Yin (2014) suggests that a study may make use of five analytical techniques, namely a) pattern matching; b) explanation building; c) time series analysis; d) logic models; and e) cross-case synthesis. This study made use of cross-case synthesis.

As proposed by Crescentini and Mainardi (2009), Davidson (2009), Elo and Kyngäs (2008), Ishak and Bakar (2012), and S. B. Merriam (2009), the aim of data analysis was to develop a detailed contribution to the identified knowledge gap. To make the data analysis process more evident, computer aided/assisted qualitative data analysis software was used. Yin (2014) lists software such as Altas.ti, Hyper-RESEARCH, NVivo, and Ethnography.

NVivo 11 computer software was used to analyse the data, as it enabled a quick retrieval of data. The study followed the NVivo 11 computer software guideline on data coding and categorising according to the steps explained below and adapted from Yin (2014) and Merriam (2009).

Using the NVivo 11 software, the following automated approach was followed:

Step 1: The project was set up on NVivo 11 and called social media for petroleum companies.

Step 2: The project file was set up in Word outside NVivo 11 software. The folders were set up by creating a folder for each question (e.g. a Question 1 folder with subfolders for Participant 1 [P1], Participant 2 [P2] et cetera, up to Participant 11 [P11]) with the responses to Question 1 captured on the subfolders. Thereafter, folders for Questions 2 to 18 with subfolders for the participants were created and sorted similarly.

Step 3: The sorted folders were then exported to NVivo for analysis, as illustrated in Figure 3.1

Step 4: To analyse each question, word frequency was checked and recorded.

Step 5: To conduct a trend analysis for Question 1, the word frequency output was exported to Microsoft Excel as the distribution index, as shown in Table 3.2 below, listing the following key words for analysis:

RQ1: Question 1: Reasons for adoption

Table 3.2: *Distribution Index*

	Distribution Index				
No	**Similar Words**	**Word**	**No**	**Similar Words**	**Word**
1	Access	Access	36	Help	Help, helped
2	Activities	Activating, activities	37	Industry	Industry
3	Adaptable	Adaptable, adapted, adapting	38	Informed	Inform, information, informed, informs
4	Advertising	Advertise, advertising	39	Innovation	Innovation
5	Allow	Allow, allows	40	Insight	Insight, insights
6	Always	Always	41	Instagram	Instagram
7	Asked	Ask, asked	42	Interact	Interact, interacting, interactive
8	Brand	Brand, brands	43	Know	Know
9	Business	Business	44	Likes	Like, likes
10	Campaign	Campaign, campaigns	45	Look	Look, looking
11	change	Change, changed, changing	46	Manage	Manage, management, managing
12	Coming	Come, comes, coming	47	Manner	Manner
13	Comments	Comment, comments	48	Many	Many
14	Communication	Communicate, communicating,	49	Marketing	Market, marketing, markets
15	Company	Companies, company	50	People	People
16	Competition	Competition, competitions	51	Perspective	Perspective
17	Connect	Connect, connecting	52	Platform	Platform, platforms
18	Consumers	Consumer, consumers	53	Promotional	Promote, promotional, promotions
19	Content	Content	54	Putting	Put, putting
20	Contributed	Contributed, contribution	55	Quick	Quick, quickly
21	Conversation	Conversation, conversations	56	Response	Response, responses
22	Customers	Customer, customers	57	Retail	Retail
23	digital	Digital	58	Risk	Risk, risks
24	Easier	Easier	59	See	See
25	Easy	Easy	60	Service	Service, services
26	Engage	Engage, engaged, engagement	61	Site	Site, sites
27	Environment	Environment	62	Space	Space
28	Experience	Experience	63	Strategy	Strategies, strategy
29	Facebook	Facebook	64	Target	Target, targeted, targeting
30	Facts	Facts	65	Traditional	Traditional
31	Feedback	Feedback	66	Trend	Trend
32	Future	Future	67	Twitter	Twitter
33	Generation	Generate, generated, generation,	68	Want	Want, wanted
34	Give	Give, gives	69	Way	Way
35	Good	Good			

To conduct a trend analysis for **RQ 2** (What challenges and opportunities in social media marketing do marketing practitioners face in the South African petroleum industry?) and **RQ 3** (How can marketing practitioners address the challenges and exploit opportunities presented by social media?), disclosure percentages were obtained by means of manual analysis of the transcripts.

Step 6: From the distribution curve, the next analysis was conducted on text search, as portrayed in Figure 3.2 below.

Step 7: The last step was to consider relevancy by means of NVivo as well as the word.

Step 8: Each relevant key text was linked to a meaning and construct. This was then used to form the framework.

Next, the data were interpreted argumentatively and with reference to current literature. This was done by comparing themes to the literature and the research problem. Finally, conclusions were drawn and the implications of the findings were discussed.

To manage data better, items were coded by means of numbers. This ensured easy data retrieval. Number coding was used to identify the characteristics of the participants; for example, participants' names and company names were coded with pseudonyms. The inventory of the whole data set was created and labelled systematically to allow for ease of data retrieval. The data set was saved on a flash disk as well as a hard drive separate from the working file saved on the laptop (S. B. Merriam, 2009) . The research followed Creswell (2013a)'s data analysis and representation approach as depicted in Figure 3.2 below.

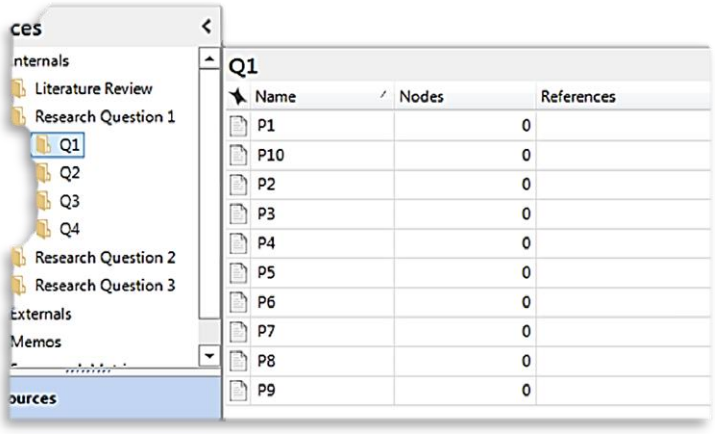


Figure 3.1: NVivo 11 project set-up.

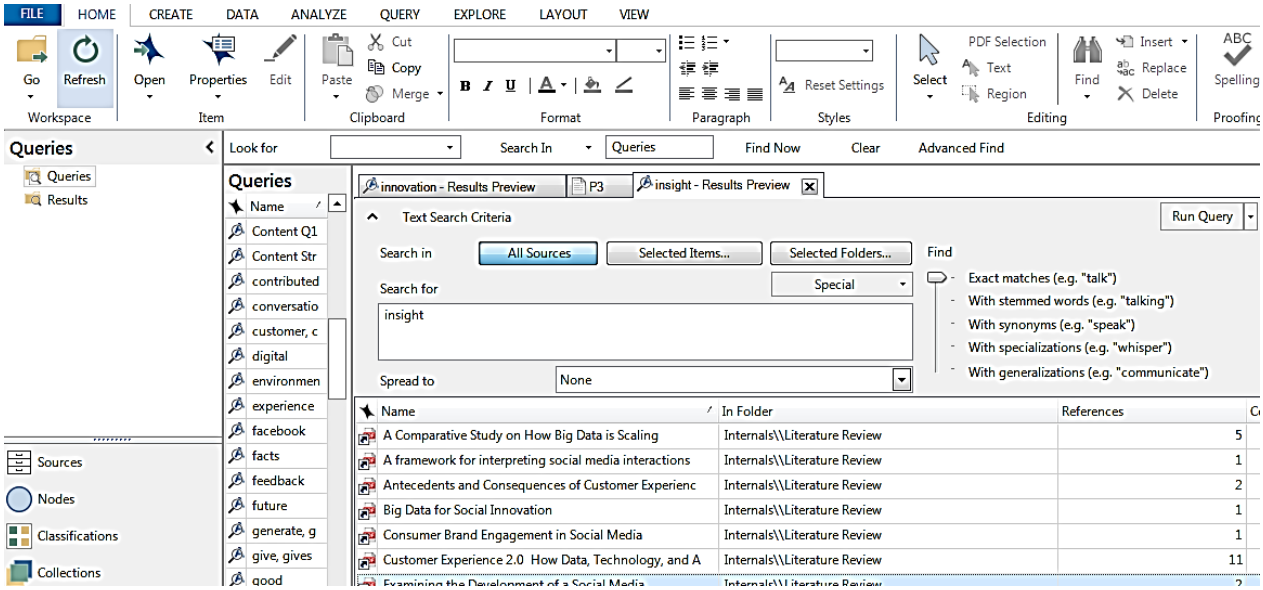


Figure 3.2: NVivo 11 text search example.

3.6 Limitations of the study

The following limitations were observed during the study:

- Lack of available information for the local market.
- Lack of the information available for a qualitative research approach to develop a framework.
- The study focused only on the SA petroleum industry, and the results could be tested on other industries.

These limitations give way to possible further investigations including extending the study to other industries in South Africa.

3.7 Validity and reliability

When a research proposal is being prepared, it is essential that the question of validity and reliability be addressed. Golafshani (2003) defines validity and reliability as research trustworthiness, rigor, and quality in the qualitative paradigm, whereas Creswell (2013a) defines validity as the extent to which the test measures what it is intended to measure.

3.7.1 External validity (transferability)

External validity of results are verified by using generalisation, which is the extent to which results may be extended to other situations, persons, times or population other than their direct participants (Maxwell, 1992; Yin, 2014). Generalisation is a challenge in non-probability-sampled studies, which is often the case with qualitative research methodology (Golafshani, 2003; Leedy & Ormrod, 2001; S. B. Merriam, 2009). In a qualitative approach, the explanation of the phenomenon often replaces generalisability (Jones, 1995). Qualitative research is contextual and subjective, whereas quantitative methodology is generalisable and objective. Both the research process and the findings contribute to the level of validity the study is considered to have (Elo & Kyngäs, 2008; Whittemore, Chase, & Mandle, 2001).

In a case study research design, the research question that has been augmented to a “how” and “why” question, was useful in enabling the case study to arrive at analytic generalisation (Yin, 2014).The process of this research study was outlined clearly, and care was taken in augmenting the research questions to “how” and “why” questions.

However, as this study focuses on the top five companies operating in the petroleum industry in South Africa, the results of the study may be generalised only in the oil industry. Case study findings may be generalisable to theoretical proportions and not to the general population. Therefore, the findings may be extrapolated to similar industries in emerging markets.

3.7.2 Internal validity (credibility)

Internal validity is the extent to which the research designs and the results allow the researcher to draw accurate conclusions. The questionnaire was piloted first to ensure that the instrument was indeed measuring what it was intended to measure and that the findings would capture the true picture of the phenomenon. Piloting the questionnaire was done to check whether the encoded questions were decoded correctly (Leedy & Ormrod, 2005; S. B. Merriam, 2009).

It is suggested that another way to improve internal validity is to triangulate the results of a study, which is defined as the cross-referencing of the findings from the primary data source with other data sources, thereby strengthening the researcher's findings (Barusch, Gringeri, & George, 2011; Creswell, 2014; Sharan B. Merriam & Associates, 2002).

3.7.3 Reliability (dependability)

Reliability refers to accuracy and precision of measurement procedures. To ensure that the chosen instruments measure what they were intended to measure and that consistency and replicability were achieved in following the same procedure described by the original researcher, a research journal was used to document the procedure followed when conducting the case study. This case study protocol was followed, and there is a case study database (Yin, 2014).

The reliability of the system was tested by running text searches to verify the accuracy of word searches with regard to the word count as well as relevancy.

3.7.4 Ethical considerations

In addition to recommendations by Creswell (2013b) illustrated in Table 3.6 of the ethical considerations in qualitative research, the study respected the following principles:

- Before the process of data collection began, the rights of the participants, as set out further below, were explained.
- A letter of consent was signed by each participant before partaking in the survey, confirming that they were participating of their own free will.
- A debriefing engagement with the participants was held to afford the participants an opportunity to ask questions, make further comment and sign off the content of their respective interview data to ensure that no harm had occurred (S. B. Merriam, 2009; Orb, Eisenhauer, & Wynaden, 2001).

- Participants were allowed to withdraw from the study, should they feel uncomfortable to continue with the study.

- There was no discrimination based on colour, race, sex, culture, age or any other characteristic protected by law regarding any aspect of the research (Orb et al., 2001).

- The study was conducted with honesty and integrity at all times. The methods used, data reported, and the results of the study were based on honesty (Orb et al., 2001).

- Participants endured no harm physically or mentally. The interviews did not induce stress or loss of self-esteem to participants.

- Participants' confidentiality and the information they supplied would be and are treated confidentially (Orb et al., 2001).

3.8 Conclusion

The objective of this chapter was to describe data sources, and an explanation of the research methodology followed in more depth. The objective of the next chapter is to analyse the results obtained during the study.

CHAPTER 4. PRESENTATION OF RESULTS

4.1 Introduction

This chapter presents the summarised themes from the semi-structured interviews that were conducted for this qualitative study.

The aim of the empirical study was to test the trends found in the literature review against the results of the following research questions presented in this chapter:

- RQ 1: Why have petroleum companies adopted social media as part of their IMC strategies?
- RQ 2: What challenges and opportunities in social media marketing are marketing practitioners facing in the South African petroleum industry?
- RQ 3: How can marketing practitioners address the challenges and exploit opportunities presented by social media?

The results for the study are depicted below, and discussion of the results follows in Chapter 5.

4.2 Results for RQ 1

The following results were obtained for RQ 1 (Why have petroleum companies adopted social media as part of their IMC strategy?):

4.2.1 Disclosure distribution

The following table illustrates the disclosure distribution:

Table 4.1: *Disclosure Distribution*

Disclosure distribution			
	Number disclosed	**% Disclosure**	
Market insight/intelligence	68	22.74	
Dialogue	54	18.06	
Risk	27	9.03	
Feedback	24	8.03	
Innovation	22	7.36	
Customer's brand experience	19	6.35	
Strategy	16	5.35	
Platform	15	5.02	
Promotions	15	5.02	
Brand awareness	13	4.35	
Market trends	10	3.34	
External environment	6	2.01	
Education	5	1.67	
Social element	3	1.00	
Public Relations	2	0.67	
Total disclosures	**299**		

4.2.2 Top 5 reasons why petroleum companies have adopted social media

The following table illustrates the top 5 reasons why SA petroleum companies have adopted social media:

Table 4.2: *Disclosure Distribution – Top 5 Reasons*

Disclosure distribution			
	Number disclosed	**% Disclosure**	
Market insight/intelligence	68	34.87	
Dialogue	54	27.69	
Risk	27	13.85	
Feedback	24	12.31	
Innovation	22	11.28	
Total disclosures	**195**		

4.2.3 Within-case analysis: Why have petroleum companies adopted social media?

4.2.3.1 Disclosure distribution – Brand experience

Figure 4.1 illustrates the percentage disclosure distribution – Brand experience:

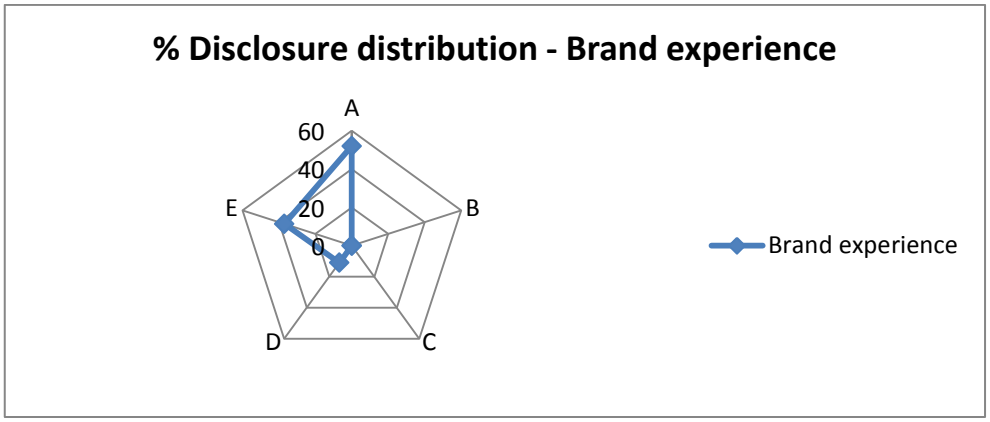


Figure 4.1: Percentage disclosure distribution – Brand experience.

4.2.3.2 Disclosure distribution – Brand awareness

The following figure illustrates the percentage disclosure distribution – Brand awareness:

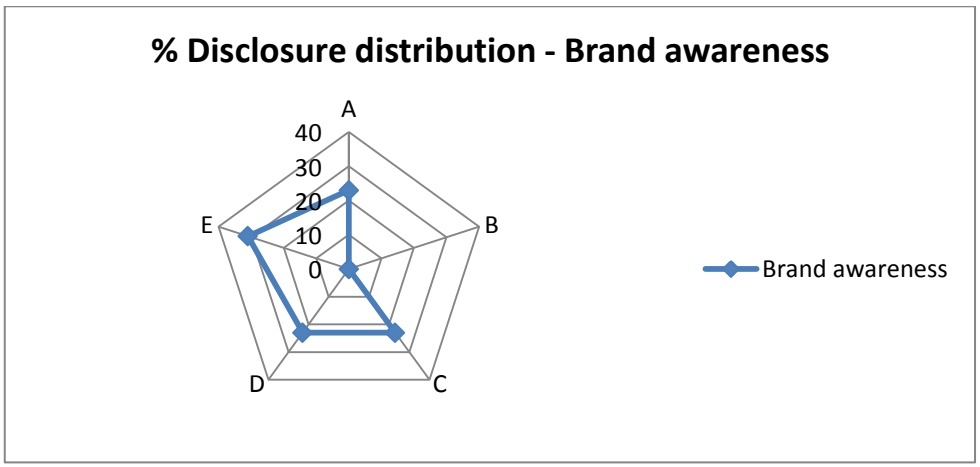


Figure 4.2: Percentage disclosure distribution – Brand awareness.

4.2.3.3 Disclosure distribution – Dialogue

The following figure illustrates the percentage disclosure distribution – Dialogue:

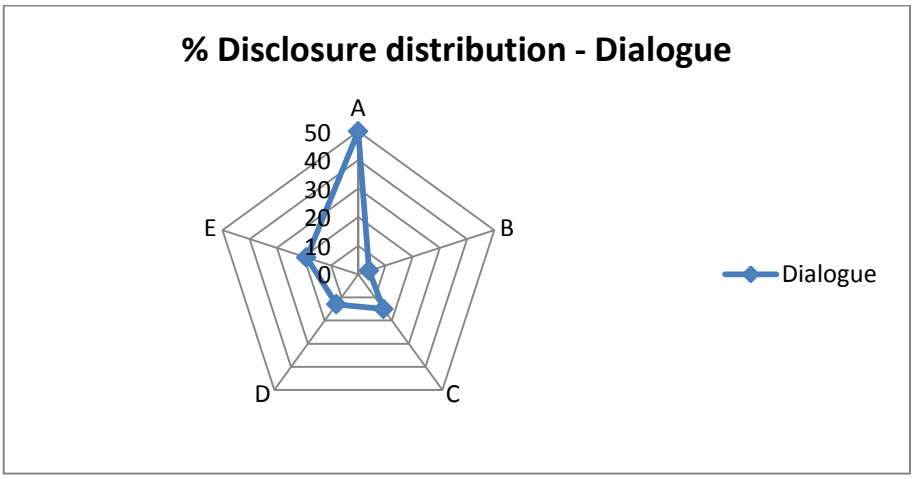


Figure 4.3: Percentage disclosure distribution – Dialogue.

4.2.3.4 Disclosure distribution – Education

The following figure illustrates the percentage disclosure distribution – Education:

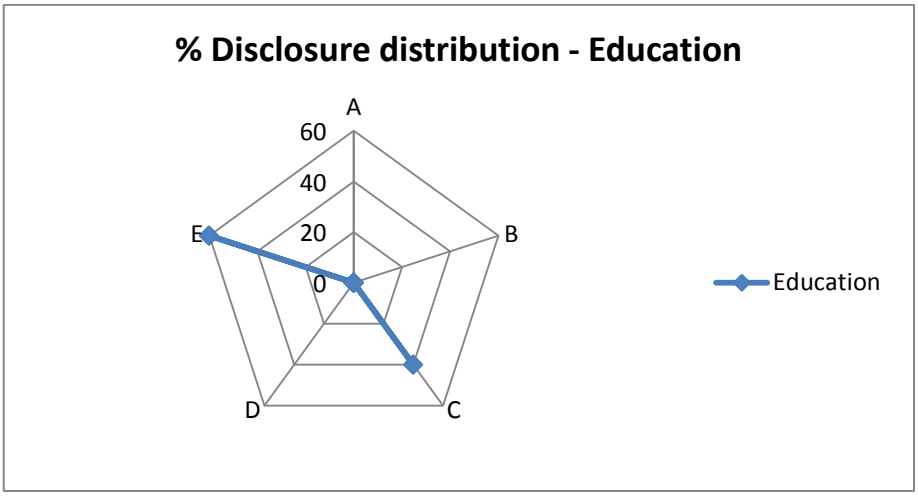


Figure 4.4: Percentage disclosure distribution – Education.

4.2.3.5 Disclosure distribution – External environment

The following figure illustrates the percentage disclosure distribution – External environment:

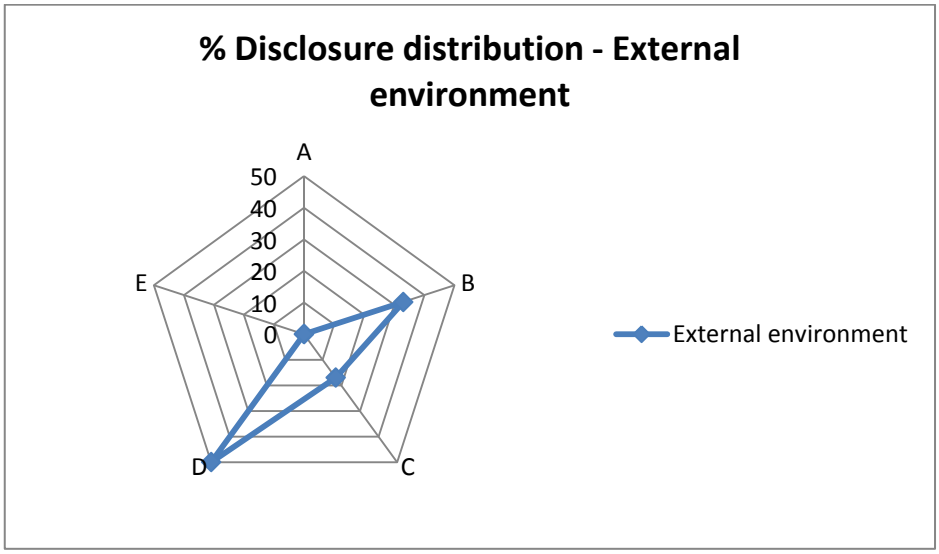


Figure 4.5: Percentage disclosure distribution – External environment.

4.2.3.6 Disclosure distribution – Feedback

The following figure illustrates the percentage disclosure distribution – Feedback

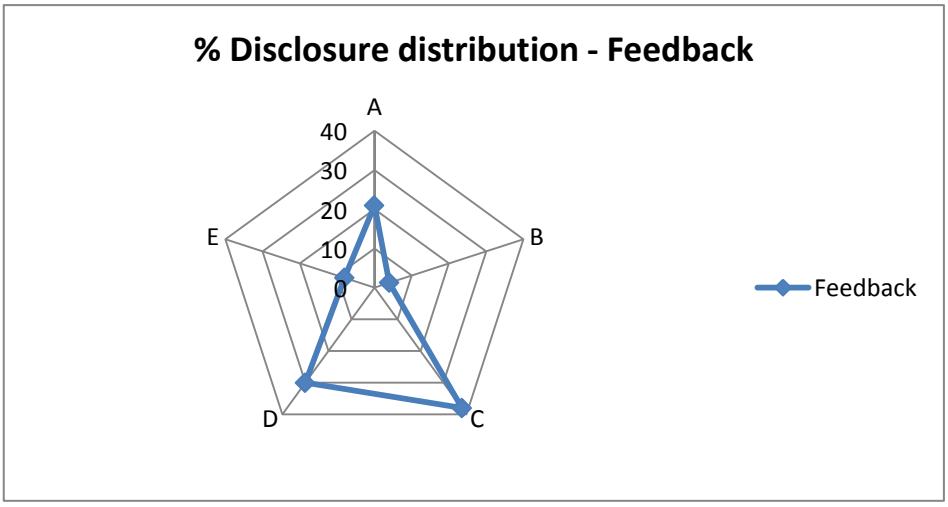


Figure 4.6: Percentage disclosure distribution – Feedback.

4.2.3.7 Disclosure distribution – Market trends

The following figure illustrates the percentage disclosure distribution – Market trends:

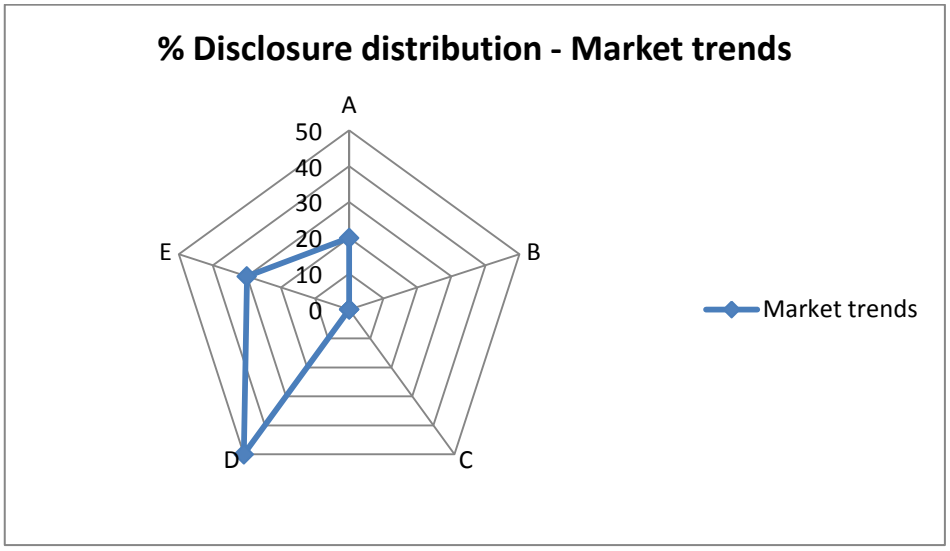


Figure 4.7: Percentage disclosure distribution – Market trends.

4.2.3.8 Disclosure distribution – Innovation

The following figure illustrates the percentage disclosure distribution – Innovation:

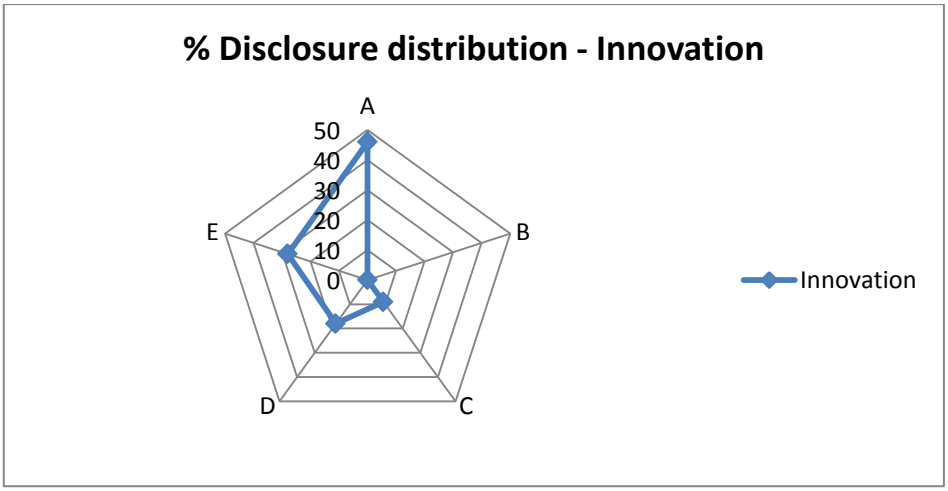


Figure 4.8: Percentage disclosure distribution – Innovation.

4.2.3.9 Disclosure distribution – Market insight / intelligence

The following figure illustrates the percentage disclosure distribution – Market insight / Intelligence:

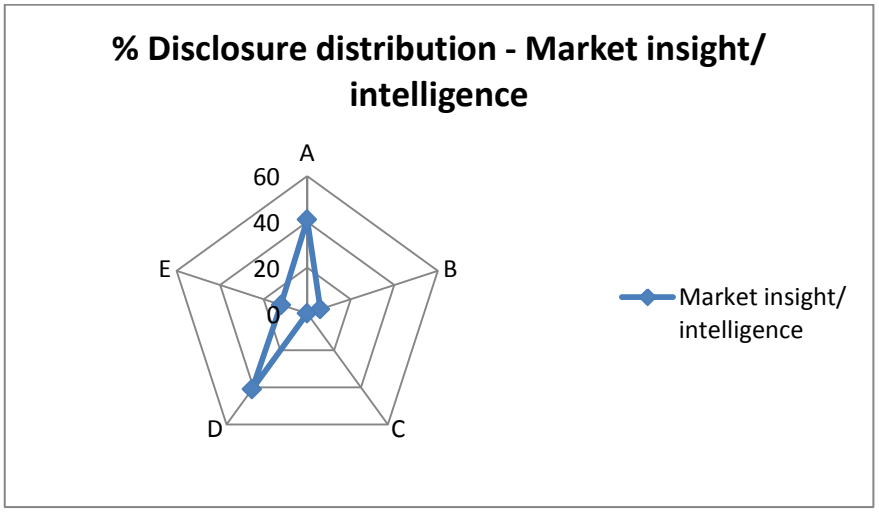


Figure 4.9: Percentage disclosure distribution – Market insight / intelligence.

4.2.3.10 Disclosure distribution – Platform

The following figure illustrates the percentage disclosure distribution – Platform

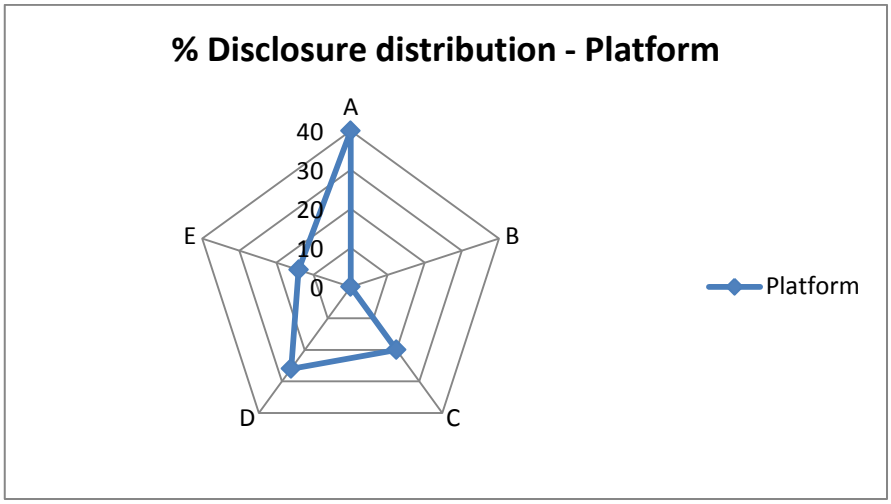


Figure 4.10: Percentage disclosure distribution – Platform.

4.2.3.11 Disclosure distribution – Promotions

The following figure illustrates the percentage disclosure distribution – Promotions

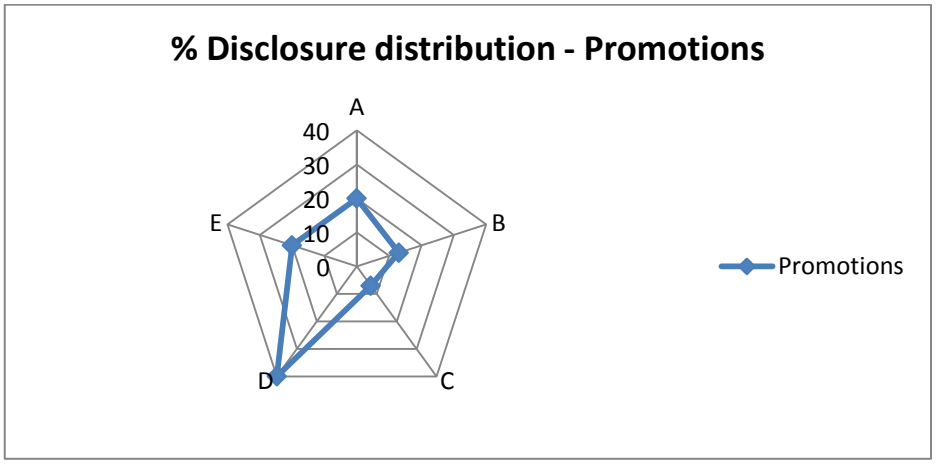


Figure 4.11: Percentage disclosure distribution – Promotions.

4.2.3.12 Disclosure distribution – Public relations

The following figure illustrates the percentage disclosure distribution – Public Relations:

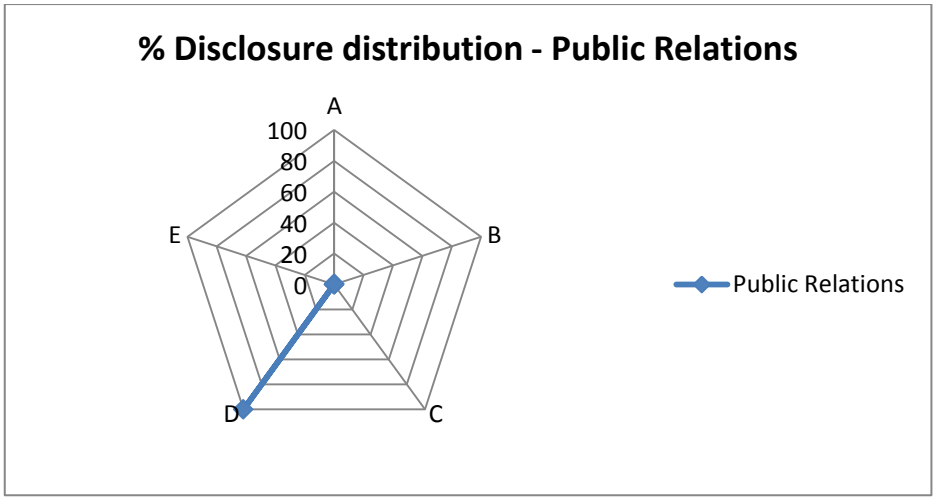


Figure 4.12: Percentage disclosure distribution – Public relations.

4.2.3.13 Disclosure distribution – Risk

The following figure illustrates the percentage disclosure distribution – Risk:

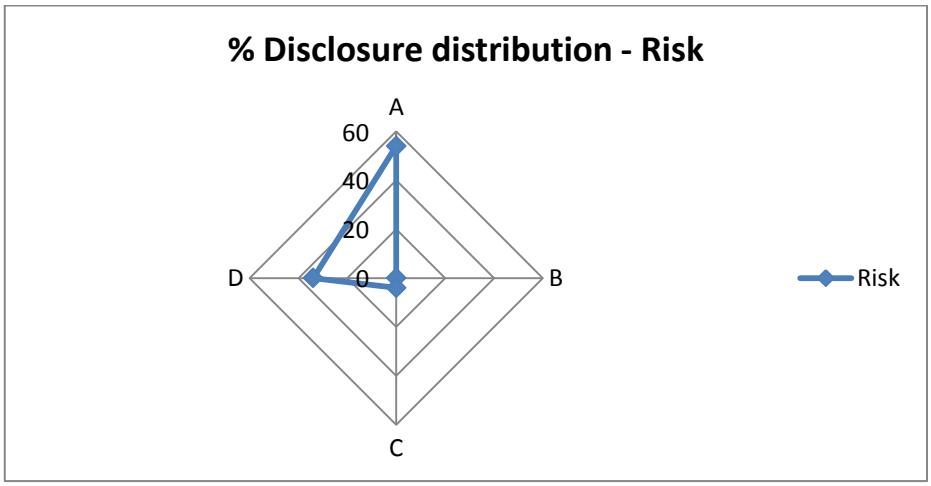


Figure 4.13: Percentage disclosure distribution – Risk.

4.2.3.14 Disclosure distribution – Sales

The following figure illustrates the percentage disclosure distribution – Sales:

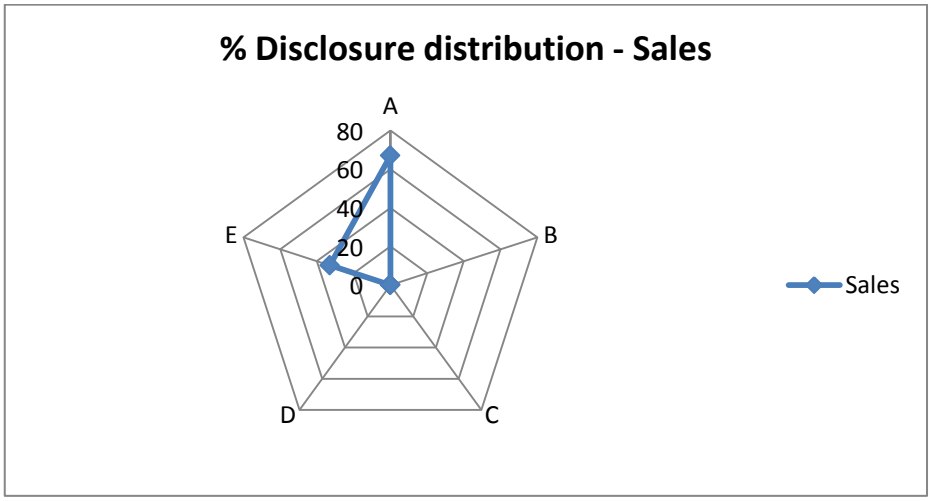


Figure 4.14: Percentage disclosure distribution – Sales.

4.2.3.15 Disclosure distribution – Social element

The following figure illustrates the percentage disclosure distribution – Social element:

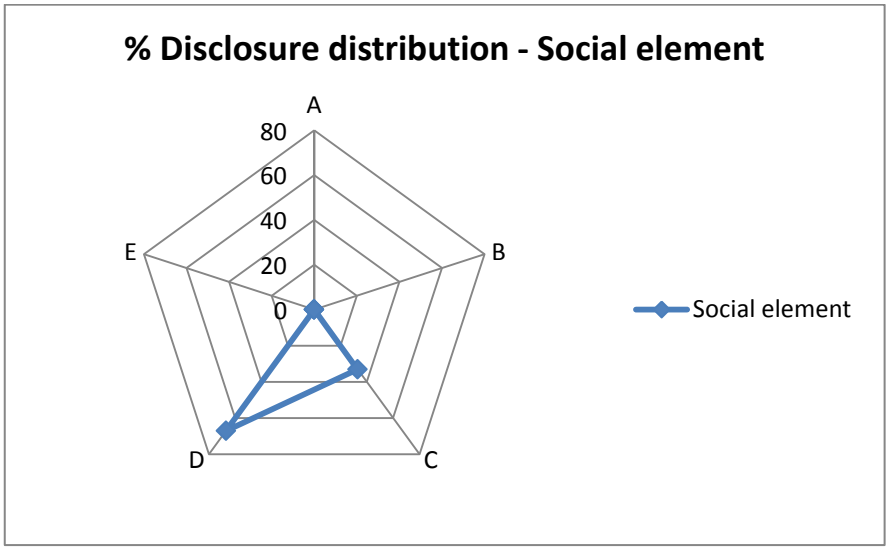


Figure 4.15: Percentage disclosure distribution – Social element.

4.2.3.16 Disclosure distribution – Strategy

The following figure illustrates the percentage disclosure distribution – Strategy:

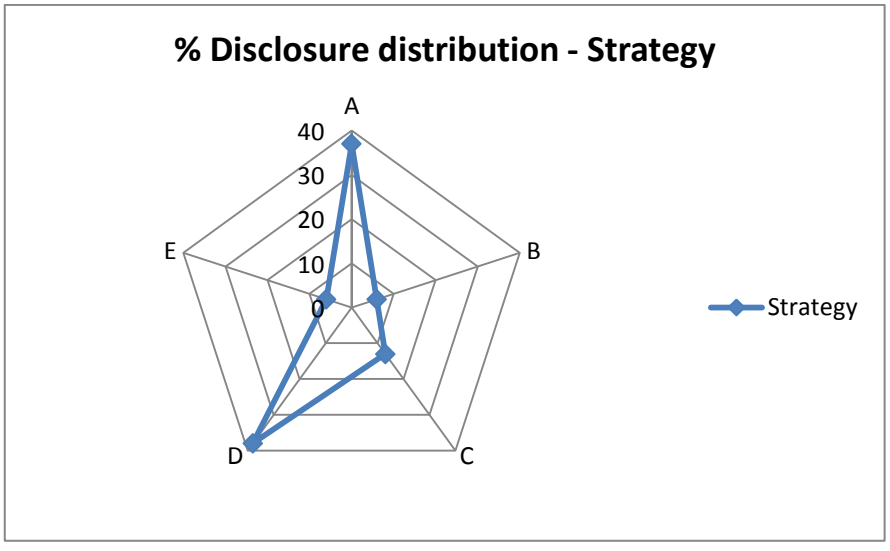


Figure 4.16: Percentage disclosure distribution – Strategy.

4.2.4 Conclusion for RQ 1

Why have petroleum companies adopted social media as part of their IMC strategy?

- Cross-case analysis shows that the variance between the construct with the highest percentage disclosed and the construct with the lowest percentage disclosed is 23.59%.
- Within-case analysis shows that the profiles per companies differ per percentage disclosure. In most cases, the percentage disclosure is not distributed evenly in the companies and varies from 0% to 100% disclosure.

4.3 Results for RQ 2

What challenges and opportunities in social media marketing are marketing practitioners facing in the South African petroleum industry?

4.3.1 Challenges

4.3.1.1 Cross-case analysis

The following table illustrates the nine disclosed challenges sorted by percentage disclosure.

Table 4.3: *Challenges: Cross-case Analysis*

Challenges	Number disclosed	% Disclosure	
Lack of Lack of leadership buy in and strategic alignment re-social media	3	14%	
Lack of risk mitigation plans and control over dialogue medium	3	14%	
Lack of competencies to handle negative feedback and multiple complaints from customers	3	14%	
Corporate vulnerability from incorrect social media interaction by employees	3	14%	
Fear of negative community and customer feedback which can have global impact	3	14%	
Data security and risk	3	14%	
Lack of robust social media strategy	1	5%	
Lack of customer infrastructure to engage in social media activities	1	5%	
Integrated message across platforms	1	5%	
Total disclosures	21		

The following table illustrates the top five disclosed challenges sorted by percentage disclosure.

Table 4.4: *Top 5 Challenges: Cross-case Analysis*

Challenges	Number disclosed	% Disclosure	
Lack of leadership buy in and strategic alignment re-social media	3	20%	
Lack of risk mitigation plans and control over dialogue medium	3	20%	
Lack of competencies to handle negative feedback and multiple complaints from customers	3	20%	
Corporate vulnerability from incorrect social media interaction by employees	3	20%	
Fear of negative community and customer feedback which can have global impact	3	20%	
Total disclosures	15		

4.3.1.2 Challenges: Within-case analysis

4.3.1.2.1 Disclosure distribution – Leadership buy-in and strategic alignment

The following figure illustrates the percentage disclosure distribution – Leadership buy-in and strategic alignment:

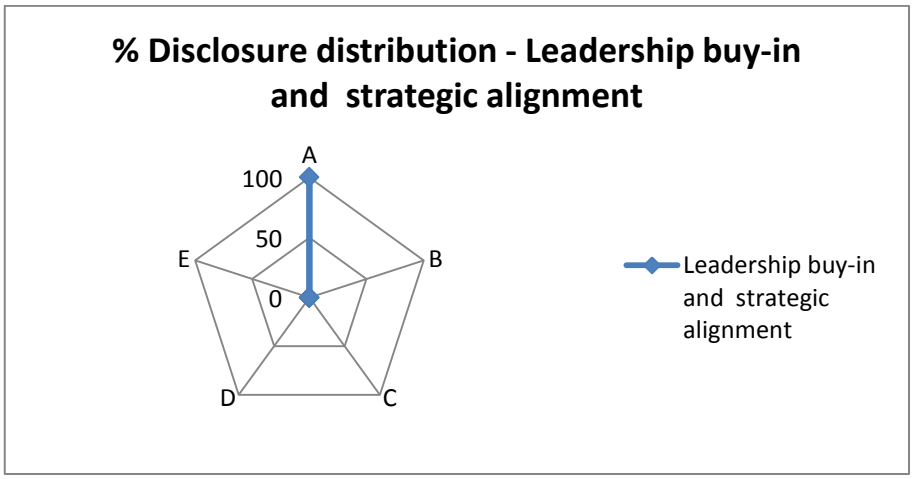


Figure 4.17: Percentage disclosure distribution –Leadership buy-in and strategic alignment.

4.3.1.2.2 Disclosure distribution – Lack of robust social media strategy

The following figure illustrates the percentage disclosure distribution – Lack of robust social media strategy:

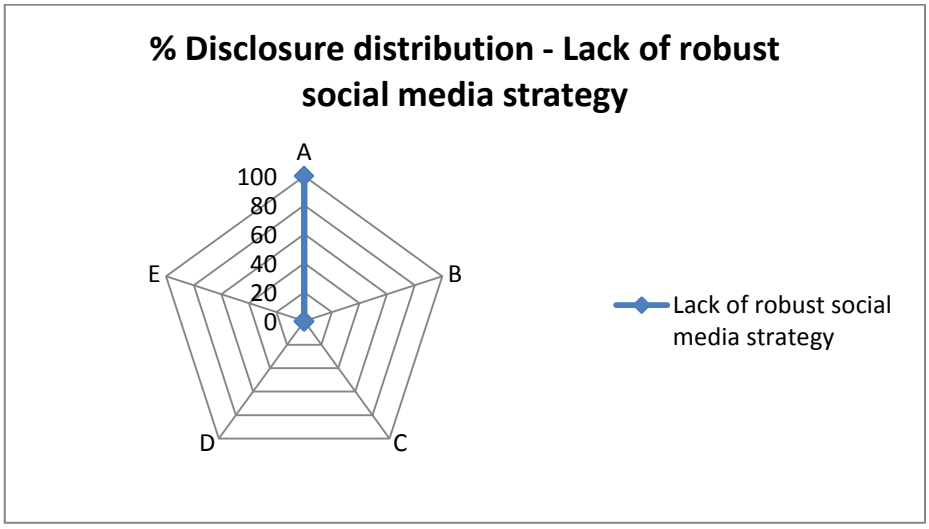


Figure 4.18: Percentage disclosure distribution – Lack of robust social media strategy.

4.3.1.2.3 Disclosure distribution – Infrastructure to engage on social media

The following figure illustrates the percentage disclosure distribution – Infrastructure to engage on social media:

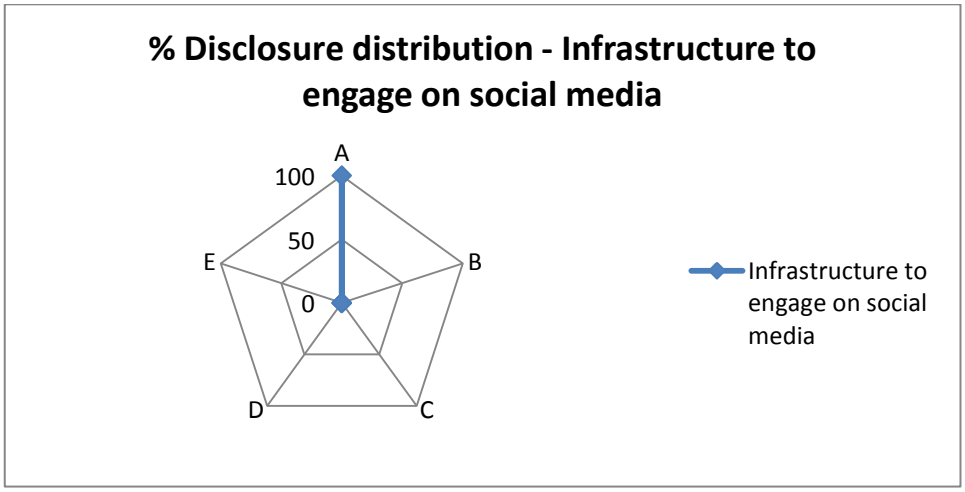


Figure 4.19: Percentage disclosure distribution – Infrastructure to engage on social media.

4.3.1.2.4 Disclosure distribution – Competencies

The following figure illustrates the percentage disclosure distribution – Competencies:

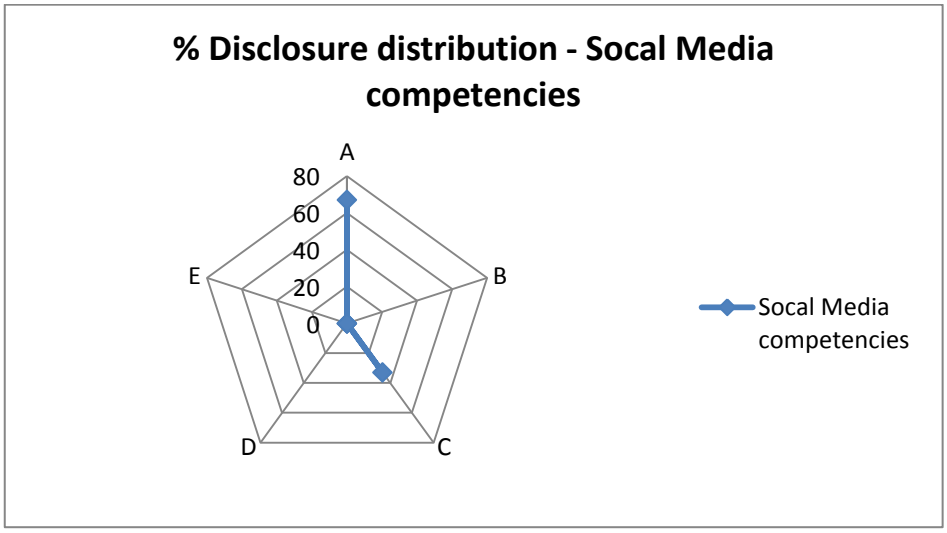


Figure 4.20: Percentage disclosure distribution – Competencies.

4.3.1.2.5 Disclosure distribution – Integrated message across all platforms

The following figure illustrates the percentage disclosure distribution – Integrated message across all platforms:

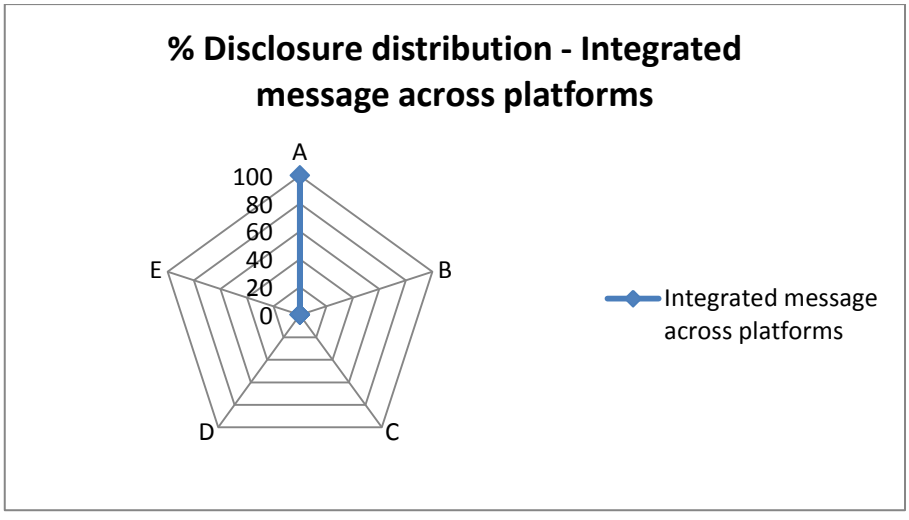


Figure 4.21: Percentage disclosure distribution – Integrated message across all platforms.

4.3.1.2.6 Disclosure distribution – Risk

The following figure illustrates the percentage disclosure distribution – Risk:

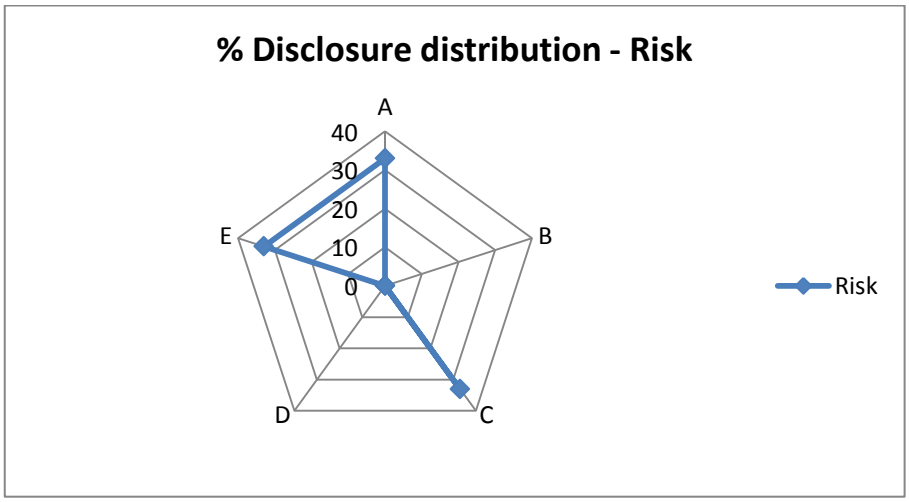


Figure 4.22: Percentage disclosure distributions – Risk.

4.3.1.2.7 Disclosure distribution – Public Relations

The following figure illustrates the percentage disclosure distribution – Public Relations:

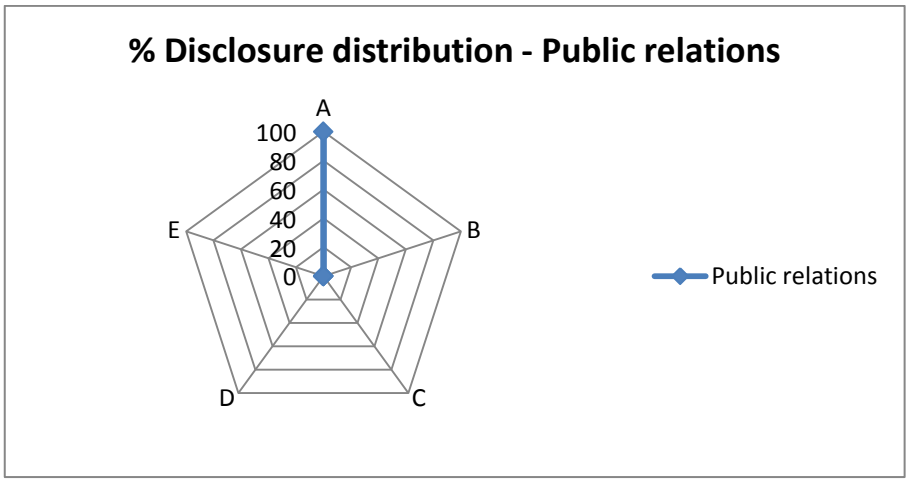


Figure 4.23: Percentage disclosure distribution – Public relations.

4.3.1.2.8 Disclosure distribution – Delayed feedback

The following figure illustrates the percentage disclosure distribution – Delayed feedback:

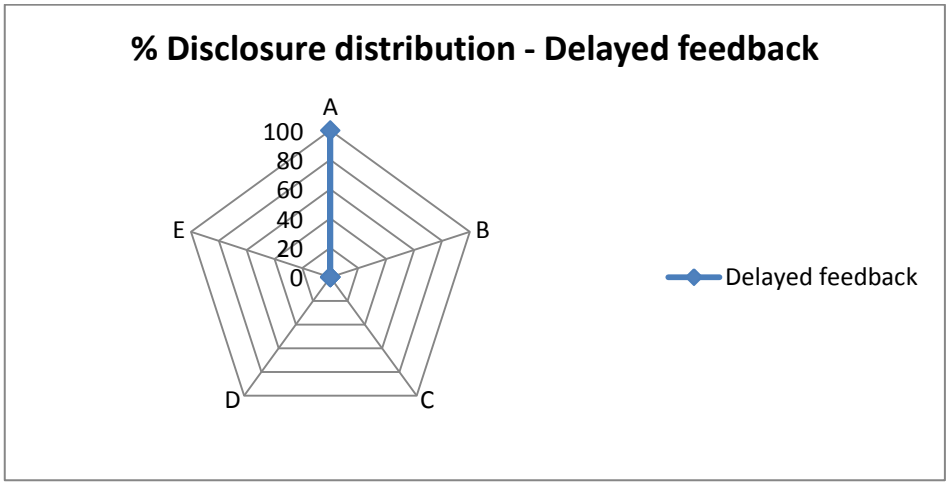


Figure 4.24: Percentage disclosure distribution – Delayed feedback.

4.3.2 Opportunities

4.3.2.1 Cross-case analysis

The following table illustrates the nine disclosed opportunities sorted by percentage disclosure.

Table 4.5: *Opportunities: Cross-case Analysis*

Opportunities	Number disclosed	% Disclosure
24/7 customer interaction intimacy	17	35%
Market development	7	14%
Flexibility to modify campaigns and monitoring impact	6	12%
More efficient and cost effective way to reach customer	5	10%
Platform to promote the goods and services to the target market	4	8%
Data mining and market insight	4	8%
Increase propensity for customers to buy	3	6%
Brand leverage/ awareness	2	4%
An opportunity for Public Relations to showcase service excellence	1	2%
Total disclosures	49	

4.3.2.1.1 Top 5 opportunities: Cross-case analysis

The following table illustrates the top five disclosed opportunities sorted by percentage disclosure.

Table 4.6: *Top 5 Opportunities: Cross-case Analysis*

Opportunities	Number disclosed	% Disclosure
24/7 customer interaction intimacy	17	44%
Market development	7	18%
Flexibility to modify campaigns and monitering impact	6	15%
More efficient and cost effective way to reach customer	5	13%
Platform to promote the goods and services to the target market	4	10%
Total disclosures	39	

.3.2.2 Within-case analysis

4.3.2.2.1 Disclosure distribution – Market development

The following figure illustrates the percentage disclosure distribution – Market development:

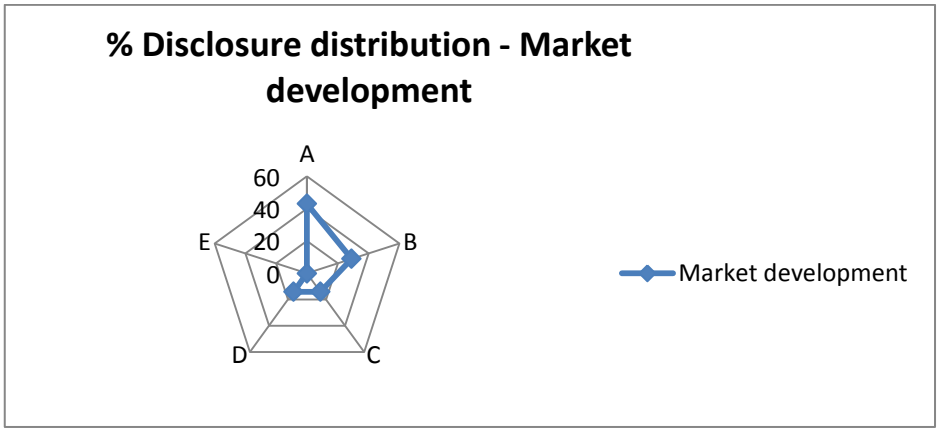


Figure 4.25: Percentage disclosure distribution – Market development.

4.3.2.2.2 Disclosure distribution – Campaigns flexibility

The following figure illustrates the percentage disclosure distribution – Campaigns flexibility:

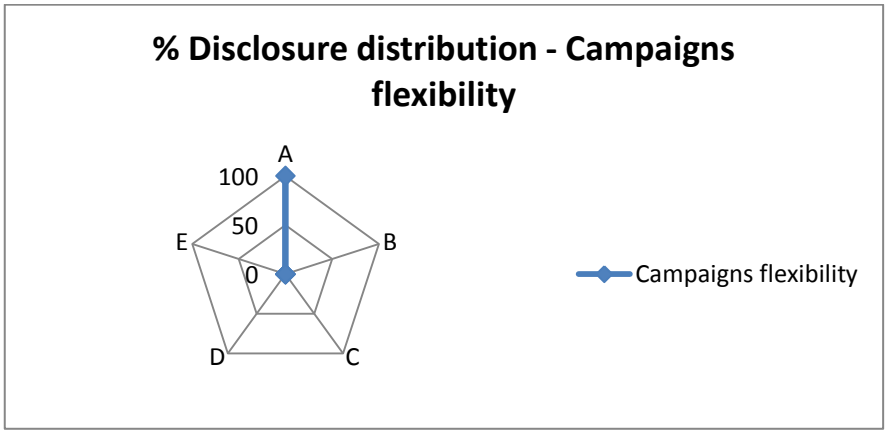


Figure 4.26: Percentage disclosure distribution – Campaigns flexibility.

4.3.2.2.3 Disclosure distribution – Customer engagement 24/7

The following figure illustrates the percentage disclosure distribution – Customer engagement 24/7:

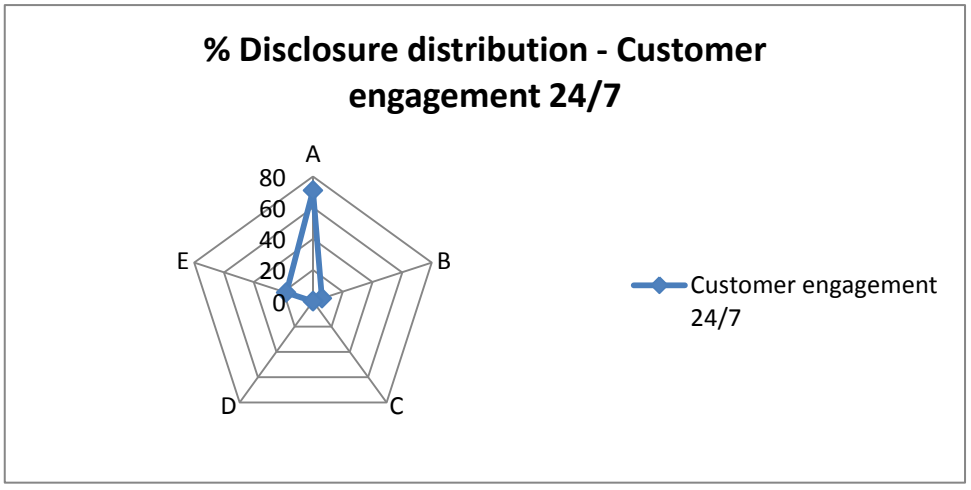


Figure 4.27: Percentage disclosure distribution – Customer engagement 24/7.

4.3.2.2.4 Disclosure distribution – Market insight

The following figure illustrates the percentage disclosure distribution – Market insight:

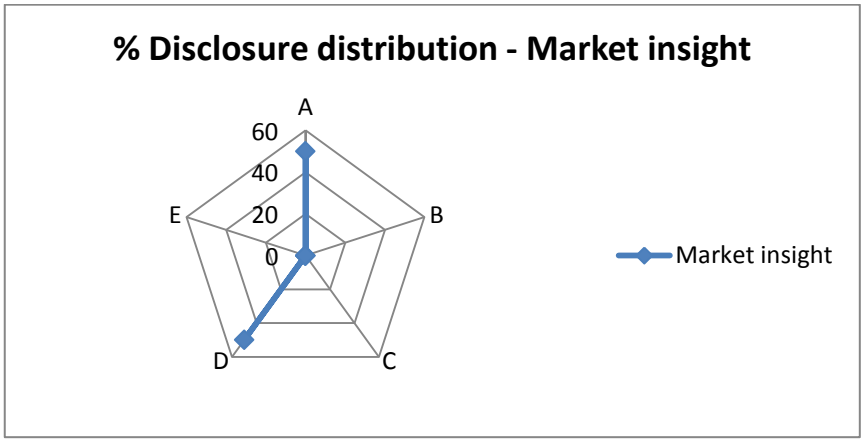


Figure 4.28: Percentage disclosure distribution – Market insight.

4.3.2.2.5 Disclosure distribution – Sales

The following figure illustrates the percentage disclosure distribution – Sales:

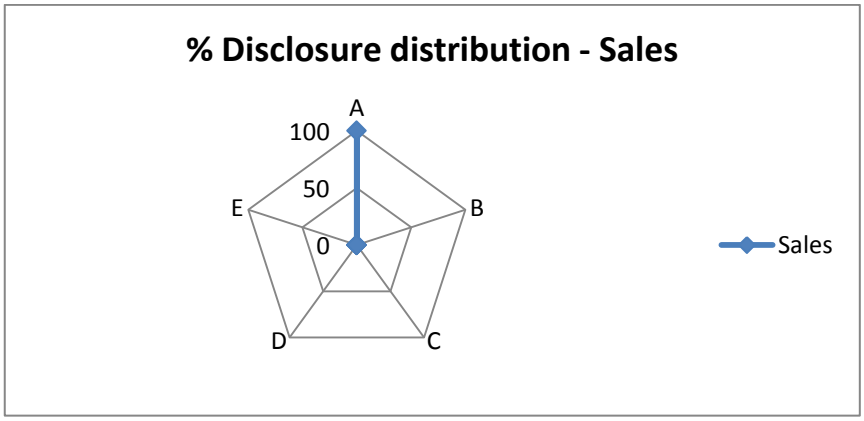


Figure 4.29: Percentage disclosure distribution – Sales.

4.3.2.2.6 Disclosure distribution – Efficiency and cost effectiveness

The following figure illustrates the percentage disclosure distribution – Efficiency and cost effectiveness:

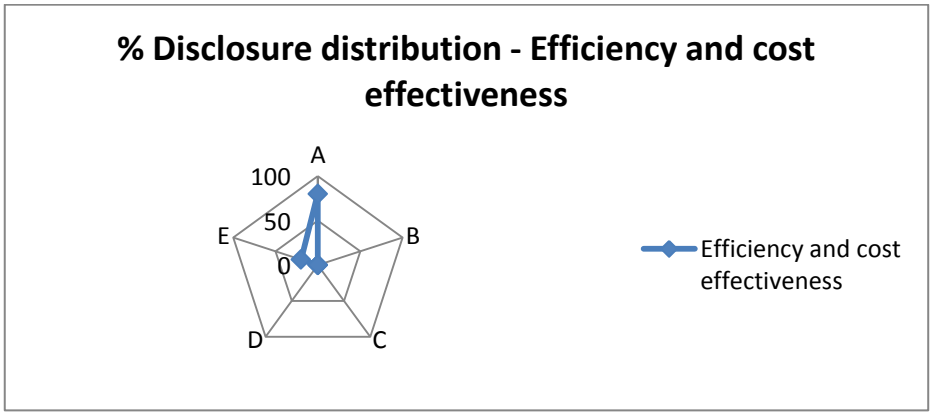


Figure 4.30: Percentage disclosure distribution – Efficiency and cost effectiveness.

4.3.2.2.7 Disclosure distribution – Brand leverage / awareness

The following figure illustrates the percentage disclosure distribution – Brand leverage / awareness:

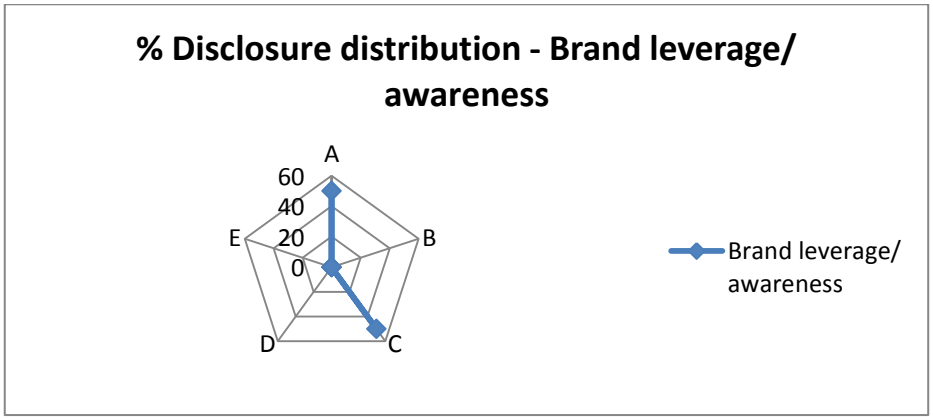


Figure 4.31: Percentage disclosure distribution – Brand leverage / awareness.

4.3.2.2.8 Disclosure distribution – Public Relations

The following figure illustrates the percentage disclosure distribution – Public Relations:

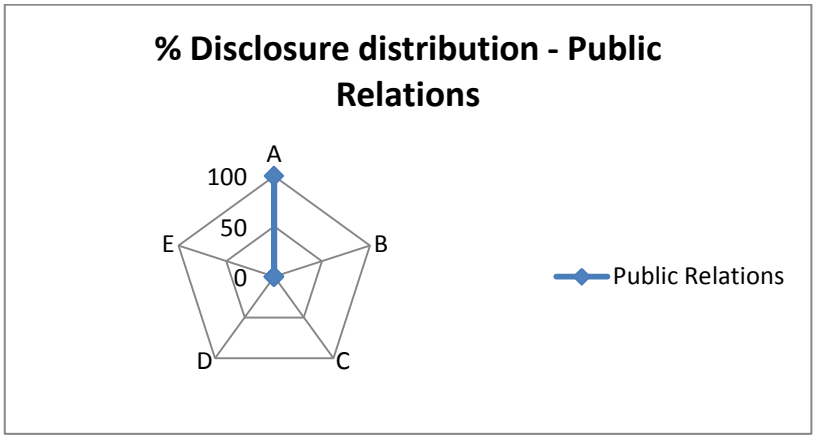


Figure 4.32: Percentage disclosure distribution – Public relations.

4.3.2.2.9 Disclosure distribution – Promotions

The following figure illustrates the percentage disclosure distribution – Promotions:

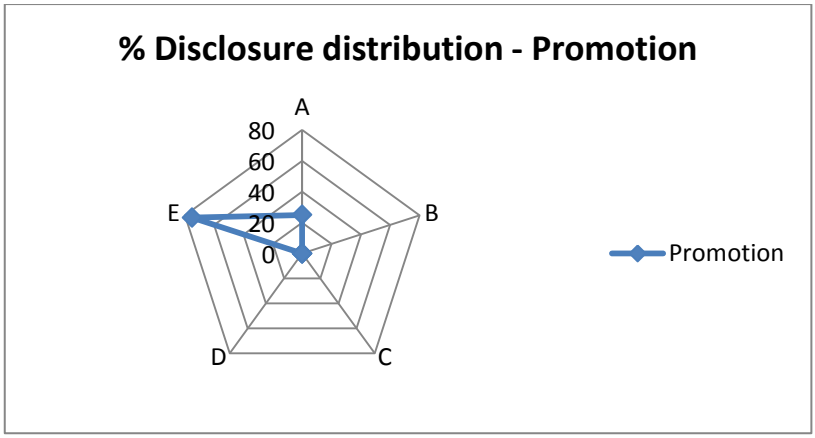


Figure 4.33: Percentage disclosure distribution – Promotions.

4.3.3 Conclusion on RQ 2

What challenges and opportunities in social media marketing are marketing practitioners facing in the South African petroleum industry?

4.3.3.1 Challenges

The cross-case analysis reveals that the top six challenges have the same percentage disclosure of 14% and the challenges at the bottom 5%.

The within-case analysis shows that the companies differ in what they see as challenges of social media in the South African petroleum industry.

4.3.3.2 Opportunities

The cross-case analysis indicates that every opportunity has a different percentage disclosure. This can be seen in the percentage disclosure of the top five opportunities.

The within-case analysis shows that Company A affects the results most in that it has the highest number of disclosures for most of the opportunities.

4.4 Results for RQ 3

How can marketing practitioners address the challenges and exploit opportunities presented by social media?

The following results were obtained for RQ 3:

4.4.1 Recommendations:

4.4.1.1 Cross-case analysis

4.4.1.1.1 List of disclosed recommendations

The following table illustrates the list of disclosed recommendations sorted by percentage disclosure:

Table 4.7: *Recommendations: Cross-case Analysis*

Recommendations	Number disclosed	% Disclosure
Have in place policy and guidelines processed and procedures of issue handling and customer engagement processes	6	40%
Develop and implement a media strategy, digital media policy and content strategy	3	20%
Strategic partnerships	1	7%
Long term strategy	1	7%
Integrated message across platforms	1	7%
Agile change management	1	7%
Continuous and open communication with communities	1	7%
24 Hour data security monitoring using integrated management system	1	7%
	15	

4.4.1.1.2 List of top five disclosed recommendations

The following table illustrates the top five disclosed recommendations sorted by percentage disclosure:

Table 4.8: *Top 5 Recommendations: Cross-case Analysis*

Recommendations	Number disclosed	% Disclosure
Have in place policy and guidelines processed and procedures of issue handling and customer engagement processes	6	50%
Develop and implement a media strategy, digital media policy and content strategy	3	25%
Strategic partnerships	1	8%
Long term strategy	1	8%
Integrated message across platforms	1	8%

4.4.2 Conclusion

How can marketing practitioners address the challenges and exploit opportunities presented by social media?

Of the eight recommendations disclosed, the top two recommendations carry the highest weight and were disclosed by more than one company. The bottom six had been disclosed by one company per recommendation.

4.4.3 Summary of the results

The percentage disclosures of the results clearly show that there are definite differences between what companies perceive as challenges; opportunities and recommendations. This necessitates the development of a framework that can be used as a guide for the implementation of social media in the petroleum industry in South Africa.

CHAPTER 5. DISCUSSION OF THE RESULTS

5.1 Introduction

The following findings were observed for the results obtained during the analysis:

5.2 Why have petroleum companies adopted social media?

5.2.1 Cross-case analysis

Table 4.1 shows the disclosure distribution of the cross-case analysis after the relevancy check of the frequency index had been tested.

- There was 22.74% disclosure from the ten participants on Market Intelligence and Market Insight. The participants stated that the social media provides insight and intelligence that form part of the overall strategies of their companies.

- Dialogue *w*as the second highest reason why petroleum companies in SA adopted social media at 18.06% disclosure. Participants disclosed that the social media gave companies an opportunity to have intimate conversations with their customers and other stakeholders.

- The lowest percentage disclosure values were observed for Public Relations with 0.67% disclosure.

5.3.2 Within-case analysis

The results for the within-case analysis indicate the following:

5.3.2.1 Brand experience

Table 5.1 demonstrates that three of the five companies (A, D, and E) regarded social media as a tool to track brand experience. Company A had a significant 52% disclosure. Company D had 11% disclosure, and Company E had 37% disclosure.

Table 5.1: *Disclosure distribution – Brand Experience*

	A	B	C	D	E
Brand experience	52	0	0	11	37

5.3.2.2 Dialogue:

Table 5.2 shows that all five companies regard social media as a tool that promotes intimate communication with customers. The disclosure was spread as follows: Company A had 50% disclosure, Company E had 19% disclosure, company C had 15% disclosure, Company D had 13% disclosure, and Company B had 4% disclosure. See Table 5.2 below.

Table 5.2: *Disclosure Distribution – Dialogue*

	A	B	C	D	E
Dialogue	50	4	15	13	19

5.3.2.3 Brand awareness

Table 5.3 demonstrates that four of the five companies (A, C, D, and E) regarded brand awareness as a key reason why they adopted social media. Company E had the highest disclosure percentage, namely 31% disclosure, and companies A, C and D had 23% disclosure respectively.

Table 5.3: *Disclosure Distribution – Brand Awareness*

	A	B	C	D	E
Brand awareness	23	0	23	23	31

5.3.2.4 Education

Two of the five companies (C and E) regarded social media as a tool to educate and train their stakeholders. Company C had 40% disclosure, and Company E had 60% disclosure on using social media to educate their stakeholders about their brands, goods and services. This is demonstrated in Table 5.4.

Table 5.4: *Disclosure Distribution – Education*

	A	B	C	D	E
Education	0	0	40	0	60

5.3.2.5 External environment

Of the five companies that participated, three companies made disclosures on this construct. Company D had 50% disclosure and believed petroleum companies adopted social media as a response to the dynamic external environment and technological changes. Company B had 33% disclosure, and Company C had 17% disclosure on this construct. This is indicated in Table 5.5.

Table 5.5: *Disclosure Distribution – External Environment*

	A	B	C	D	E
External environment	0	33	17	50	0

5.3.2.6 Feedback

All five companies believed social media facilitate valuable feedback from customers. Feedback that enables business and customer service improvement shapes innovation. The disclosure percentage was spread as follows: Company C had 38% disclosure, Company D had 30% disclosure, Company A had 21% disclosure, Company E had 8% disclosure, and Company B had 4% disclosure.

Table 5.6: *Disclosure Distribution – Feedback*

	A	B	C	D	E
Feedback	21	4	38	30	8

5.3.2.7 Innovation:

Four of the five companies (A, C, D and E) regarded social media as a catalyst to innovation. Company A had the highest disclosure percentage, namely 46%,

followed by Company E with 28% disclosure, Company D with 18% disclosure and Company C with 9% disclosure.

Table 5.7: *Disclosure Distribution – Innovation*

	A	B	C	D	E
Innovation	46	0	9	18	28

5.3.2.8 Market insight / intelligence:

Four of the five companies (A, B, D and E) used social media to gain valuable market insight that contributed in shaping the future of their respective companies. Companies A and D had the highest disclosure percentages with 41% disclosure respectively, followed by Company E with 12% disclosure and Company D with 6% disclosure.

Table 5.8: *Disclosure Distribution – Market Insight / Intelligence*

	A	B	C	D	E
Market insight/ intelligence	41	6	0	41	12

5.3.2.9 Market trends

Three of the five companies (A, D, and E) used social media to gain valuable market insight on market trends that contributed in shaping the future of their respective companies. Company D had the highest disclosure percentage with 50% disclosure, followed by Company E with 30% disclosure and Company A with 20% disclosure.

Table 5.9: *Disclosure Distribution – Market Trends*

	A	B	C	D	E
Market trends	20	0	0	50	30

5.3.2.10 Platform

Four of the five companies (A, C, D, and E) viewed social media as a communication platform. Company A had the highest disclosure percentage with 40% disclosure, followed by Company D with 26% disclosure, Company C with 20% disclosure and Company E with 14% disclosure.

Table 5.10: *Disclosure Distribution – Platform*

	A	B	C	D	E
Platform	40	0	20	26	14

5.3.2.11 Promotions

All five companies used social media as a channel for brand and sales promotions. Company D had the highest disclosure percentage with 40% disclosure, followed by companies A and E with 20% disclosure, Company B with 13% disclosure and Company C with 7% disclosure.

Table 5.11: *Disclosure Distribution – Promotions*

	A	B	C	D	E
Promotions	20	13	7	40	20

5.3.2.12 Public Relations

One of the five companies used social media for public relations and to manage brand reputation. Company D had 100% disclosure for this construct.

Table 5.12: *Disclosure Distribution – Public Relations*

	A	B	C	D	E
Public Relations	0	0	0	100	0

5.3.2.13 Risk

Four of the five companies (A, C, D, and E) believed companies should bear in mind the risk that may be involved in adopting social media in this industry. The petroleum industry environment involves reputational risk because when things go wrong, it can have dire consequences. Oil may leak into the environment, causing panic and fury from the community. With social media, such news will go global within seconds.

Table 5.13: *Disclosure Distribution – Risk*

	A	**B**	**C**	**D**	**E**
Risk	54	0	4	34	8

5.3.2.14 Sales

Two of the five companies (A and E) used social media for generating sales. Company A had the highest disclosure percentage with 67% disclosure, followed by Company E with 33% disclosure

Table 5.14: *Disclosure Distribution – Sales*

	A	**B**	**C**	**D**	**E**
Sales	67	0	0	0	33

5.3.2.15 Social element

Two of the five companies (C and D) used social media for its social element. Company D had the highest disclosure percentage with 67% disclosure, followed by Company C with 33% disclosure

Table 5.15: *Disclosure Distribution – Social Element*

	A	***B***	***C***	***D***	***E***
Social element	*0*	*0*	*33*	*67*	*0*

5.3.2.16 Strategy:

All five companies used social media as part of their overall strategy, although the implementation rates and processes were not the same. All five companies viewed social media as a critical component of the digital media strategy. Company D had the highest disclosure percentage with 38% disclosure, followed closely by Company A with 37% disclosure, Company C with 13% disclosure and companies C and E with 6% disclosure each.

Table 5.16: *Disclosure Distribution – Strategy*

	A	B	C	D	E
Strategy	37	6	13	38	6

In summary, the top five reasons why South African petroleum companies adopted social media were to obtain data it provides, use it for market insight, get more intimate with customers, and understand customers better through dialogue and feedback. It is also to use all insight received and innovate new products that will be of interest to customers.

5.3.3 Linkage to literature

Enginkaya and Yılmaz (2014), Georgescu and Popescul (2015), and Mangold and Faulds (2009) define social media as a communication tool. The literature findings therefore hold true in that the industry also defines social media as the platform and communication tool that allows companies to interact more personally with their consumers.

5.4 Conclusion

5.4.1 Conclusions regarding RQ 1

What challenges and opportunities in social media marketing are marketing practitioners facing in the South African petroleum industry?

5.4.1.1 Challenges

5.4.1.1.1 Cross-case analysis

The cross-case analysis indicates that the top six challenges cited by the participants are:

1) lack of leadership buy-in and strategic alignment with regard to social media;

2) lack of risk mitigation plans and control over dialogue media;

3) lack of competencies to handle negative feedback and multiple complaints from customers;

4) corporate vulnerability due to incorrect social media interaction by employees;

5) fear of negative community and customer feedback that can have a global effect; and

6) data security and risk.

All these challenges had 14% disclosure from participants. These were followed by three more challenges that each had 5% disclosure, namely:

1) lack of robust social media strategy;

2) lack of customer infrastructure to engage in social media activities; and

3) integrated message across platforms.

5.4.2 Within-case analysis

5.4.2.1 Challenges

From the within-case analysis of challenges, it appears that most of the contracts were disclosed by individual companies, and the views did not cut

across the industry. For instance, only Company A disclosed “Lack of leadership buy-in and strategic alignment with regard to social media”.

Table 5.17: *Disclosure Distribution – Lack of Robust Social Media Strategy*

	A	***B***	***C***	***D***	***E***
Lack of robust social media strategy	*100*	*0*	*0*	*0*	*0*

5.4.2.2 Risk

The lack of risk mitigation plans and control over dialogue medium was contributed by three of the five companies. Companies A, C and E all had 33% disclosure on the issue of risk.

Table 5.18: *Disclosure Distributions – Risk*

	A	***B***	***C***	***D***	***E***
Risk	*33*	*0*	*33*	*0*	*33*

5.4.2.3 Competencies

Lack of competencies to handle negative feedback and multiple complaints from customers was disclosed by only two of the five companies: Company A with 67% disclosure and Company C with33% disclosure.

Table 5.19: *Disclosure Distribution – Competencies*

	A	**B**	**C**	**D**	**E**
Social Media competencies	67	0	33	0	0

5.4.2.4 Public Relations

Company A, with a 100% disclosure was worried about the vulnerability of the company to incorrect social media interaction by employees.

Table 5.20: *Disclosure Distribution – Public Relations*

	A	B	C	D	E
Public relations	100	0	0	0	0

5.4.2.5 Delayed feedback

Company A, with a 100% disclosure, feared the implication and effect of negative community and customer feedback, as it might have a global effect. This may happen when stakeholders do not receive prompt response from the company.

Table 5.21: *Disclosure Distribution – Delayed Feedback*

	A	***B***	***C***	***D***	***E***
Delayed feedback	*100*	*0*	*0*	*0*	*0*

5.4.2.6 Lack of robust social media strategy

Company A. with 100% disclosure percentage, regarded the lack of a robust social medial strategy as one of its key challenges when playing in the social media space as a company. Without a strategy, there is a lack of alignment with corporate functions, and there are no guidelines and procedure on how to engage.

Table 5.22: *Disclosure Distribution – Lack of Robust Social Media Strategy*

	A	B	C	D	E
Lack of robust social media strategy	100	0	0	0	0

5.4.2.7 Lack of customer infrastructure to engage in social media activities:

South Africa has a digital divide; therefore, in some regions, customers are unable to engage with the company by means of social media. This was disclosed by Company A with 100% disclosure.

Table 5.23: *Disclosure Distribution – Infrastructure to Engage by means of Social Media*

	A	B	C	D	E
Infrastructure to engage on social media	100	0	0	0	0

5.4.2.8 Integrated messages across platforms

The challenge of implementing integrated marketing communication (IMC) across all communication platforms was disclosed by Company A with 100% disclosure.

Table 5.24: *Disclosure Distribution – Infrastructure to Engage by means of Social Media*

	A	B	C	D	E
Integrated message across platforms	100	0	0	0	0

5.4.2.9 Summary

Of the top five challenges with 14% disclosure from the across-case analysis, only two were disclosed by more than one company, namely Risk and Competencies.

With regard to risk, the study reveals that the challenges faced by the petroleum industry relate to the environment in which the industry operates. The environment poses more risks than those experienced by other retail companies, due to the product manufactured and distributed by the industry. The study found that the industry is very risk averse. The industry rates itself as

more at risk than other retail companies such as Pick ‘n Pay, Woolworths and Spar. Handling fuel, which is a flammable product, poses more risk for the industry than the average fast moving consumer goods (FMCG) retailer does.

With regard to competencies, most oil companies in the petroleum industry are still new to social media and not fully active on social media because they are currently waiting for the sign-off by their respective boards. They do not yet have mitigation plans in place to avoid the risks associated with being on a social media platform. Not having resources to respond to comments that come through social media platforms, via Facebook or Twitter, is a bigger challenge. Interactive communication has not worked well for this industry due to the industry being risk averse and preferring one-way communication. Some of the activities of oil companies on social media are geared towards managing their risk to protect their business reputation. There is also a security risk with the involvement of social media, as the industry is cash intensive. Because of robberies that occur quite frequently, the footage of the robbery is often seen on social media, posing more risk. A matter of concern is that, once an oil company goes into the social media space, it has no control over what people view and post in relation to its brand. Most social media platforms allow for two-way dialogue, and the oil companies have no control over the contents of the dialogue.

5.4.3 Opportunities

5.4.3.1 Cross-case analysis

Table 5.25: *On Opportunities Across-case Analysis*

Opportunities	Number disclosed	% Disclosure
24/7 customer interaction intimacy	17	35%
Market development	7	14%
Flexibility to modify campaigns and monitor effect	6	12%
More efficient and cost-effective way to reach customer	5	10%
Platform to promote the goods and services to the target market	4	8%
Data mining and market insight	4	8%

Increase propensity for customers to buy	3	6%
Brand leverage/awareness	2	4%
An opportunity for public relations officials to showcase service excellence	1	2%

Intimate 24/7 customer engagement was disclosed as heighted with 35% disclosure. This was equalled by market development at 35% disclosure. With 14% disclosure on market development, participants believed that social media provide an opportunity for a marketer to enter new markets. Social media flexibility that allows the marketer to monitor the effect of the campaign and modify when necessary had 12% disclosure. Closely linked to that was the efficiency of social media with 10% disclosure as a promotional platform, which had 8% disclosure. Social media is also believed to offer the mining of data that may lead to valuable market insight. This construct also had 8% disclosure. Social media was also linked to positively influencing the sales with 6% disclosure by the participants. Brand awareness had 4% disclosure, whereas PR had 1% disclosure.

Table 5.26: *The Top 5 Opportunities Disclosed by Participants*

Opportunities	Number disclosed	% Disclosure
24/7 customer interaction intimacy	17	44%
Market development	7	18%
Flexibility to modify campaigns and monitering impact	6	15%
More efficient and cost effective way to reach customer	5	13%
Platform to promote the goods and services to the target market	4	10%
Total disclosures	39	

5.4.3.2 Within-case analysis

The within-case analysis indicated the following:

5.4.3.2.1 Customer engagement 24/7

Three of the five companies (A, B and E) believed that social media offer the opportunity of engaging with the customer 24/7. Company A had the highest

disclosure percentage with 71% disclosure, followed by Company E with 18% disclosure and Company B with 6% disclosure.

Table 5.27: *Disclosure Distribution – Customer Engagement 24/7*

	A	B	C	D	E
Customer engagement 24/7	71	6	0	0	18

5.4.3.2.2 Market development

Four of the five companies (A, B, C, and D) believe that social media provide the opportunity of growing one's business through market development. Company A had the highest disclosure percentage with 43% disclosure, followed by Company B with 29% disclosure and companies C and D with 14% disclosure each.

Table 5.28: *Disclosure Distribution – Market Development*

	A	B	C	D	E
Market development	43	29	14	14	0

5.4.3.2.3 Campaigns flexibility

Only one of the five companies (Company A) believes that social media provide an opportunity of campaign flexibility. Company A had 100% disclosure on this construct.

Table 5.29: *Disclosure Distribution – Campaign Flexibility*

	A	B	C	D	E
Campaigns flexibility	100	0	0	0	0

5.4.3.2.4 Efficiency and cost effectiveness:

Two of the five companies (A and E) believe that social media provide the opportunity of saving, as it is cost effective and efficient. Company A had the

highest disclosure percentage with 80% disclosure, followed by Company E with 20% disclosure.

Table 5.30: *Disclosure Distribution – Efficiency and Cost Effectiveness*

	A	B	C	D	E
Efficiency and cost effectiveness	80	0	0	0	20

5.4.3.2.5 Promotion

Two of the five companies (A and E) believe that social media provide the opportunity to use it to promote the company brand, goods, and services. Company E had the highest disclosure percentage with 75% disclosure, followed by Company A with 25% disclosure.

Table 5.31: *Disclosure Distribution – Promotions*

	A	B	C	D	E
Promotion	25	0	0	0	75

5.4.3.2.6 Market insight

Two of the five companies (A and D) believe that social media provide the opportunity of gaining market insight. The disclosure percentage of both companies was 50%

Table 5.32: *Disclosure Distribution – Market Insight*

	A	B	C	D	E
Market insight	50	0	0	50	0

5.4.3.2.7 Sales

Two of the five companies (A and E) use social media for generating sales. Company A had the highest disclosure percentage with 67% disclosure, followed by Company E with 33% disclosure.

Table 5.33: Disclosure Distribution – Sales

	A	B	C	D	E
Sales	67	0	0	0	33

5.4.3.2.8 Brand awareness

Two of the five companies (A and C) regard brand leverage as an opportunity that social media present to petroleum companies. Each of them had 50% disclosure.

Table 5.34: Brand Leverage / Awareness

	A	B	C	D	E
Brand leverage/awareness	50	0	50	0	0

5.4.3.2.9 Public Relations

Only one of the five companies (A) believes that social media provide an opportunity for public relations. Company A had 100% disclosure on this construct.

Table 5.35: *Disclosure Distribution – Public Relations*

	A	B	C	D	E
Public relations	100	0	0	0	0

5.4.3.2.10 Summary of the opportunities

Opportunities are summarised as follows:

Opportunities	Number disclosed	% Disclosure	
24/7 customer interaction intimacy	17	44%	
Market development	7	18%	
Flexibility to modify campaigns and monitering impact	6	15%	
More efficient and cost effective way to reach customer	5	13%	
Platform to promote the goods and services to the target market	4	10%	
Total disclosures	39		

Within-case analysis and across-case analysis show the significance of the top five opportunities, as each of them has more than 9% disclosure and involves disclosure of at least two companies.

5.4.3.2.11 Linking the opportunities to literature

A. 24/7 customer interaction intimacy

The 44% disclosure of the top five opportunities is in line with reports from studies by Bergström and Bäckman (2013), Hajli (2014), Reinhold and Alt (2013), and Vukasovič (2013), who state that social media present an opportunity to engage intimately with customers. This statement is also supported by McCorkindale et al. (2013), who contend that it allows organisations to build and maintain relationships.

Martin and van Bavel (2013) illustrate that better customer engagement leads to effective branding, brand loyalty, robust customer dialogue, and valuable customer insight that can be used to tailor-make promotion, products and services to better suit customers.

Kaplan and Haenlein (2010) and Parveen et al. (2015) established that social media usage contributed to enhancing customer engagement and customer service and cost reduction in terms of advertising and customer service. The results of the research indicate that, through social media, companies have broader reach and a much more intimate one-on-one or direct communication with consumers. Social media allow companies to interact more personally with their consumers, giving a company a platform to learn more about its consumers and their thoughts about a campaign.

Customers are in a position to give one feedback about how they experience one's brand through the campaign, services, and touch points of the company. The company is then in a position to know what works and what does not. Through social media platforms, the customer chooses the companies to engage in their own personal space and time. Therefore, the reception is likely to be positive if the company has a positive, thoughtful message geared towards its customers. Engaging customers on social media can give a company the opportunity to showcase how it handles customer complaints. A good response may stimulate positive sentiments towards the brand of a company. Thus, the literature and research findings hold true with regard to social media providing companies an opportunity to improve customer engagement.

B. Market development

Market development is the second of the prioritised disclosures from the participants, as they communicated that through social media, companies are able to reach new markets they were not serving previously. This disclosure supports the discussion by Martin and van Bavel (2013), who regard market development as an opportunity that is to be exploited by companies using social media.

C. Flexibility to modify campaign

The literature by Merisavo et al. (2007), Michaelidou et al. (2011), and Weinberg and Pehlivan (2011) focuses on social media being an effective promotional tool to be used for advertising brands, goods and services of organisations. The literature reviewed does not touch on the flexibility of social media when advertising.

D. Efficient and more cost-effective way to reach customers

This disclosure supports findings in literature, as Martin and van Bavel (2013) indicate that social media is a faster and more effective means of communicating with stakeholders at reduced costs, and Enginkaya and Yılmaz (2014) found that social media, unlike the traditional media, afford organisations

an opportunity to distribute customised messages to targeted customers cost effectively.

E. Platform to promote the brand, goods and services of companies

This finding supports reports by past studies. As explained by Weinberg and Pehlivan (2011), social media allow organisations to build their brands through virtual relationships they form with their customers. Michaelidou et al. (2011) agree, stating that social media contribute to augmented brand awareness and effective customer engagement. Martin and van Bavel (2013) and Merisavo et al. (2007) claim that social media may be used to create robust brands for gaining competitive advantages.

F. Aspects from the literature not covered by our research on opportunities

Laroche et al. (2012) were of the opinion that brand communities provide organisations with an opportunity to develop brand value and trust and enhance loyalty. Badea (2014) points out that, under conducive conditions, social media can contribute to improvement of an organisation's internal communication, may strengthen the organisational culture, and be a stimulus for creativity and enhancement of collective intelligence. From the results of the research, it is evident that, once a company has established a community of people, it gets much more insight and leverage for much of its brand than it could when it communicated solely through mass media. Social media give a company much flexibility in terms of how it communicates with its customers.

5.4.3.2.12 Linking the challenges to literature

Challenges	Number disclosed	% Disclosure	
Lack of Lack of leadership buy in and strategic alignment re-social media	3	20%	
Lack of risk mitigation plans and control over dialogue medium	3	20%	
Lack of competencies to handle negative feedback and multiple complaints from customers	3	20%	
Corporate vulnerability from incorrect social media interaction by employees	3	20%	
Fear of negative community and customer feedback which can have global impact	3	20%	
Total disclosures	15		

The top five challenges that may be linked to literature are the following:

A. Lack of leadership buy-in

This construct is ranked first, as indicated by the disclosure percentage of the interview participants. Martin and van Bavel (2013) suggest that leadership buy-in is a catalyst to implementing a social medial strategy. The study proposes that leadership lead by example by using social media at their level.

B. The lack of risk mitigation plans and control over dialogue media, including corporate vulnerability from incorrect social media interaction by employees, fear of negative community and customer feedback that can have a global effect

These include the constructs of corporate vulnerability and mitigation plans. As acknowledged by Kaplan and Haenlein (2010), organisations have little control over what is written about them on social media. Martin and van Bavel (2013) cite challenges such as listed data security and a fear of inappropriate material messages posted by employees. Sarabdeen (2014) discusses challenges that include the risk of privacy violations for both employers and employees. Gu and Ye (2014); Mukkamala et al. (2015), and Nadaraja and Yazdanifard (2013) argue that negative feedback may hurt the brand and the reputation of the organisation. Therefore, it is a risk not to have a mitigation plan for such potential risks posed by social media.

C. Lack of competencies to handle negative feedback and multiple complaints from customers

The constructs that were covered by literature but did not come to the top of the disclosure percentage by participants in this study include negative effect of social media on consumers' psychological being, social media forming part of advertising clutter, the risk of social media interfering with the reputation of the company, the digital divide, credibility of social media advertising, motivating communities to participate in creating products, interference of social media with organisational structure, and change management. This study acknowledges that these were disclosed by the interview participants but were not among the top five challenges.

D. Digital/social media strategies with policies and guidelines

Martin and van Bavel (2013) recommend that, once the organisation has decided to embrace social media, there should be clear policies and guidelines in terms of participation on behalf of an organisation.

E. IMC and brand experience/leadership

Nash et al. (2013) recommend that, to enhance optimum customer experience in social media, industry leaders need to ensure consistent brand messages across channels based on customer needs, preferences, and values. This will ensure a single customer view. Nash et al. (2013) argue that a positive customer experience will lead to customer satisfaction, loyalty, advocacy, and increased customer lifetime value, which will lead to a competitive advantage for an organisation. According to St Denis et al. (2014), this exists even when faced with crises.

5.5 Conclusion

In this chapter, the focus was on analysing the data collected by means of the semi-structured questionnaire that formed part of the qualitative research. Based on the results, it is apparent that the key opportunities for social media practitioners in the South African petroleum industry include real-time efficient ways for customer engagement (24/7 access to the market), channels to promote the company brand, goods and services, an opportunity to grow business through market development, and flexibility to modify campaigns. The key challenges across and within cases include lack of risk mitigation guidelines, as it directly affects the level of interactive engagement. The industry is risk averse and prefers one-way communication to minimise risk. The second challenge is competence in the industry to implement social media. The participants were concerned with issues such as staff involvement on social media. How do they manage staff engagement? Are they to be the company's brand ambassadors? How do you manage what they say on your behalf? Participants that disclosed stated that there was a lack of resources. They stated that the competence challenge meant that they did not have resources to

respond to comments that came through social media platforms, via Facebook or Twitter, which was a bigger challenge.

The percentage disclosures of the results clearly show that there are definite differences between what companies perceive as challenges, opportunities and recommendations. This necessitates the development of a framework that can be used as a guide for the implementation of social media in the petroleum industry in South Africa.

The next chapter describes the findings, conclusions and recommendations based on the results obtained during the empirical study.

CHAPTER 6. CONCLUSIONS AND RECOMMENDATIONS

6.1 Introduction

The aim of the study was to assess the key challenges and opportunities facing social media marketing practices in the petroleum industry in South Africa.

To be able to achieve this aim, the literature study was conducted to explore the body of knowledge with regard to social media. The study focused on the reasons why petroleum companies adopted social media as part of their IMC strategy, and the challenges and the opportunities in social media marketing that marketing practitioners are facing in the South African petroleum industry and how marketing practitioners can address those challenges and exploit opportunities presented by social media. Lists of opportunities and challenges were prepared from the semi-structured interviews.

6.2 Methodology

The literature review was followed by a semi-automated qualitative method empirical study using data obtained from the semi-structured interviews as the primary data source. The automated analysis process was used to determine the distribution of the opportunities, challenges and recommendations.

The investigation was aimed at addressing the following research questions asked and objectives envisaged in Chapter 1:

- RQ 1: Why have petroleum companies adopted social media as part of their IMC strategy?
- RQ 2: What challenges and opportunities in social media marketing are marketing practitioners facing in the South African petroleum industry?
- RQ 3: How can marketing practitioners address the challenges and exploit opportunities presented by social media?The objectives envisaged were to:

- ascertain the reasons behind the adoption of social media by petroleum companies as part of their IMC strategy;
- understand the challenges and opportunities that marketing practitioners of social media strategies are facing;
- propose how marketing practitioners can address the challenges and exploit opportunities presented by social media.

The chapter further deals with findings derived from the qualitative study, and provides conclusions and recommendations.

The objective of the empirical study was to test the trends found in the literature study to test if the findings hold true for the petroleum industry in SA.

The objective of the investigation was to identify the challenges, opportunities and recommendations disclosed in the semi-structured interviews that were conducted.

6.3 Findings

The following most prominent findings are observed from the results of the analysis during the study:

6.3.1 RQ1: Why have petroleum companies adopted social media as part of their IMC strategy?

The cross-case analysis shows that the variance between the construct with the highest percentage disclosed and the construct with the lowest percentage disclosed is 23.59%.

The within-case analysis shows that the profiles of companies differ per percentage disclosure. In most cases, the percentage disclosure is not distributed evenly among the companies and varies from 0% to 100% disclosure.

6.3.2 RQ 2: What challenges and opportunities in social media marketing are marketing practitioners facing in the South African petroleum industry?

6.3.2.1 Challenges

The cross-case analysis shows that the top six challenges have the same percentage disclosure of 14% and the challenges at the bottom 5%.

The within-case analysis shows that the companies differ in what they see as challenges of social media in the South African petroleum industry.

6.3.2.2 Opportunities

The cross-case analysis indicates that every opportunity has a different percentage disclosure. This can be seen in the percentage disclosure of the top five opportunities.

The within-case analysis shows that Company A influences the result the most in that it has the highest number of disclosures for most of the opportunities.

6.3.3 RQ 3: How can marketing practitioners address the challenges and exploit opportunities presented by social media?

Of the eight recommendations disclosed, the top two recommendations carry the greatest weight and were disclosed by more than one company. The six at the bottom were disclosed by one company per recommendation.

6.3.4 Summary of the results

The percentage disclosures of the results clearly show that there are definite differences between what companies perceive as challenges; opportunities and recommendations. This necessitates the development of a framework that can be used as a guide for the implementation of social media in the petroleum industry in South Africa.

6.3.5 RQ 3: How can marketing practitioners address the challenges and exploit opportunities presented by social media?

The top five recommendations were disclosed by the participants for a petroleum company to benefit from opportunities presented by social media. To manage the challenges, a marketing practitioner should ensure that the following suggestions are in place:

- The policies, guidelines processes, and procedures to deal with issues and customer engagement processes. This recommendation had 40% disclosure.
- A media strategy and content strategy must be in place. This recommendation had 20% disclosure.
- It was also advisable that, instead of establishing your own application on the social media platform, companies may consider forming strategic partnerships and using the applications. This recommendation had 7% disclosure.
- Social media must form part of the long-term strategy of the company. This recommendation had 7% disclosure.
- Companies using social media ought to ensure that they keep an integrated message across all platforms. This recommendation had 7% disclosure.

Table 6.1 indicates the key success factors.

Table 6.1: *Key Success Factors*

Social Media Critical Success Factor profile (CSF) for Petroleum Industry			
Critical Success Factors (CSF)	% Distribution		
Policy and guidelines and procedures on handling feedback	4	20	
Dialogue	3	15	
Market development from market insight/intelligence	2	10	
Risk Mitigation	2	10	
More efficient and cost effective way for promotion	2	10	
Integrated message across platforms	2	10	
Develop and implement long term strategies :media strategy, digital media policy and content strategy	2	10	
Innovation	1	5	
Leadership buy-in	1	5	
Strategic partnerships	1	5	

Table 6.2 below indicates the combined key success factors.

Table 6.2: *Combined Key Success Factors*

Reasons for adoption	Opportunities	Challenges	Recommendation
Market insight/intelligence	24/7 customer interaction intimacy	Lack of leadership buy in and strategic alignment re-social media	Have in place policy and guidelines processed and procedures of issue handling and customer engagement processes
Dialogue	Market development	Lack of risk mitigation plans and control over dialogue medium	Develop and implement a media strategy, digital media policy and content strategy
Risk	Flexibility to modify campaigns and monitoring impact	Lack of competencies to handle negative feedback and multiple complaints from customers	Strategic partnerships
Feedback	More efficient and cost effective way to reach customer	Corporate vulnerability from incorrect social media interaction by employees	Long term strategy
Innovation	Platform to promote the goods and services to the target market	Fear of negative community and customer feedback which can have global impact	Integrated message across platforms

6.3.6 Proposed methodology to develop the framework

Based on the results, findings and recommendations, the framework was developed.

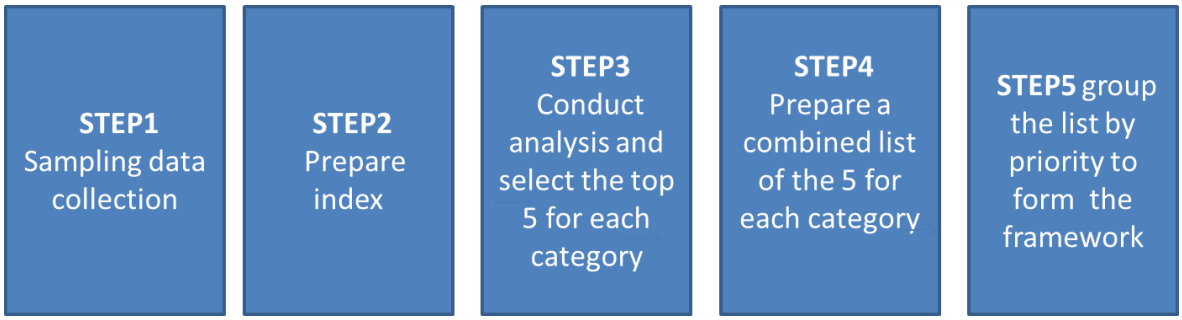


Figure 6.1: Proposed methodological steps to develop the framework

Step 1

A sample size of 10 participants from five SA petroleum companies can be identified.

Step 2

Run the word-count and prepare and index.

Step 3

Conduct a word-count, check their relevancy and prepare a critical success factor (CSF) list.

Step 4

Identify the top five CSFs.

Step 5

Develop a framework through the combination and prioritisation of the top five CSFs per category.

6.4 The framework

In addition, a useful framework for implementing social media strategies in the South African petroleum industry context is proposed. Marketing practitioners can use social media to improve the effectiveness of their social media marketing campaigns. The framework will help marketers in mitigating the failure risk of social media campaigns and contribute positively to their bottom line.

Combining the insight from the ten participants, the figure below illustrates the layout of the framework.

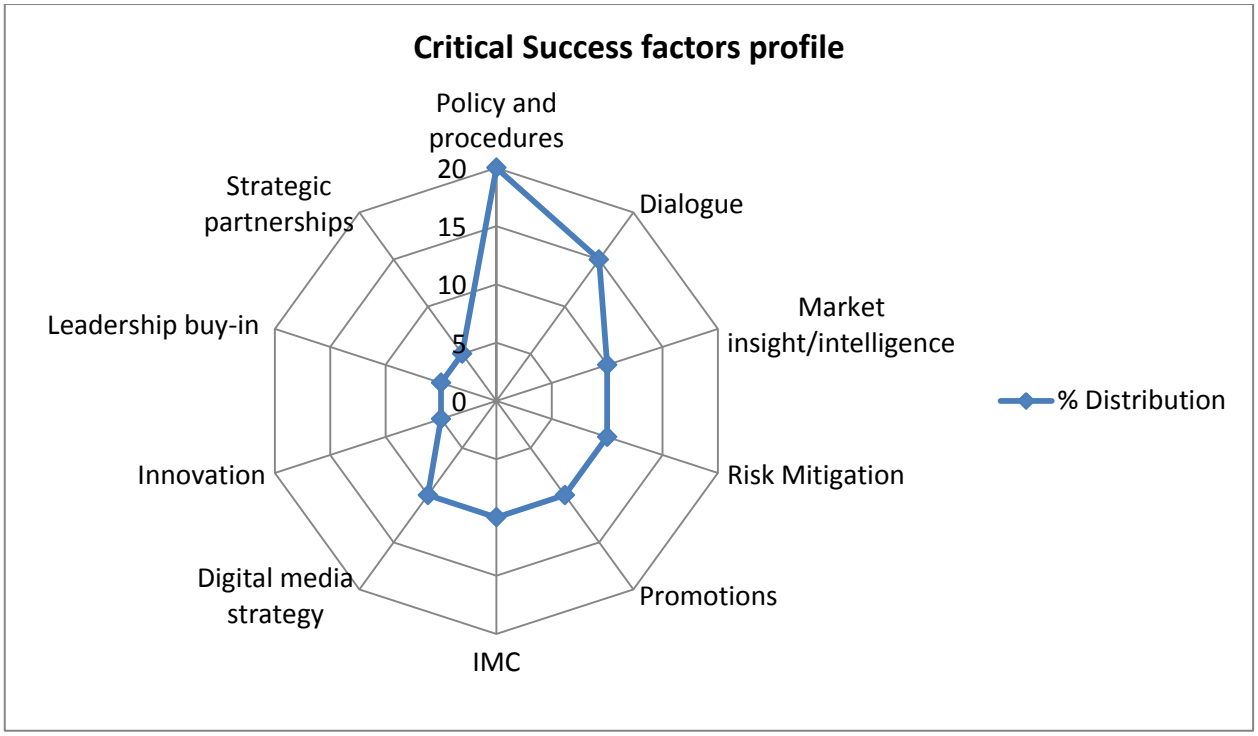


Figure 6.2: Critical success factors: The Framework.

The radar chart graphically shows the areas of importance for SA petroleum companies as a baseline for implementation of social media. The framework gives a clear indication of the CSFs for the companies, as disclosed in the semi-structured feedback. This indicates the areas on which the companies focused and can be regarded as the CSFs.

6.5 Conclusions of the study

The purpose of this research study was to ascertain the reasons behind the adoption of social media by petroleum companies as part of their IMC strategy, understand the challenges and opportunities that social media marketing practitioners are facing, and propose how marketing practitioners can address the challenges and exploit opportunities presented by social media.

A qualitative study was conducted to explore reasons behind the adoption of social media by petroleum companies as part of their IMC strategy, as well as to investigate the challenges and opportunities that social media marketing practitioners are facing.

The literature study highlighted many CSFs, which were also identified in the participating SA petroleum companies. These CSFs were investigated by means of a qualitative investigation. This was followed by the qualitative investigation to develop a CSF framework. This study led to the development of a generic list of CSFs that can benefit academic and commercial concerns. Even though the study focused on SA petroleum companies, the methodology can be applied in other industries.

There have been prior studies of social media in developed markets (Drossos et al., 2007; Kelly et al., 2010; Merisavo et al., 2007), as well as increased studies in emerging markets (Jucaitytė & Maščinskienė, 2014; Ngai et al., 2015; Parveen et al., 2015; Vahdati & Yasini, 2015). However, these studies have neither focused on the petroleum industry nor suggested a framework to practitioners on how to exploit opportunities presented by social media. This study focused on the South African petroleum industry. The significant contribution this paper aimed to make was to develop a framework that could be useful to marketing practitioners in the petroleum industry when implementing their social media strategies in the context of other industries.

This study endeavoured to, not only make a contextual contribution, but also to make a practical contribution by developing a framework that can be used by marketing practitioners when implementing social media strategies. The framework can assist them in improving their social media performance. Furthermore, by adopting social media successfully, as has been done by pioneers and early adopters in parts of the developed and developing world, the South African petroleum industry can put forward a more socially interactive, cutting-edge, consumer-friendly face. That will assist in increasing sales as well as finally shaking off the traditional stance and conservative marketing label that haunts the local petroleum industry.

It is expected that the outcome of the study will interest academic scholars and commercial entities, as it contributes to the body of knowledge on social media.

6.6 Recommendations

The aim of the study was to develop a list of opportunities and challenges and recommend a framework that could provide insight into how social media works in the petroleum industry in SA.

Based on the findings obtained in the framework summary, the following is recommended:

6.6.1 Implementation of social media

RQ1: The reasons for petroleum companies adopting social media as part of their IMC strategy differ, hence the need for the framework.

A. Implement processes and procedures for customer engagement.
B. Develop and implement a media strategy, digital media policy, and content strategy.
C. Form strategic partnerships.
D. Long-term strategic integrated message across platforms.

6.6.2 Sampling and data handling

To be able to develop a framework, the sample size may be expanded to all the SA petroleum companies.

6.6.3 Developing the framework

To expand the framework, a financial indicator can be used as a success measure.

6.7 Managerial implications

The petroleum industry as a whole is risk averse and therefore has taken longer to get into the social media space.

Digital media have grown significantly. There has been an increase in brands that use traditional marketing tools and tactics as well as digital social media to connect with consumers across multiple platforms.

Petroleum companies recognise the power of social media in terms of opportunities they can present; however, owing to challenges such as data security and lack of control of content about the company that is discussed, the SA petroleum industry has been slow in embracing social media. This industry is risk averse. As advised by one of the interview participants, petroleum companies need to understand that, in order to participate in this space, they will have to let go of some of the power over the control of the content discussed in these interactive media. The South African petroleum industry needs to have specific social media mitigation plans in place to allow for petroleum companies to feel less vulnerable when engaging in a two-way dialogue medium over which they have little or no control.

Social media is an additional platform on which the industry can engage with consumers and supporters of its marketing campaigns. Social media allow the industry to talk to consumers in real time, or to communicate the facts during a crisis, which allows each respective company in the industry access to a two-way dialogue portal with its customers at all times. This leads to more effective innovation, as companies are constantly informed by customer insight.

Although diesel and petrol are grudge purchases, a typical service station has a convenience shop that the industry may link to its social media campaigns. The industry should continue using the social media platform to entice Generation X and the millennium generation to become patrons at the service stations.

6.8 Suggestions for further research

Comparative studies among different industries can be conducted to determine similarities between success factors for the development of a framework that can be used across all industries.

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APPENDIX A: INTERVIEW GUIDE

Dear participants

This Interview forms part of the requirement for fulfilment of the theses requirements for the Master of Strategic Marketing with the Wits Business School, Faculty of Commerce, Law and Management. In support of ethical requirements, the company name and the participant's name will not be reported in this study. The interviews that will be held at the participant's offices will take approximately 30 minutes to complete. All interviews will be digitally recorded for transcription.

RQ 1: Why have petroleum companies adopted social media as part of their IMC strategy?

1. **Interviewer:** How do you define social media?

2. **Interviewer:** Why has your company adopted social media, if they have?

3. **Interviewer:** What has been the contribution of social media to your marketing activities?

4. **Interviewer:** What is your understanding of content strategy?

RQ 2: What challenges and opportunities in social media marketing are marketing practitioners facing in the South African petroleum industry?

1. **Interviewer:** What challenges have you faced since the implementation of social media marketing?
2. **Interviewer:** Please expand on the critical challenges you have faced since implementing social media.
3. **Interviewer:** Why do you believe those are the critical challenges?
4. **Interviewer:** How have your identified critical challenges impacted your IMC strategy?
5. **Interviewer:** Based on what you have said on the issue of the challenges how has the company address the identified challenges?
6. **Interviewer:** How can the identified challenges be avoided in the future?
7. **Interviewer:** What have been the opportunities you have faced since the implementation of social media by your company?
8. **Interviewer:** Any other opportunities?
9. **Interviewer:** Why do you believe that these are your critical opportunities?
10. **Interviewer:** How have your identified critical opportunities impacted your IMC strategy?
11. **Interviewer:** How has the company exploited the opportunities that social media brings?

RQ 3: How can marketing practitioners address the challenges and exploit opportunities presented by social media?

1. **Interviewer:** What would you have done differently to improve on your IMC strategy?
2. **Interviewer:** What are your recommendations to social media practitioners operating within this industry?

PARTICIPANT PROFILE				
Management level:	Junior	Middle	Senior	
Age bracket:	21-30	31-40	41-50	>51
Education level:	Undergraduate	Graduate	Postgraduate	

APPENDIX B: CONSISTENCY MATRIX

Research problem: To determine the key issues facing social media marketing practitioners in the petroleum industry in an emerging market.					
Sub-problem	**Literature Review**	**Research questions**	**Source of data**	**Type of data**	**Analysis**
To ascertain the reasons behind the adoption of social media by petroleum companies as part of their IMC strategy.	(Badea, 2014; Georgescu & Popescul, 2015; Jucaitytė & Maščinskienė, 2014; Kim & Ko, 2012; Mangold & Faulds, 2009; Paniagua & Sapena, 2014; Schniederjans et al., 2013; Schumann et al., 2001; Siamagka, Christodoulides, Michaelidou, & Valvi, 2015; Tiago & Veríssimo, 2014)	Why have petroleum companies adopted social media as part of their IMC strategy?	Primary data source: face-to-face semi structured interviews and direct observations Secondary data source : Industry report, company website, brochures, company newsletters, leaflets	Nominal	Computer-aided/-assisted qualitative data analysis software was used: NVivo software

Research problem: To determine the key issues facing social media marketing practitioners in the petroleum industry in an emerging market.					
Sub-problem	**Literature Review**	**Research questions**	**Source of data**	**Type of data**	**Analysis**
To understand the challenges and opportunities that marketing practitioners of social media strategies are facing.	(Chan & Saqib, 2015; Kaplan & Haenlein, 2010; Michaelidou et al., 2011; Rutsaert et al., 2014; Satici & Uysal, 2015; Schultz & Peltier, 2013)	What challenges and the opportunities in social media marketing are marketing practitioners facing in the South African petroleum industry?	Primary data source: face-to-face interviews and direct observations Secondary data source: Industry report, company website, brochures, company newsletters, leaflets	Nominal	Computer-aided/-assisted qualitative data analysis software will be used. NVivo software
To investigate how marketing practitioners can address the challenges and exploit opportunities presented by social media.	(Asur & Huberman, 2010; Chu & Kim, 2011; Dehghani & Tumer, 2015; Kaplan & Haenlein, 2010; Picazo-Vela et al., 2012; Singh & Sonnenburg, 2012; Wang et al., 2015)	How can marketing practitioners address the challenges and exploit opportunities presented by social media?	Primary data source : face to face interviews and direct observations Secondary data source: Industry report, company website, brochures, company newsletters, leaflets	nominal	Computer-aided/-assisted qualitative data analysis software will be used. NVivo software