

An appetite for social media in Irish SME food businesses?

Authors: *Helen Murphy & Dr Angela Wright (Cork IT).*

The purpose of this study is to evaluate the current relationship between social media use and Irish SME food companies. The research seeks to determine if social media can effectively form an integral, and, ultimately, profitable part of their overall marketing approach. With the recent rapid advances in modern technology, the strategic use of social media as a means to increasing marketing reach and engagement makes the need for this research timely and apposite. The research design considered both qualitative and quantitative approaches and utilised the former in carrying out 17 in-depth interviews with those working within the Irish SME food industry.

Findings, as outlined, indicate that there is an increase in food brands engaging with social media. In the case of early-stage Irish Food businesses, social media is the only marketing activity carried out; more established food brands adopt a more planned approach to social media.

The main conclusion to be drawn from this research is that social media can help Irish SME food businesses to reach, engage with, and influence their key target markets. Social Media can assist in driving awareness and, more importantly, sales; however, effectiveness is dependent on social media being part of an overall marketing plan, which has been derived from the business objectives and strategy.

Keywords: SME Marketing, Irish SME Marketing, Irish SME Food Marketing, Social Media.

Research Context

Ireland has experienced economic turmoil for the past six years. Government strategic policy is looking to the SME sector to restart a positive growth in the Irish economy in the first instance, while seeking growth within Ireland's export markets. Tourism Ireland is seeking to position Ireland as a 'Food Island', a 'must-visit' destination for food-lovers; this is further supported by various videos based on food producers in Ireland. As visitor expectations continue to rise and competition intensifies, tourism managers globally are seeking to differentiate their destinations in meaningful terms. An important component in any visitor experience is the quality and authenticity of food offerings. . In recognition of this fact, Fáilte Ireland led the introduction of the *National Food Tourism Implementation Framework 2011-2013* (the 'framework'), a stakeholder-driven and consumer-focused initiative, which was designed to improve the range, quality and availability of food tourism products, events and activities to help drive visitor satisfaction and deliver long-term growth and sustainability, (Fáilte Ireland, 2014).

This approach was validated in an OECD study which succinctly captures the contribution that food makes to tourism development, and in achieving broader economic objectives. "Food and tourism play a major part in the contemporary experience economy. Food is a key part of all cultures, a major element of global intangible heritage and an increasingly important attraction for tourists. The linkages between food and tourism also provide a platform for local economic development, and

food experiences help to brand and market destinations, as well as supporting the local culture that is so attractive for tourists,”(OCED, 2012).

In addition, Good Food Ireland (2014) supports the development of food destination marketing: citing the example of the Nordic restaurant Noma, they explain, “Head chef, Rene Redzepi has transformed the reputation of Nordic food. This had led to the theory of Nomanomics which is centered on the economic impact of one restaurant in Copenhagen. Tourists travel to Noma to experience Danish cuisine, which is inherently authentic to its own food culture. Copenhagen has successfully leveraged this with an 11% increase in tourism, largely credited to Noma, which they use as their number one marketing resource,” (Grant Thornton, 2014). According to Jeffers (2014), the concept of “Gastrodiplomacy, the creative demonstration and promotion of the best of Irish food in a unique cross sector/cross stakeholder, home and abroad, multi-media way, with creative but consistent messaging and evidencing , is a highly effective proven way to help elevate significantly both Ireland’s image and Ireland’s food image”, (Grant Thornton 2014).

A point worthy of consideration is that Bord Bia looks to support food producers both in terms of early stage start up business and larger organisations, to drive domestic demand for their products and an export industry in the future, and this support is growing exponentially. It is against this backdrop that this study considers how Irish SME food businesses utilise Social Media as a tool within their marketing mix. Key to driving development of a business is communicating with the market and, in effect, creating a relationship with the customer. More and more the relationship aspect of marketing is carried out through the medium of Social Media.

Irish SME Food Businesses, by their very nature, can generate relationships with their customers from the outset. Many of these businesses begin by creating a demand for their products within farmers’ markets, where the customer has an opportunity to meet the producer and forge strong consumer loyalty. These businesses are turning to Social Media as a marketing tool, not least because it is considered to be free, but, also, as a way of continuing, and reinforcing the customer relationship. Social media gives people a sense of belonging and a new means of expressing it, (MacCarthy-Morrogh, 2010). It is this sense of belonging that Social Media marketing seeks to engender; “small local businesses can harness social networks exactly because of their niche and potentially highly targeted nature” (MacCarthy-Morrogh, 2010). In a recent survey, 82% of the Irish businesses surveyed stated that they used social networks to build brand awareness among their consumers, and 54% utilised these channels primarily because of their cost efficiency, (Mintel, 2013). There are several ‘stand-out’ social media marketing tactics that can mobilise an enthusiastic audience while remaining cost effective, and the food industry has consistently been a leader in this department (Marshall, 2012).

Rationale for this Study

The rationale for this research was based on the lack of current in-depth consumer and producer research in the area of Irish SME Food Businesses, and how they can best engage with Social Media within the context of a Marketing approach. This lack of knowledge is due, in part, to the relatively small size of this developing market, and the limited access to resources of this disparate industry sector. The findings from this research will assist in gaining a better understanding of the current situation within the realm of Social Media and guide further primary research in this area. The information gained from this study should help minimise the risks and uncertainties for Irish SME

food companies associated with planning their adoption of Social Media, and assist in decision making and guide strategic planning.

Research Approach

Empirical research was undertaken in order to reach a deeper understanding of the current experiences of Irish SME Food companies in the challenge of using Social Media within the context of their marketing efforts. In particular, the research endeavoured to ascertain how these businesses use Social Media, why they do it, how it is incorporated into an overall marketing approach, and, from a broader perspective, what are the issues and challenges facing the sector.

The research design considered both qualitative and quantitative approaches and utilised the former in carrying out 17 in-depth interviews with those working within the Irish SME food industry. Data analysis was carried out using grounded theory, and due consideration was given to ethical, limitations, reliability and validity issues. The interview process in this study was semi-structured in nature and comprised of open ended questions. The interview pool comprised of those people who are involved with the marketing of food in Ireland to varying degrees. The industry executives working with established food brands provided insight not only on how they plan for new product introductions but, also, on how to maintain market share and 'front of mind' when in a mature marketplace, with words of advice for early stage SME food businesses. The recently established food brands offered perspectives from those directly implementing the strategies, sharing opinions on what marketing approaches best worked for them, whilst the new and emerging food companies spoke about their current experiences of launching a new food brand in Ireland. Finally, the participants who offer support to established food brands and Irish SME food companies (either marketing or otherwise) provided insights into marketing best practice and how to approach the phenomenon of Social Media. The resultant views, whilst varied, presented themselves in five core themes.

Literature

Food Marketing in Ireland

Many Irish consumers now access the internet on a daily basis, and many Irish businesses currently use the Internet as a marketing tool. This presents a major potential market and a large pool for Irish food producers to access readily. Irish Internet use has accelerated rapidly in recent years, fuelled by a significant broadband growth, (Bord Bia, 2012). With a recent strong media focus on the traceability, quality and integrity of food production, the role of organisations that embody these values is vital. The on-line space is a real-time platform that allows these groups to manage the digital conversation around the topic and to stem negative publicity and conversation, (Ahain Group, 2013:6). Social platforms are utilised to highlight the integrity of food produce. Irish food SMEs have significant opportunities with online marketing; however, research has shown it is not fully exploited in Ireland, with only 60% of Irish SMEs having a website (Bord Bia, 2012). Online social networks constitute a vital part of Irish companies' marketing campaigns, with the use of Facebook and Twitter, for example, most frequently used to connect with Irish consumers via social networks, (Mintel, 2013:1). The social networking sector is highly competitive, however, as platforms continue to vie for users and increased engagement. Despite the growing number of social networking platforms, Facebook remains the social network of choice for consumers and advertisers due to its large and engaged user base, (Mintel, 2014:3). Good Food Ireland further underlines the importance of digital marketing engagement; they state that "the revolution in digital marketing is also a

significant opportunity, especially for the relatively more agile, well-networked industry players such as Ireland. Innovative relevant dynamic content, much of it user generated, seeded and targeted towards specific interest groups with clever promotional follow-up is the key to unlocking this viral opportunity. We are already seeing real success on this digital approach at a national 'destination-brand' level", (Grant Thornton,2014).

Challenges for Irish Food Companies

Despite the fact that food and drink brands can be viewed as a natural fit with Social Media, the conservative nature of many companies active in the market has seen them lag behind, especially in areas such as technology, telecoms and financial services, (Business Insights, 2011:11). Research undertaken by Google in 2011 showed that 60% of Irish commercial SMEs do not have an entry in Google's online directory, and 40% do not have websites. An overwhelming majority of Irish SME sites are 'brochure-ware' with no e-commerce functionality. This trend is echoed in this Central Statistics Office enterprise statistics, (Bord Bia, 2012:11).

Emerging Issues and the need for Empirical Research

The area of Social Media is a multifaceted landscape. In the first instance, the changing landscape of the Internet has impacted greatly on both consumers and businesses alike, and the culture of collaboration and participation has permanently changed how business communicates.

The review of literature emphasised the need to embrace Social Media in marketing planning. The question is not one of either digital marketing or traditional marketing; the question is – how does a company do both well? - linking marketing campaigns together, on-line and off-line, to deliver the best possible results, (Ahain Group, 2013:35). Business now must adapt to the paradigm shift of consumer generated marketing, one where the business no longer controls the key conversations about their own products. Brand managers have to consider how to react when their brand is talked about by consumers, (Campbell *et al.*, 2011). A crucial issue for the development of Social Media within a marketing context for SME food companies is to understand the issues of return on investment, how, when and where to spend their marketing budget.

Whilst it is understood that online marketing offers significant opportunities for Irish SME food businesses, just under half still do not have websites. Engaging with Social Media, despite being a 'perfect fit', will be a significant challenge for these companies. The online market potentially holds a significant opportunity as it is expected that the amount spent online will continue to grow. Furthermore, the growth of Irish consumers accessing social networking sites from mobile phones also represents a potentially viable marketing channel, and, going forward, the continued convergence of the mediums will provide greater opportunities for advertisers to extend their reach among, and engagement with, Irish consumers, (Intel, 2013:11). This was further emphasized in the 2014 Intel report—"mobile will continue to be a major area of competition for the industry going forward, given the high levels of ownership of smartphone devices and tablet computers in Ireland and worldwide, and the growing number of social networking apps such as Snapchat and Telegram Messenger" (Intel, 2014).

A fundamental issue for the continued growth of Social Media within the marketing approach for Irish Food SME's is that any recommendations for future engagement ought to be based on research. There are various reports available from which food companies, wishing to engage with Social Media, can glean advice and guidance. Social Media websites; 'how to' publications; online courses (at a cost); and consultants are all accessible. Nevertheless, for meaningful deliberation and academic integrity, Social Media guidance and recommendations should be based on solid research findings, using proven reliable methods of data collection. Regrettably, empirical data of consequence does not appear to be available. Determining a market size is not feasible for the social networking industry in Ireland, (Mintel, 2013:18). Despite numerous reports and supports, Social Media engagement in Ireland is moving slowly and in a disjointed manner, with little strategic direction. Online, Social Media and Social Platforms are still a very new space within which to do business. We are all still learning how to achieve the best returns for business there, (Ahain Group, 2013:51). Therefore, there is an on-going requirement for empirical data on how Irish SME food businesses are engaging with Social Media within the marketing context, and the literature review has supported this assertion.

Main Findings

The main findings of research have generated five core themes. The first of these themes addressed the issue of Strategy and Planning for Social Media, with a consensus that businesses at all levels continue to be challenged with developing an effective strategy for Social Media. Despite strategising for marketing in general, little or no consideration is given to developing a strategy for Social Media per se. One participant outlined that "the main issue is how to develop a social media strategy?—when there isn't any strategy at all".

Interestingly, the findings reveal that larger and more established Irish food brands do indeed plan for Social Media, but newer food businesses depend more on Social Media as a marketing channel and don't have any proper plan in place. "We don't plan for marketing. We are flying by the seat of our pants which impacts on the budget required for an effective campaign and the resultant analysis of metrics and understanding of ROI". A significant 87% of marketers want to know how to measure their return on investment for social media activities. This question has been at the top of the mind for marketers, especially given the difficulties of the last three years. Clearly, very few marketers have figured this one out, (Social Media Examiner, 2013). Despite the benefits associated with social media, there are criticisms citing that the return on investment for social media campaigns is difficult for companies to measure, (Demann, 2013).

The second theme that emerged from this study was that there is a need to delve into what are the essentials required for successful Social Media marketing? Participants revealed that it is important that business tell their own personal story of business development online. This makes it interesting for customers. "It's all about the story, which is a key to brand recognition and success — this promotes a strong brand with strong Identity." Rich content was also found to be important. "Rich Content creates 'stickiness' for a brand on Social Media". On this platform, Irish SME food businesses can enhance their content and can show evidence of growing/making and selling, thus, heightening consumer curiosity and ensuring future engagement. This study has found that the preferred richness is desired by consumers through online videos, images, and relevant tone of voice engagement. Social Media provides all of these requirements together with delivering customer service.

This study has found that all of the essentials and planning of online engagement and customer service need to be in place and work together concurrently. The overriding advice from respondents in this study is to consistently and constantly engage with Social Media and to build a strong profile and following. “In relation to Twitter, businesses seem to come and, they don’t seem to realise how important it is . . . I believe that Facebook and Twitter are both as important as each other, you need to maintain both of them simultaneously”. Consumers who become fans of brand fan pages tend to be loyal and committed to the company, and are more open to receiving information about the brand, (Bagazzi and Dholakia, 2006).

Integrating Social Media into a marketing approach emerged as the fourth theme. This study has found that Social Media should not be considered a ‘standalone’ element; it should always “stitch” back into the overall strategy. Remember, social media isn’t a stand-alone set of tools that must be dealt with as a separate strategy; it has to be integrated, (Safko, 2012:565). Notably, this research finds that many small food businesses do not utilise any other marketing strategies other than Social Media—an approach which the more established businesses would consider risky and ill-advised.

The final theme that emerged is the importance of feedback based on the respondents’ experience within the Irish SME Food industry. The respondents interviewed for this research had insights of great value for SME food businesses wishing to engage with Social Media; none more so than the benefits of using Facebook. “With Facebook you can upload the image of the food”. Interestingly, this research has found that Facebook has helped one SME business participating in this study to not only build followers, but to also fund a business refurbishment, and help grow brand recognition, especially, within the Irish Food industry. Connected customers no longer take to search engines insight first; they now take to their social streams (Solis, 2012:19). The research finds that utilising Social media within a marketing approach provides a competitive advantage in terms of adding a different softer dimension to food brands, and enabling their customers to feel more engaged with the business by sharing brand usage experiences. “The Holy Grail of mobile social media usage is, therefore, to initiate the creation of user-generated content in order to ignite truly powerful viral marketing campaigns”, (Kaplan & Haenlein, 2011).

Finally, the usage of Social Media by participants in this study varied greatly. Some respondents used social media as an ‘insights generator’ to understand what consumers really like and want. This research shows that an important aspect for consideration was ensuring, whilst a business might initially recruit a consumer through Social Media, it is of the utmost importance to ensure that businesses push online traffic back to their own website or app, where they have full control of the activity within that domain.

A Model for practice:

To Develop a Social Media capability within Irish SME Food Businesses

Following in-depth analysis of the contributions of the respondents in this research study, the researcher identified certain actions needed in order to have a successful interaction with social media within the marketing approach of an SME food business. This model outlines the findings of the study and adds to the existing literature to provide a practical working structure. The model considers these recommendations under four key areas: Business Strategy, Marketing Planning, Customer Engagement and Analysis, and Review.

It has become abundantly apparent from the findings in this current research study that the majority of Irish SME food businesses engage with social media without first considering the overall business strategy. This model encourages a move into a more formalised business approach defining a process which will not only promote structure within the social media aspects of the business, but also a framework for the overall development of the business.

The marketing planning aspect of the model encourages the development of a tactical plan supported by the main story to be told about the business which will result in rich content and outlines a set of decisions to be taken by the business owner.

The next step in the process is to address the issue of customer engagement, which is based on consistent regular updates developing customer service capability. A gap in this aspect emerged from the respondents in relation to the lack of e-commerce capabilities of most Irish SME food businesses.

Ultimately, efforts must be undertaken, based on established criteria, to review engagement, develop market insights of the specific target market, and understand emerging trends within social media, and what it means for the business in the future. Finally, review and revise the plan, based on all the insights gathered from this stage of the model, which will form the basis of the new plan and the process begins again.

Figure 1. A Model for Practice



Recommendations for Practice for SME Irish Food Companies engaging with Social Media

Food businesses need to move their websites beyond brochure-ware, develop an e-commerce capability, and drive all social media activity either back to the website or a relevant business owned app. An added benefit to Social Media participation is the improved levels of customer service; which also requires that adequate thought is given to response times, levels of engagement, and service recovery issues. Irish food businesses must allocate a dedicated budget figure to social media, and allocate this spend based on the interaction levels of their customer target market. It will be vital to collect engagement data on a regular basis to accurately target such customers.

On-going relevant engagement is required to demonstrate commitment to their customers and their peer groups, which require time and a marketing budget. The content shared with customers has to be relevant to the needs and wants of the consumer, and regular updates should be based on product developments, with interesting and relevant online content containing attractive images and food pictures.

Food business owners should understand critical food issues within the Irish context, particularly at government and State agency levels. They need to engage with working groups, and develop a relevant point of view for the sector to further understand how their business strategy can leverage advantage off government strategy, and create an image of Ireland as a 'food island'.

A final and vital recommendation for Irish SME food businesses is that, when engaging with social media, businesses must recognise that social media is just one part of the overall business strategy, and a relevant market planning approach will be needed to create a future for their business. Therefore, it is vital that the social media tactical approach is derived from the overall business strategy and objectives, and forms part of a comprehensive marketing plan in the future.

In Conclusion

Food and drink brands are currently at a disadvantage when compared to other business types due to the fact that an overwhelming majority of Irish food SMEs do not have e-commerce functionality. It is recognised that, to be successful within a connected informed consumer market, a strategy and marketing link must exist both on and off-line. The mobile connected consumer presents a challenge to SME food businesses which do not currently operate a connected business and marketing strategy.

For businesses who intend to engage in social media, there are a set of essential elements to be included when carrying out a social media campaign. Emphasis on tone of voice, developing rich content, inspiring images and embracing the opportunity of video within any approach is essential. The issue of customer engagement, integration of social media within the marketing approach, using the output of social media endeavours intelligently – all of these strands will create powerful insights which will instruct a strategy going forward which is vital to the SME Irish food business.

Finally, It should be recognised that social media is not a 'silver bullet' for a business and without the support of the allied marketing functions it is unlikely to deliver the uplift in sales that supports a solid business, and deliver the turnover of product required by successful Irish retailers .

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