

# **Adoption and Utilization of Social Media by Micro-enterprises in Jyväskylä**

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<p>Abstract</p> <p>This research investigated the adoption and utilization of social media by micro-enterprises, which were located in the Jyväskylä region. The principal research question was "How do the micro-enterprises in Jyväskylä utilize social media in their business activities?" The research addressed the issues related to how the micro-enterprises used social media in business activities and the challenges that they faced while employing the tools.</p> <p>Literature was critically reviewed to gain a clear picture of the phenomena and develop a theoretical framework for further investigation. Secondary data was drawn from books, scholarly articles, business and academic journals. During the empirical research process, online survey strategy was chosen to collect data. Stratified random sampling technique was used, with the population of 2214 and the sample size of 327. The survey received 60 responses from the micro-enterprises, which made a response rate of 18 percent.</p> <p>The results from empirical research showed that 65% of micro-enterprises in Jyväskylä region were using social media. The main purposes were to increase customers' awareness of brands, products and services, implement e-marketing, optimize search engine and build customer relationship. The most popular types of social media were social networks, blogs and media-sharing sites. Challenges that they had to face included measuring return on investment on social media, the lack of time and the lack of suitable staff, who could take care of social media activities. Besides, the majority of the enterprises had a positive attitude towards the effectiveness of social media tools and 77% of them predicted that their use of social media would increase in the future.</p>		
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# 1 INTRODUCTION

## 1.1 The emergence of social media

Social media has become an Internet phenomenon in recent years. According to Evans (2010, 4), the advent of the Social Web was clearly a game-changer, on numerous fronts. In a report by Harvard Business Review, a similar point of view was also expressed that the emergence of Internet-based social media has started a new kind of conversation among consumers and companies, challenging traditional ideas about marketing and brand management (The New Conversation: Taking Social Media from Talk to Action 2010, 2).

Social media has appeared as a set of dynamic and multi-faceted tools with many different applications. Employing social media tools for business purposes has been rather a topical issue. A simple search with social media key words would bring up a great deal of results on the Internet. For example, the search of the phrase “social media in business” could call up about three million results (in 0.11 second) in the Google Scholar search engine. If the same search was done on Amazon.com website, under “Book” category, the site would show more than 500,000 books with “social media” keyword in their titles. Without a doubt, social media has been being among the most highlighted topics.

Besides, social media possessed the strength of connecting people and building large online communities, which had been seen by marketers and business executives as a great tool to enhance business performance. In the technology-driven and ever-changing economies, the power of social media in business should not be underestimated. Safko and Brake (2009, 12) said that if enterprises could understand social media, harness the power of it and make it work for them, their chances of achieving success would increase dramatically. It would alter our lives and institutions in ways that we are only beginning to comprehend, Gillin also emphasized (Gillin 2009, xx).

About a decade ago – when social media had just emerged – companies with business acumen saw the potential of social media tools and started to employ them for business activities. Harvard Business Review's report in 2010 showed that a small group (12%) of the companies internationally see themselves as effective users of social media. These were the companies most likely to deploy multiple channels, use metrics, have a strategy for social media use, and integrate their social media into their overall marketing operations. (The New Conversation: Taking Social Media from Talk to Action 2010, 1.) There were many statistical studies into the business applications of social media tools. Recently, Official Statistics of Finland (OSF) revealed that 38% of Finnish enterprises, from small to large sized, had used at least one form of social media (Use of information technology in enterprises, 2013). However, the information regarding the use of social media by micro-enterprises, the smallest companies in operating size, seemed to be surprisingly sparse. Although, nowadays, micro-enterprises have been playing a very important role in many economies. They not only created jobs, but also contributed actively to stimulate economic growth. Being fascinated by the versatility of using social media in business contexts and driven by the desire to gain more knowledge on how micro-enterprises in Jyväskylä considered and utilized social media tools in business, the author decided to undertake this research.

## **1.2 Research problem, approach and strategy**

### **1.2.1 Research problem**

According to Ghauri and Gronhaug (2010, 41), one important sources of good research topics was looking for 'missing holes' in the literature: what has really been addressed and what has been neglected. While many previous studies only focused on small to large-sized enterprises (with at least ten employees), the literature about micro-enterprises are surprisingly scarce. By realizing this, the author decided to carry out a research with the wish of contributing new knowledge to the current topic. This research investigated the adoption and utilization of social media by micro-enterprises, which were located in the Jyväskylä region. It addressed the issues

related to how the micro-enterprises used social media tools in their business activities and challenges that they had to face while employing the tools.

Jyväskylä was chosen as the research region due to several reasons. According to Human Tech Center Finland, [Jyväskylä] was ranked best [image among the largest cities in Finland] in terms of the city's attitude towards entrepreneurship, as well as supporting innovations and cooperation between companies and education (N62.242° E25.747° This is where your business should be). Therefore, the author found the city of Jyväskylä to be an attractive region where to carry out this research, as it was a friendly environment for researches and had promising cooperation between businesses and students. Besides, the period of time, which the author had spent on living in Jyväskylä can provide relevant and useful knowledge and understanding of the region.

Saunders *et al.* (2009, 32) suggested that it was often useful to begin with a general focus research question, which may lead to more detailed questions or the definitions of research objectives. The principal question in the study was "How do micro-enterprises in the Jyväskylä region utilize social media in their business activities?" In order to clarify the main research question, the following supportive research questions were developed:

- In what business purposes can social media be utilized?
- What business purposes do the micro-enterprises in Jyväskylä use social media for?
- What is the enterprises' attitude towards their use of social media?
- What challenges do the micro-enterprises Jyväskylä face in using social media?

Besides, specific research objectives were also defined. These objectives acted not only as a guidance to a good research design, but they also explained the research purposes – why this research was carried out and what the researcher wished to achieve.

Research questions	Research objectives
1. In what business purposes can social media be utilized?	Discover possible applications of social media for business purposes, which are suggested in books, academic journals, scholarly articles and other available secondary resources
2. What business purposes do the micro-enterprises in Jyväskylä use social media for?	Discover the social media tools which are the most utilized by the micro-enterprises
3. What is the enterprises' attitude towards their use of social media?	Study enterprises' attitude towards the effectiveness and helpfulness of social media tools
4. What challenges do the micro-enterprises in Jyväskylä face in using social media?	<ul style="list-style-type: none"> <li>○ Discover the challenges which the micro-enterprises face while using social media tools</li> <li>○ Suggest solutions (if applicable)</li> </ul>

Table 1. Research questions and objectives

### 1.2.2 Research approach and strategy

While mentioning about choosing suitable research methods for a study, Saunders *et al.* (2009, 108) introduced an illustration of “research onion” (Figure 1). The picture suggested that the process of choosing means of conducting a research started from choosing the research philosophy, approach, strategy and as the process goes on, it would narrow down when it came to the core of the “onion” – which represented the techniques and procedures of collecting and analyzing data.



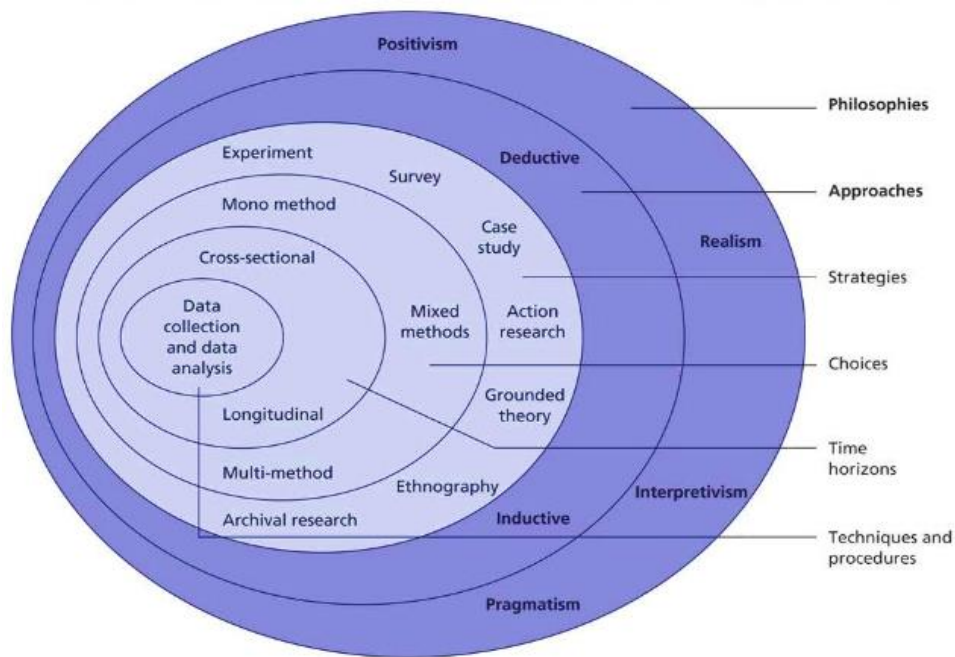


Figure 1. The research 'onion' (Saunders *et al.* 2009, 108)

The research 'onion' started with the research philosophies. Saunders *et al.* (2009, 108) believed that a research philosophy contained important assumptions that would underpin the researchers' strategy and methods. Since deciding on research philosophy was important at a fundamental level, it should not be overlooked by researchers.

Saunders *et al.* explained that realism was a branch of epistemology; and the essence of realism was that what the senses show us as reality is the truth: objects had an existence independent of the human mind. There were two types of realism: direct realism and critical realism. (Saunders *et al.* 2009, 114.) According to Dobson, critical realists argued that what we experienced of the world was portrayed by our senses and could not be understood independently of the social actors involved in the knowledge derivation process (Dobson 2002, cited by Saunders *et al.* 2009, 115). Moreover, the critical realist's position was that the social world was constantly changing and was much more in line with the purpose of business and management research, which was to understand the reason for phenomena as a precursor to recommending change (Op cit. p.115). The researcher found this argument closely

related to her research questions and objectives; since the main goals were to understand the use of social media by micro-enterprises and to provide suggestions of changes or solutions to problems. Therefore, critical realism was determined to be the underlying philosophy of this research.

The next layer of the onion dealt with research approaches. The orientation of this research was deduction. Ghauri and Gronhaug (2010, 15) expressed that deduction meant to draw conclusions through logical reasoning. In this case, the researcher would build assumptions/hypotheses from existing knowledge, test them by conducting empirical research and draw conclusions. Research process with specific activities was illustrated by Ghauri and Gronhaug (2009, 19).

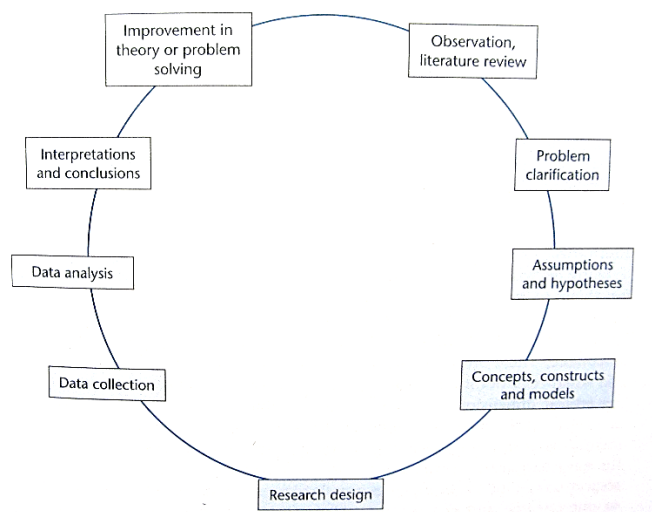


Figure 2. The wheel of research (Ghauri & Gronhaug 2010, 19)

Besides, the purpose of the research as mentioned was to sketch out an overall picture of how micro-enterprises have been employing social media tools in their business activities. This was closely related to nature descriptive studies; since the object of descriptive research was to 'portray an accurate profile of persons, events or situations' (Robson 2002, 59, cited by Saunders et al. 2009, 140). Literature review

was an appropriate way to explore the materials related to research topic and gain a clear picture of the phenomena. Saunders *et al.* (2009, 61) also stated that reviewing the literature critically would provide the foundation on which the research was built. Previous literature and materials about social media and micro-enterprises were reviewed and analyzed, in order to create a framework, on which further study was developed. Secondary data was drawn from books, scholarly articles, business and academic journals. Besides, in the below illustration, Ghauri and Gronhaug (2010) suggested that literature review is not only done in the first stage, but throughout the research process. Their idea of frequently reviewing related literature was also adopted in the process of this research.

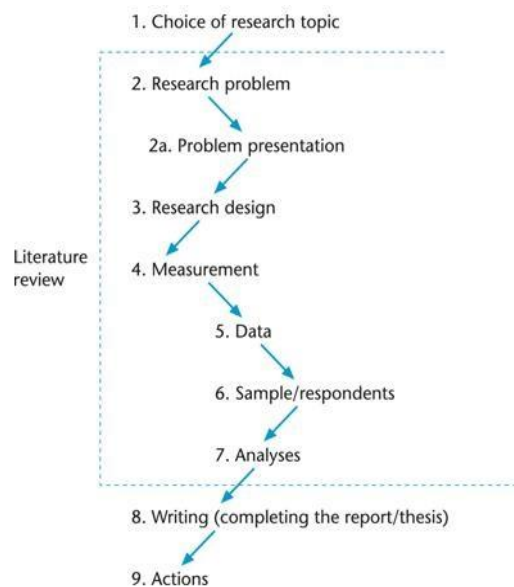


Figure 3. The research process (Ghauri & Gronhaug 2010, 30)

Empirical data was collected by using quantitative method. Survey strategy was chosen for the research; since it was time-efficient and economical. Also, survey allowed the researcher the ability to reach a wide range of recipients; it was very suitable for quantitative studies.

## 2 SOCIAL MEDIA

### 2.1 What is social media?

It is rather challenging to give an absolute definition of social media. Langmia, Tyree, O'Brien and Sturgis note that there is no universal agreement on a definition of social media or what social media encompasses (Langmia *et al.* 2013, xii). It is difficult, if not impossible, to build a single and everlasting definition of social media in a situation where the field is changing constantly (Lietsala & Sirkkunen 2008, 25). Therefore, in this part of the research, social media will be viewed from different angles, in order to understand the subject clearly.

To start with defining "social media," the term will be analyzed from the linguistic aspect. "Social media" word has two parts, "social" and "media." "Social" is an adjective. It means "relating to society" or "needing companionship" (oxforddictionaries.com, 2013). The word "media" is a noun and defined as "the main means of mass communication" (Op. cit. 2013). That is a definition of traditional "media," such as television, radio, newspaper and magazine, which human beings have been used to broadcast and share information with a wide range of audience. However, when the factor "social" is combined with "media," they made a new concept that is different from traditional media. The very word "social" associated with media implies that platforms are user centered, and they facilitate communal activities (Dijck 2013, 11).

Besides, there are other different ways to see social media:

- Safko and Brake (2009, 6) say that social media refers to **activities, practices and behaviors** among **communities of people** who gather online to share information, knowledge and opinions using conversational media.

- Social media is also seen as “the collective of online **communications channels** dedicated to community-based input, interaction, content-sharing and collaboration” (whatis.techtarget.com 2014).
- Social media is a countless array of **Internet-based tools and platforms** that increase and enhance the sharing of information (Social Media Defined 2014). It can be seen as **online facilitators or enhancers** of human networks-webs of people that promote connectedness as a social value (Van Dijck 2013 cited in Fuchs 2014, 36). The technology which social media is based on is called “social software” (Lietsala & Sirkkunen. 2008, 13).
- Dijck (2013, 4) describes social media as a new infrastructure: an **ecosystem of connective media** (with a few large and many small players), which emerged as a result of interconnection of platforms. The transformation from networked communication to ‘plat-formed’ sociality, and from a participatory culture into a culture of connectivity took place in a relatively short time span of ten years (Dijck 2013, p.4-5).

A conclusion is drawn from various definitions presented above: social media contains three main elements, which are people, platform and content. “People” are the ones who perform actions and create activities. They are who participate, connect, share information and keep the communities alive. “Platform” is the technical side of social media; it is the virtual place where actions take place. Without the platforms, people will not have an online common place to gather and interact with each other. The last element is “content,” the information, message, picture, audio, video, etc. that people share with each other. “Content” also carries the values that people find in communicating, connecting with each other online. In short, social media will not be able to function, if one of the three key elements is missing. If people element is missing, the messages will have no audience to reach. On the other hand, if “platform” is missing (let us imagine the time when forum or social networking sites have not been invented), Internet users could only visit or stumble upon different websites to read and absorb information and discuss or share them with other people in an offline environment. Lastly, if no one creates,

generates or shares any content, there will be no traffic on the social media platform, and no value will be created. Consequently, all the three elements are equally important and essential to the way social media works. Besides, Mayfield highlights some other characteristics of social media, which make it more special than traditional media. They are participation, openness, conversation, community and connectedness (Mayfield 2008, 5).

## **2.2 Social media usage in Finland**

A recent study shows that on average, thirty-eight percent of Finnish companies use social media in their business activities (Use of Information Technology in Enterprises, 2013). The companies involved in the study have number of employees varies from ten to one hundred. According to the study, the most popular type of social media used is social networking sites (by thirty-four percent of all enterprises); while the most common purpose is to improve company's image or market products. Other forms of social media that are commonly used among Finnish companies are media sharing sites (by fourteen percent of enterprises) and blogs/micro-blogs (by eight percent of enterprises) (Op. cit. 2013). The figure below will reveal more findings from the study.

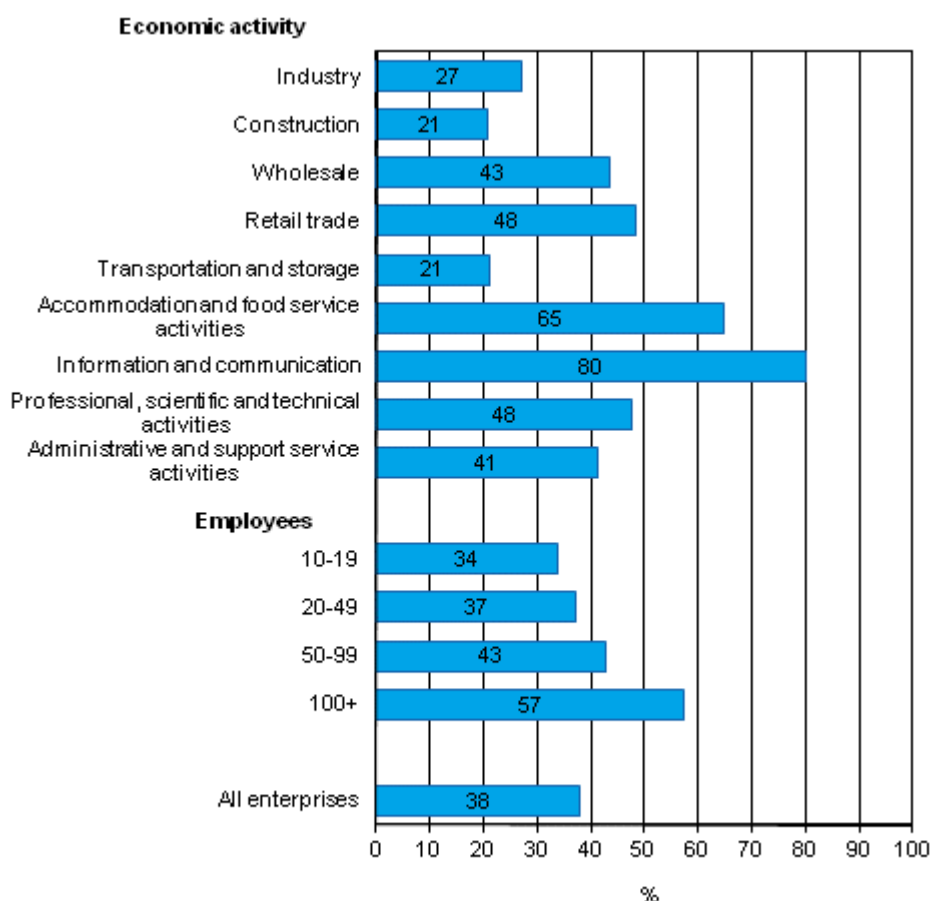


Figure 4. Use of social media by enterprises in spring 2013

The figure above illustrates the use of social media by Finnish enterprises. It shows that most active users of social media tools are enterprises from “Information and communication” sector. They take the lead in utilizing social media, with an impressive number of 80% percent of all enterprises in the industry employ the tools for their business activities. Following is enterprises from “Accommodation and food service activities” sector, with 65% of enterprises use social media. Besides, the percentage of social media usage increases parallel with the size of the company. For instance, the percentage of usage increases from 34% (of enterprises with 10 – 19 employees) to 57% (of enterprises with 100+ employees).

More than that, another set of statistics under the name “Use of Information and Communications Technology by Individuals” released by Official Statistics Finland (OSF) reveals interesting findings on Internet and social media usage by Finnish

citizens. This set of statistics is updated every year and each year report has its own name; for example, report of year 2013 is named “Over one-quarter of persons aged 75 to 89 use the Internet” and year 2014 is “One half of Finnish residents participate in social network services”. In 2013, the number of Internet users in Finland has increased ten percent annually and in 2014, that number has increased even higher. The latest result is 86% of Finnish population from age 16 to 89 use the Internet. Especially, according to the report, new users only came from the population aged over 55, as nearly all younger people already use the Internet. (Use of Information and Communications Technology by Individuals, 2013 & 2014.)

The table below is an extraction of information from published publications of same series “Use of Information and Communications Technology by Individuals” of year 2013 and 2014. It points out the increase in percentage of the Internet use for social media related purposes, by Finnish people from different age groups.

<b>Percentage share of population followed some social network service in the past 3 months</b>		
	<b>Year 2013</b>	<b>Year 2014</b>
Aged 16 – 24	87	<b>93</b>
Aged 25 – 34	78	<b>82</b>
Aged 35 – 44	67	<b>72</b>
Aged 45 – 54	41	<b>46</b>
Aged 55 – 64	26	<b>31</b>
Aged 65 – 74	13	<b>15</b>
Aged 75 – 89	3	<b>3</b>

Table 2. Internet usage of following social network purpose 2013 – 2014



As it is presented in the table, social network activities do not involve only young people, but also Internet users' age varies widely from 16 to 89. From year 2013 to 2014, the percentage of social media usage has increased in all age groups, except for group of 75 – 89, whose figure stayed the same. Among them, age group of 16 – 24 is the most active one, which has 93% of the population use the Internet for social media related purpose. Next are groups of age 25 – 34 and 35 – 44; their percentages are 82% and 72%. Users from age 45 – 54 and 55 – 64 are still rather active; percentages are 46% and 31%. Besides, the use of social media, like blogs and chat groups is increasing. (OSF 2014) These numbers show us a very promising and positive picture of the ability to reach a wide range of Finnish audience, from different age groups via social media channels. Therefore, if businesses assume that their customers cannot be found on social media channels, they should absolutely rethink about it.

### **2.3 Different forms of social media**

When thinking about social media, different brand names like popular names like Facebook, Twitter, MySpace, LinkedIn, YouTube, Wikipedia, etc. may come across one's mind. There are countless number of social media applications, platforms and sites that are available on the Internet. The format for a social media site can vary dramatically; blogs, micro blogs, message boards, wikis, picture and video sharing, podcasts, and digital scrapbooking are all examples of social media (Langmia *et al.* 2013, xii). The figure below presents dozens of available social media marketing tools.



Source: Luma Partners, Terry Kawaja

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Buddy Media / Luma Partners

Figure 5. Landscape of social media marketing tools (Luma Partners & Terry Kawaja 2012)

Instead of giving definitions of numberless social media applications, this chapter focuses on providing a general look of social media tools when they are sorted into suitable groups. Typically, they are classified into groups of different types. For example, Mayfield (2008, 6) divides social media into seven groups: *social networks*, *blogs*, *wikis*, *podcasts*, *forums*, *content communities* and *micro-blogging*. They are the most common forms of social media applications. Brief definitions of each type are provided below:

- **Social network**

Boyd and Ellison (2008, 211) thoroughly define social networking sites as web-based services that allow individual to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections, and those made by others within the system.

According to Boyd and Ellison (2008, 210), social networking sites help individuals to maintain their existing networks, as well as enable strangers to connect based on shared interests, political views or activities. Some sites cater to diverse audiences, while others attract people based on common language or shared racial, sexual, religious, or nationality based identities (Op. cit. p.210). Facebook is currently the biggest and most popular social networking site. Numerous other sites exist, including Google Buzz, Friendster, Geni.com, Hi5, LinkedIn, MySpace, Ning, Orkut, Skyrock, Qzone, V Kontakte, Flirtomatic (O'Leary, Sheehan & Lentz 2011, 4).

- **Blog**

A blog is a type of content management system that makes it easy for anyone to publish short articles called posts (Zarella 2010, 9). Blogs are online journals, with entries appearing with the most recent first (Mayfield 2008, 6). Some popular blogging tools include WordPress, Blogger, LiveJournal, and TypePad (O'Leary *et al.* 2011, 3)

- **Wiki**

A wiki is a web application which allows people to add, modify, or delete content in collaboration with others (Wikipedia 2014). They are acting as a communal document or database (Mayfield 2008, 6).

According to Ebersbach, Adelung, Dueck, Glaser, Heigl and Warta (2008, 12), most of wikis correspond to the definition of open, free source; this prevents a program from being claimed as personal property, or for commercial

purposes. It also ensures the free use, distribution and editing of the program (Op. cit. 2008, 12). The most well-known example of wikis is Wikipedia, a free encyclopedia built collaboratively (Lietsala & Sirkkunen 2008, 34; Wikipedia 2014).

- **Podcast**

Podcasts are audio or video files that are published on the internet and that users can subscribe to (Mayfield 2008, 21). The subscription feature makes a podcast a powerful form of social media (Lietsala & Sirkkunen 2008, 41.)

Some popular podcast platforms are SoundCloud, Archive.org, Amazon S3, Ourmedia.org, Podomatic, Libsyn, PodBean and Buzzsprout (TechNorms 2014).

- **Forum**

According to Mayfield (2008, 23), forums are the longest established form of online social media. It is often an online place to hold discussions on various topics and interests. Internet forums are managed by administrators (who are take care of technical details) and moderators (who keep forums “tidy”, as well as “clean” from spams).

- **Content community/ Media sharing site**

Media-sharing sites allow users to create and upload multimedia content (Zarrella 2010, 77). For examples, some typical content sharing platforms include photo-sharing sites (Instagram, Flickr, Photobucket and Picasa), video-sharing sites (YouTube and Vimeo), visual discovery, sharing, storage tool (Pinterest), public book-marking tool (Del.icio.us) and news-sharing site (Digg.com).

- **Micro-blogging**

Micro-blogging is social networking combined with bite-sized blogging, a form of blogging that limits the size of each post (Mayfield 2008, 6; Zarrella 2010, 31). For instance, Twitter updates can contain only 140 characters (Zarrella 2010, 31). Recently, the most popular micro-blogging platform has been

Twitter. Other services include Jaiku, Plurk, Tumblr, Posterous, Yammer and Qaiku (O'Leary et al. 2011, 4).

Lietsala and Sirkkunen (2008, 26) offer another set of categories to classify social media applications, which suggests that they are divided according to main activities and practices.

Genre	Main practices
content creation and publishing tools	Production, publishing, dissemination
content sharing	Sharing all kinds of content with peers
social networks	Keeping up the old and building new social networks, self promotion etc.
collaborative productions	Participation in collective build productions
virtual worlds	Play, experience and live in virtual environments
add-ons	Adoption of practices from one site to another. Transforms a service into a feature of another site or adds new use-value to the existing communities and social media sites through 3 <sup>rd</sup> party applications.

Figure 6. Some (preliminary) genres of social media and their activity types (Lietsala & Sirkkunen 2008, 26)

Figure 6 shows main genres of social media with brief explanations for each genre (Lietsala & Sirkkunen 2008, 26). In addition, they also give some example of popular sites or platforms of each category, which can be seen in the figure below.

---

→ content creation and publishing tools (blogs, wikis and podcasts)
→ content sharing sites (Flickr, YouTube, del.icio.us, Digg.com,...)
→ social network sites (LinkedIn, Facebook, Friendster, MySpace, IRC-Galleria, ...)
→ collaborative productions (OhmyNews, Wikipedia, StarWreck, ...)
→ virtual worlds (Second Life, Habbo Hotel, Warcraft)
→ add-ons (GoogleMaps, RockYou, Amazon Grapevine, Friends for Sale!, ...)

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Figure 7. Social media genres and popular examples (Lietsala& Sirkkunen 2008, 26)

In order to compare the contents in the two figures above more effectively, the author created a combination of figures 6 and 7.

Genres	Main practices	Examples
<b>Content creation and publishing tools</b>	Production, publishing, dissemination	blogs, wikis and podcasts
<b>Content sharing sites</b>	Sharing all kinds of content with peers	Flickr, YouTube, del.icio.us, Digg.com,...
<b>Social media networks</b>	Keeping up the old and building new social networks, self-promotion etc.	LinkedIn, Facebook, Friendster, MySpace, IRC-Galleria,...
<b>Collaborative productions</b>	Participation in collective build productions	OhmyNews, Wikipedia, StarWreck,...
<b>Virtual world</b>	Play, experience and live in virtual environments	Second Life, Habbo Hotel, Warcraft
<b>Add-ons</b>	Adoption of practices from one site to another. Transform a service into a feature of another site or adds new use-value to the existing communities and social media sites through 3 <sup>rd</sup> party applications	GoogleMaps, RockYou, Amazon Grapevine, Friends for Sale!,...

Figure 8. Genres, main practices and examples of social media applications

The above list of social media genres is neat, and it broadly covers many types of applications that share the same function. However, it is challenging when it comes to fitting each type of social media application into the exact group where it belongs to. In the group “Content creation and publishing tools,” wikis are included.

However, while Wikipedia is a typical example of wikis, it is added into another group called “Collaborative production.” As Lietsala and Sirkkunen (2008, 52) explain, the reason why Wikipedia is mentioned in the group “Collaborative production” is that Wikipedia was started as a production that aimed at collaboration from the beginning. That made it different from a plain wiki tool (Lietsala & Sirkkunen 2008, 52).

Besides, “Content sharing” group has social media sites that feature photos, videos or other media contents, which are shared by users. The group includes “del.icio.us”, even though it can represent a different category of social media genres. Del.icio.us works as an online book-marking tool, which helps users to save, organize their favorite links on the Internet. Users have the right to decide whether their book-marks can be seen by others. However, the public aspect is emphasized, since all bookmarks posted to Del.icio.us are viewable publicly by default (unless users make changes in their privacy settings) (Wikipedia 2014). Similarly, Pinterest is another social bookmarking tool, which also belongs to the same genre as Del.icio.us. Pinterest offers an opportunity for user to create collection or share their uploaded contents with the community. Popular media contents of Pinterest are images and videos. Eventually, though book-marking services like Del.icio.us and Pinterest are somewhat different from other sharing services like YouTube, Flickr, Digg.com, which are simply aggregators of videos, photos and news; they can still be grouped into “Content sharing” category, as one of their main functions is sharing information.

Lastly, one big sub-genre of blogs is micro-blogging (Lietsala & Sirkkunen 2008, 33). Therefore, Twitter, one of the giant social network services, can also be added to “content creation and publishing tools” group.

### 3 MICRO-ENTERPRISES AND SOCIAL MEDIA

#### 3.1 Micro-enterprise – definition and characteristics

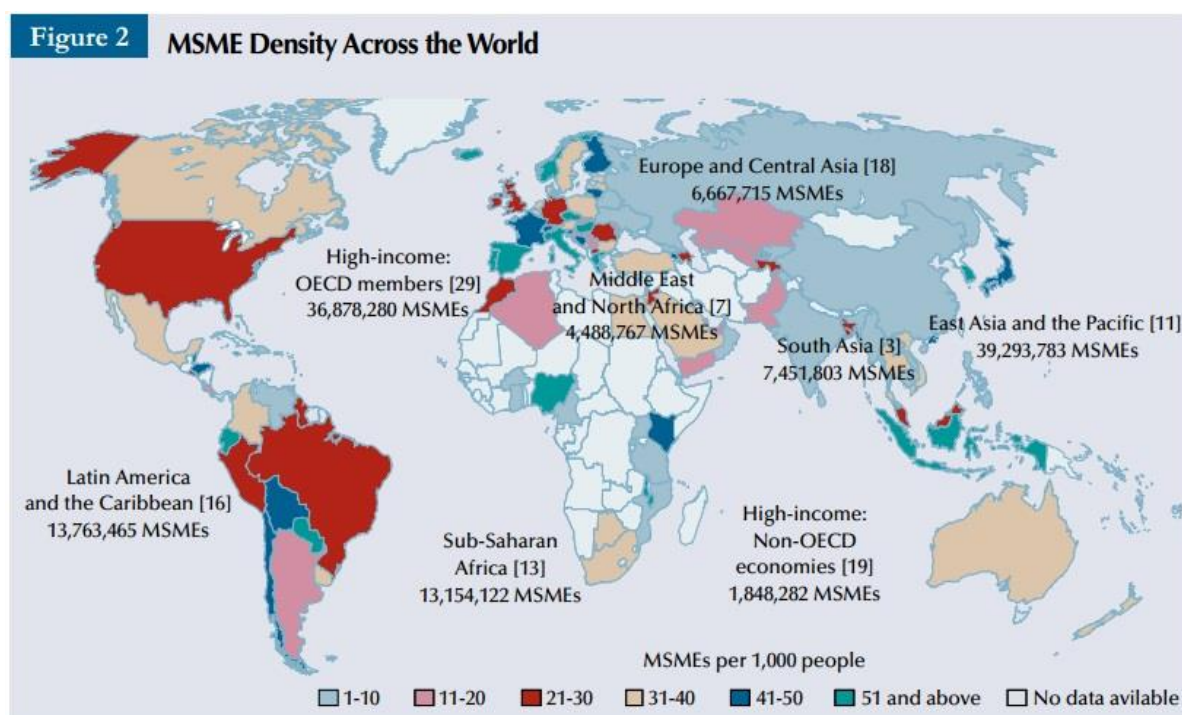
*Micro, small and medium-sized enterprises (SMEs) are the engine of the European economy. They are an essential source of jobs, create entrepreneurial spirit and innovation in the EU and are thus crucial for fostering competitiveness and employment. (Günter Verheugen cited in “The new SME definition” 2006.)*

A micro-enterprise, as defined by European Commission, is a company which has less than ten employees and generates less than two million euros annually (2003/361/EC 2003, 39).

Despite being small, micro-enterprises are great contributors to economic growth of every country in the world. They generate income, create jobs and stimulate healthy business competition. Be that as it may, certainly small firms are a dynamic force in the economy, bringing new ideas, processes, and vigor to the marketplace (Headd 2000, 13). The role of micro-enterprises is vital in many economies. Especially, in Finland, the majority of enterprises are micro enterprises (91.8%), which employed 24.7% of persons in the labor market and generated 16% of total turnover (Nearly 40% of persons employed by non-financial enterprises in the EU28 worked for SMEs in 2011, 2013). It is interesting to see that the number of micro-companies exceeds 90% total companies in Finland. They employ about one-fourth of the workforce.

The figure below illustrates the density of MSMEs (micro, small and medium enterprises) in 103 countries around the world.





Sources: MSME Country Indicators.

Note: Name of region [#] signifies the number of economies from the region included in the analysis. The figure uses the most recent data available after the year 2000. The figure use data for 116 economies.<sup>5</sup>

Figure 9. MSME Density across the World (Kushnir, Mirmulstein & Ramalho 2010, 3)

According to the figure, Finland has about 41 to 50 MSMEs per 1,000 people. That number is impressively high. On average, there are 31 MSMEs per 1,000 people across the 132 economies covered in the research (Kushnir *et al.* 2010, 3). So, Finland's score is higher than the average, as well as some other European countries. That confirms the prominent role of MSMEs in Finnish economy. One explanation to this impressive number of MSMEs in Finland might also be government's strategic programs to support entrepreneurship and nurture young start-ups, as well as people's positive attitude towards self-employment and entrepreneurship. For example, there are business incubators which are operated with a close relationship and cooperation with universities. Their mission is to help students with developing their business ideas, namely Startup Sauna (Espoo based), Protomo (Helsinki, Espoo, Jyväskylä, Lahti, Tampere, Demola (Tampere, Oulu) and New Factory (Tampere based). Besides, not just students but anyone with passion for business/entrepreneurship can seek valuable advice and support from authority

organizations. For instance, the Employment and Economic Development Offices (TE Office) offer services for new entrepreneurs, who live anywhere in Finland.

Consequently, in the modern and dynamic Finnish economy, more and more people in Finland found their courage and necessary support to pursue their careers and as business owners or entrepreneurs.

Differing from large-scale companies, micro-enterprises often are run by a small number of people, who commonly play the role of an owner-manager. Philp (1998) indicates that micro-enterprises are the smallest business organizations in the economy; thus, they possess most of the characteristics of small business but in an exaggerated form (Philp 1998 cited in Wood 2002, 116). Another characteristic of small businesses is that they are often operate within limited geography. They are not multi-national large corporations, but rather local firms whose customers are from certain geographic area.

As small-scale businesses, micro-enterprises have to face countless challenges and disadvantages. Micro-operations must overcome a multitude of barriers, including difficulties in accessing capital, distribution channels, business support, and markets (McElwee 2006 cited in Prasad and Tata 2008, 235). Additionally, Blili and Raymond think that they are often weak in terms of financing, planning, control, training and information systems, due to a chronic lack of resources (Blili & Raymond 1993 cited in Wood 2002, 116). Especially, there are difficulties in obtaining capital or credit, particularly in the early start-up phase (The New SME Definition 2005, 5).

On the other hand, smaller enterprises have their own advantages, such as rapid implementation and execution of decisions, market proximity and their capacity for adaptation and short term reorientation (Blili *et al.* 1993 cited in Wood 2002, 116). Micro-enterprises are more flexible and faster in the decision-making process. In most of the cases, the owners are also managers and business executives of the firms; this flat structure of micro-enterprises grants them certain flexibility in decision making. Also, the flatter hierarchical structure of a micro-enterprise is, the better chance it can avoid resistance to changes within the organization, whether the

necessary changes are about product feature, service, marketing strategy or even the company's business model. While entrepreneurs run the businesses by themselves, they have more chances to listen to customer's feedback. Therefore, they can also be more pro-active in turning collected feedback into timely and necessary changes. Besides, micro-enterprises are able to focus their businesses into more specific needs for products and services in their local markets. They fill niche markets and locations not served by large businesses (Headd 2000, 13).

### **3.2 Why should micro-enterprises use social media?**

This chapter covers the role of social media in business, benefits that social media can offer businesses and reasons why companies should not neglect the opportunity to utilize social media.

It is believed that social media has changed the way of communication between businesses and customers dramatically. Safko (2010, 5) states that the reason social media is so much more effective than the conventional marketing (which has been done for the last 6,000 years) is that it is two-way communication, not pontification. Social media is the future of communication (Social Media Defined 2014). It gives customers the tool and opportunity to raise their voice, increase their power of buyers. The existence of social media channels allow customers to express their thoughts, opinions of products and corporations freely on the Internet. Evans notices that customers are more knowledgeable and more vocal about what they want, and they are better prepared to let others know about it in cases of over-delivery or under-delivery (Evans 2010, 12). Gillin also expresses that social media is about ordinary people taking control of the world around them and finding creative ways to bring their collective voice together to get what they want (Gillin 2009, xxi).

Edelman mentions that consumers are often influenced more during the evaluate stage and enjoy-advocate-bond stage. That points out the difference impact and influence that *owned media* (channels controlled by brands) and *earned media* (customer-created channels) can make. (Edelman 2013, p.18-19.) In other words,

consumers often read online reviews about particular products while considering while making their buying decisions. They apparently tend to trust what other consumers' experience of the products more than what the companies say in their advertisement. Conventional marketing wisdom has long held that a dissatisfied customer tells ten people...in the new age of social media, he or she has the tools to tell 10 million (Gillin 2007, 4). The power of spreading messages on social media is enormous. Therefore, micro-enterprises should enable encourage customers to give feedback and reviews about them and their products on their websites or – even better – on social media channels. That can be considered as “word of mouth” in the online social world. Moreover, with social media channels, companies can also have the chance to talk back to millions of customers, spread their messages and without facing huge expenses.

Social media is inexpensive. With full campaigns costing far less than a single 30-second TV spot, even an aggressive pilot program may amount to a rounding error on a large firm's marketing budget (Gillin 2009, 17). However, social media is not only for large companies; micro-businesses can enjoy the same benefits from social media as well. They can also utilize social media as an ideal channel to advertise their products and brands. Zarrella (2010, 7) thinks that social media is a great equalizer: large companies can be outsmarted without making huge investments, and small brands can create big names for themselves. Besides, saving money is one of the strategies that successful businesses set up, in order to maximize their profitability (Safko *et al.* 2009, xi). So, for micro-enterprises, social media is efficient because it helps them to spend less to gain more.

Moreover, another reason for micro-enterprises to join social media is that they will have a great chance to engage customers with their brands. It is less costly to maintain a good relationship with a current customer than spending money and effort on gaining a new one. Furthermore, customer engagement is crucial to every business, since it strengthens the tie between firms and customers, as well as reinforces the relationship with firms and builds customer loyalty. Evans (2010, 4) believes that many organizations are looking for “engagement,” and they see social

media as the way to get it. His point of view is also shared by Safko and Brake, who state that social media may be the newest and arguably the most fascinating tools for engagement (Safko *et al.* 2009, 75).

Besides, social media does not only help micro-enterprises to improve their business's profile and manage customer relationship, but also increase their competitiveness. Competitiveness discussed here is built on customer understanding. Social media is a window for enterprises to their customer's conversations, where the customers share their opinions, reviews and expectations about certain products to other people, who could be the enterprises' future customers, clients or partners. It is important to listen to what the customers say about one's products or services, since there could be hints for improvements or innovations in customer feedback. In addition, knowing what customers want can also take an enterprise one step ahead in its competition. Not only customers seeing what business and industry are doing, they are building their own expectations for your business based on what every other business they work with is doing (Evans 2010, 12). If an enterprise does not open itself to the public world through social media because of the fear of receiving negative feedback, they might miss the chance to understand their customers. That could lead to the consequence of losing in the business competition with their rivals. As Evans (2012) says, social media is utilized in the conversations that occur between an enterprise's customers – conversations that it may not even know about and certainly will not be part of unless it is present and listening.

The arguments from previous parts have revealed a good link between social media and micro-enterprises. Firstly, micro-enterprises have to face certain disadvantages in competing with larger companies, since they have limited operation scale and resources. Secondly, social media is a set of tools that can provide micro-enterprises a way to avoid heavy spending on expensive advertising, marketing and promotion campaigns, but still keep their voices heard by customers and stay in touch with them. Consequently, social media can work as an ultimate tool for micro-enterprises

in their business activities; it can be functional, powerful and cost-efficient, if it is used effectively and creatively.

## **4 UTILIZATION OF SOCIAL MEDIA IN BUSINESS**

This chapter covers the aspects and business activities, in which social media can be utilized.

There are various ways in which social media can be utilized to improve business's online appearance and performance. Safko (2010, 8) indicates that the most obvious use for social media is for marketing, sales, public relations and communications. Evans (2010) shares the same viewpoint with Safko. He states that for a lot of organizations, use of social media very often begins in marketing, public communications, or a similar office or department with a direct connection to customers and stakeholders (Evans 2010, 4). Social media can help to improve company's online profile, build brand awareness and image, reach and connect with clients and prospects, promote products and business.

Mustonen (2009, 29) suggests that social media can be used for four main purposes: feedback and interaction channel, product innovation, advertising and promotion, education and training. The figure below explains how each type of social media (blogs, discussion forums, wikis, and virtual worlds) can contribute to the main purposes.

Forms of social media	For what social media applications are used today?			
	Feedback and information channel	Product innovation	Advertising and promotion	Education and training
<b>Blogs</b>	Gives face and voice, creating trust, spreading information	Testing and finding ideas, getting near the customer	Disseminating information, PR and promotion, supportive actions	
<b>Discussion forums</b>	Problem solving, connecting with customers	Gathering information for product innovation	Finding and keeping active customers, building customer relationships	Distance learning, interaction
<b>Wikis</b>				Online courses, idea exchange, writing deep texts
<b>Virtual worlds</b>		Experiments with games, designing	Experiments with games, designing, marketing messages	

Table 3. The use of social media applications today (Mustonen 2009, 29)

- **Feedback and information channel**

According to Mustonen (2009, 29) blogs and discussion forums are effective tools to collect feedback and information. Evans (2008, 88) shares that there are firms, which specialize in measuring online conversations through quantitative indexing of blogs and similar forums, giving marketers insight into what these consumers think about specific products and services.

In addition, Safko and Brake mention that forum builds strong community ties, loyalty, and really exemplifies the notion of a trusted network. The authors also suggest that companies apply this trend to their businesses and build a company forum, so that people around the world, who share the same interests, can read, participate, share ideas and concerns, and build a community of trust. (Safko & Brake 2009, 145.) Also, the same use can be applied with blogs. Evans (2008, 173) reminds that businesses are always able to create their own corporate blog, in order to talk

about that interest them; and for maximum effectiveness as a marketing channel, they should ensure that the topics also interest others.

- **Product innovation**

Product innovation can be understood as developing brand-new products or improving existing products. No one could tell better if a product is working fine or not, but people who actually use it. Consumers use the Internet to exchange experiences regarding the latest equipment, share ideas for product modifications, or develop entirely new concepts (Jawecki, Füller & Gebauer 2011, 144). Therefore, listening to customers' conversations or reviews about a company's products could be the best way for them to find valuable ideas for further product development, which can satisfy customers' expectation and needs better.

The table by Mustonen (2009, 29) also shows that virtual worlds can be used for experimenting purposes. As it is mentioned by Safko and Brake (2009, 315), CEO of Linden Labs - Mark Kingdon - states that companies are using the Second Life platform for gauging customer reaction, receiving feedback, and testing prototypes used for experimenting with games, designing and marketing messages. Paper Models Inc. is one example of company cases, whose participation in the virtual world can lead to profits made in "real world" by the display of their 3D models in Second Life. This kind of engagement in Second Life gives companies a significant competitive advantage. (Safko & Brake 2009, 315.)

- **Education and training**

While mentioning about using social media for education and training purpose, Mustonen (2009, 27-28) only discusses about education in universities and institutions. However, it is believed that education and training can be done for customers and employees by utilizing social media as well. For start-ups whose products provide unique solution or cutting-edge technology, they can utilize social media channel to spread knowledge about their uniqueness and increase customer's



interest in the field. Besides, Safko and Brake (2009, 8) argue that educating your customers and training your employees can be important to the success of your business and several social media tools make the process easier and more dynamic. Nowadays, wikis are popularly used by companies to train their employees on their intranet.

- **Other purposes and applications**

Another purpose of utilizing social media in business can be added to improve the table by Mustonen is engaging customers. In other words, it is building customer relationship and loyalty. Evans (2010, 21) considers the engagement process is about connecting customers with brand, products or services.

In short, among many business purposes that social media can be used by enterprises, there are five main ways. First, social media can act as a channel for company to collect feedback and information from customers, as well as communicate and interact with them. Second, social media owns the valuable strength of being a great channel for advertising and promoting with relatively low costs. Thirdly, enterprises can use social media for product innovation purpose. Fourthly, social media can be utilized to educate customers and train employees. Last but not least, it can be efficient tools for engaging customers.

## **5 RESEARCH METHODS**

This chapter discusses various methods which were applied during the research process. As mentioned above, the research used descriptive approach and survey strategy for collecting data. A questionnaire was developed to collect necessary information. The survey questions were closely based on research questions and objectives, since their task was to acquire information that could give answers to the research problem. In order to ensure that the essential data would be collected, the researcher used the “Data requirement table”, which was created by Saunders *et al.*

(2009, 368) as an alternative way to check the validity of the questionnaire before distributing it to respondents.

<b>Research objective:</b> To gain knowledge of how social media is utilized by micro-enterprises in the Jyväskylä region and to determine benefits as well as challenges that micro-enterprises encounter while using social media			
<b>Type of research:</b> descriptive			
Investigate questions	Variable(s) required	Detail in which data measured	Check included in questionnaire
Whether or not the micro-enterprises in Jyväskylä use social media tools	Use of social media	Yes, No	✓
What are reasons why the micro-enterprises do not use social media?	Reasons	Not seeing benefits in social media; social media is irrelevant; difficulty in measuring social media's effectiveness; shortage of time; lack of qualified staff; other reasons	✓
What business purposes do the micro-enterprises use social media for?	Business activities	Branding, marketing, develop customer relationship, build customer loyalty, announcing news, promotion, customer communication, SEO, others	✓
What social media tool do the micro-enterprises use?	Types of social media tools	Social network, blog, wiki, media sharing site, review site, forum, podcast, virtual world, others	✓
What benefits did social media bring to the micro-enterprises?	Benefits that social media brought to micro-enterprises	Increase in customer awareness; reach of new customers, improvement of customer understanding, opportunities to communicate with customers, responding to customer complaints and spreading news; increase in visits to stores/webpages; other benefit	✓

How do the micro-enterprises grade social media's helpfulness in creating competitive value for their companies?	Opinion of micro-enterprises on social media's value and helpfulness	Visual analogue scale  (useless = 0 ; extremely useful = 100)	✓
How will the usage of social media by micro-enterprises change in the next few years?	Trends of social media use by micro-enterprises	Trends... increase; stay the same; decrease; not sure	✓
What are challenges that the micro-enterprises face while using social media?	Challenges	Lack of time; lack of know-how; difficulty in measuring effectiveness of social media; putting findings/information obtained from social media into practice; other challenges	✓
Company business sector	Business sector of the company	Advertising, Agriculture, Accounting & Financial Services, Apparel & Accessories, Banking, Business Consulting, Consumer Products, Cosmetics, Education, Fashion design, Health Care & Social Services, Hotels, restaurants and catering, Entertainment & Leisure, Industrial design, Insurance, IT, Legal, Marketing, Music, Motion Picture & Video, Pharmaceuticals, Publishing, Real Estate, Retail & Wholesale, Security & Guarding, Sports, Transportation, Others.	✓
How many employees do the micro-enterprises have?	Number of employees	1-5, 6-10	✓
How much is the annual turnovers of the micro-enterprises?	Annual turnover of last year	< 0.2 million EUR, 0.2 – 0.4 million EUR, 0.4 – 1 million EUR, 1-2 million EUR	✓

Table 4. Data requirement table

A pilot session was arranged in prior to questionnaire distribution. Ten testers had participated in this session. The pilot session has proved itself to be a useful and

fruitful process. Some important changes were made to enhance the efficiency of the questionnaire. Firstly, a brief announcement concerning participator's privacy was added into the questionnaire description. Even though, the statement regarding confidentiality in treating data was already included in the covering email to respondents; it was still necessary to be mentioned once again in the actual questionnaire page. Secondly, after the pilot session, one question was noticed to be quite time-consuming and confusing. Promptly, it was replaced by two simpler and more direct questions, in order to acquire necessary information in a better way. The questionnaire was translated into Finnish language by a volunteer native speaker. This made it more convenient for the respondents, as they had the possibilities to answer the questionnaire in the language that they felt most comfortable with. Also, having the questionnaire available in both English and Finnish helped to eliminate the risk of losing potential respondents caused by language barriers.

Contact information of the micro-enterprises was acquired by using Fonecta Kohdistamiskone B2B. Companies were chosen regarding financial criteria; specifically, they were number of employees and annual turnovers. To meet the standards of micro-enterprises, a company must have less than ten employees and annual turnover less than two million euros. Enterprises which satisfied both conditions were selected for the group of email recipients.

Stratified random technique was used for sampling. Since the population of micro-enterprises in Jyväskylä was large, stratified random sampling technique ensures that the samples were selected unbiasedly. Also, diving the population into series of relevant strata meant that the sample is more likely representative (Saunders *et al.* 2009, 228). Population of micro-enterprises in Jyväskylä was 3880. Among them, 2214 micro-enterprises had a website; they were the targeted group of this research, since enterprises' email addresses were available only on their official websites. Given 95 percent confidence level, the determined minimum sample size was 327.

In this research, the questionnaire was employed in two ways through the Internet (which is self-administered by respondents) and telephone (which is interviewer-administered by the researcher). A majority of respondents were contacted by

emails and invited to participate in the research process by answering an online questionnaire. At the same time, a number of respondents were contacted by phone and invited to answer the questionnaire on the phone. These two techniques were selected since they can be effectively applied in the survey strategy. While sending the questionnaire via email could be widely applied to a great number of potential respondents, telephoning was more useful in generating interest of survey participators due to human-human interaction between interviewer and respondents. Telephoning technique was employed as a supportive technique in the research, while online questionnaire technique was mainly used. The reason was that telephone questionnaire technique was rather high-cost and time-consuming.

In total, the questionnaire was sent to 296 micro-enterprises via email. Content of the emails included a link to the online questionnaire and a covering letter, which introduced the researcher, research purposes, respondent's role, confidential treatment of data and invitation to participate in the research. One week after the first email, a reminder was sent to enterprises who had not answered to the survey. Besides, 31 micro-enterprises were contacted by telephone. In most of the cases, micro-enterprises suggested to send a follow-up email with a link to the online questionnaire; while some representatives from enterprises were willing to answer to the questionnaire directly on the telephone. In total, the data collection period lasted three weeks.

Moreover, in this study, social media was not only investigated as a phenomena but also utilized as tools in the research process. A short introduction video (see Appendix 3) was recorded and uploaded on YouTube, the world's largest video sharing platform. The introduction video played the same role as the covering letter in emails to micro-enterprises. It was created to introduce the research goals and purposes, as well as the researcher's background. A link to the introduction video was also included in the emails to micro-enterprises. As an old adage goes, "a picture is worth a thousand words", the introduction video offered potential survey respondents the ability to see and hear, which promoted the connection and interaction between the researcher and participators, such powerful connection that

email and online questionnaire simply could not provide. The researcher believed that with this approach to micro-enterprises, the response rate of the survey could be increased. Furthermore, one social media channel, Facebook, was also utilized to distribute questionnaire to potential respondents. Keski-Suomen Yrittäjät organization was contacted and they kindly agreed to share information about the research, as well as the questionnaire on their official Facebook page. The questionnaire link was also shared on the page “Keski-Suomen Nuoret Yrittäjät” page and “Foreigners in JYVÄSKYLÄ” group. This method also contributed to recruiting more survey respondents.

According to Saunders *et al.*, survey technique was popular as they allow the collection of a large amount of data from a sizable population in a highly economical way. However, one of the disadvantages of using Internet-mediated questionnaire was that the response rate is often about 11 percent or lower. (Saunders *et al.* 2009, p.144, p.364) However, with the application of both Internet-mediated techniques and utilization of social media tools in the research process, 60 responses were recorded from micro-enterprises in total. This meant the response rate was about 18 percent, which was higher than average. To conclude, the combination of techniques and employment of social media tools have proved themselves to be effective in contributing to increase the survey’s response rate.

## **6 RESEARCH RESULTS AND ANALYSIS**

Micro-enterprises that participated in the research was an interesting group with different backgrounds. They varied from each other in financial criteria, such as number of employees and annual turnover, as well as business sector. The results showed that micro-enterprises were from various industries.

<b><i>Business Sectors</i></b>	<b><i>In Number</i></b>	<b><i>In percentage</i></b>
<i>Retail &amp; Wholesale</i>	8	13%
<i>Business Consulting</i>	7	12%
<i>Others</i>	21	35%
<i>IT</i>	7	12%
<i>Music, Motion Picture &amp; Video</i>	3	5%
<i>Education</i>	2	3%
<i>Consumer Products</i>	1	2%
<i>Transportation</i>	1	2%
<i>Marketing</i>	1	2%
<i>Entertainment &amp; Leisure</i>	1	2%
<i>Health Care &amp; Social Services</i>	1	2%
<i>Advertising</i>	1	2%
<i>Industrial Design</i>	1	2%

Table 5. Business sectors of the micro-enterprises

Thirty-five percent of the enterprises were from different business sectors than the ones listed in the questionnaire. Besides, thirteen percent of the enterprises were from retail and wholesale sector, while twelve percent were from business consulting sector and the same amount (12%) of enterprises were from information technology (IT). Next groups of enterprises were involved in business activities related to “apparel & accessories” (8%) and “music, motion picture & video” (5%). Other enterprises were from sectors such as education, marketing, advertising, consumer products, design, entertainment & leisure, transportation, healthcare and social services.

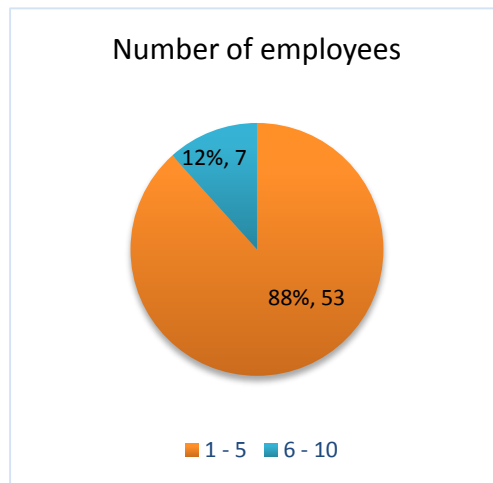


Figure 10. Number of employees in the micro-enterprises



Figure 11. Annual turnover of the micro-enterprises

Majority of the enterprises were operating in a very small scale. Eighty-eight percent of them had one to five employees and twelve percent of the micro-enterprises had six to ten employees (see Figure 10). Besides, the micro-enterprises divided themselves into four subgroups, regarding annual income of the year 2013 (see Figure 11). More than half of the micro-enterprises (57%) earned under 0.2 million euro last year. About twenty-two percent of them had annual turnover that varied from 0.2 to 0.4 million euro, while another small number of micro-enterprises (15%) earned from 0.4 to 1 million euro. Last group included enterprises (7%) with annual turnover from one to two million euros.

Besides, the study also revealed that overall, there is 65% of micro-enterprises in the Jyväskylä region used social media for business purposes and 35% percent of enterprises did not utilize social media while carrying out business activities. This meant that among every ten micro-enterprises in Jyväskylä, there were about six or seven enterprises used social media.



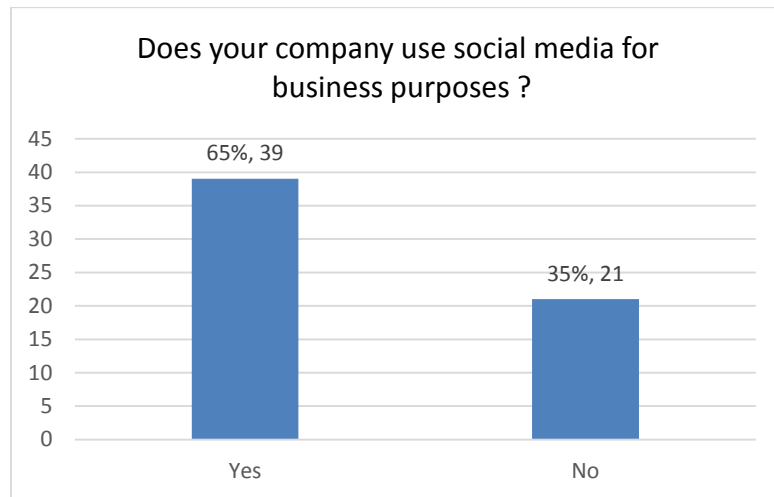


Figure 12. The use of social media by micro-enterprises

Besides, the utilization of social media tools also changed regarding the company's size. The graph below illustrated the trends in social media usage of the micro-enterprises in different groups.

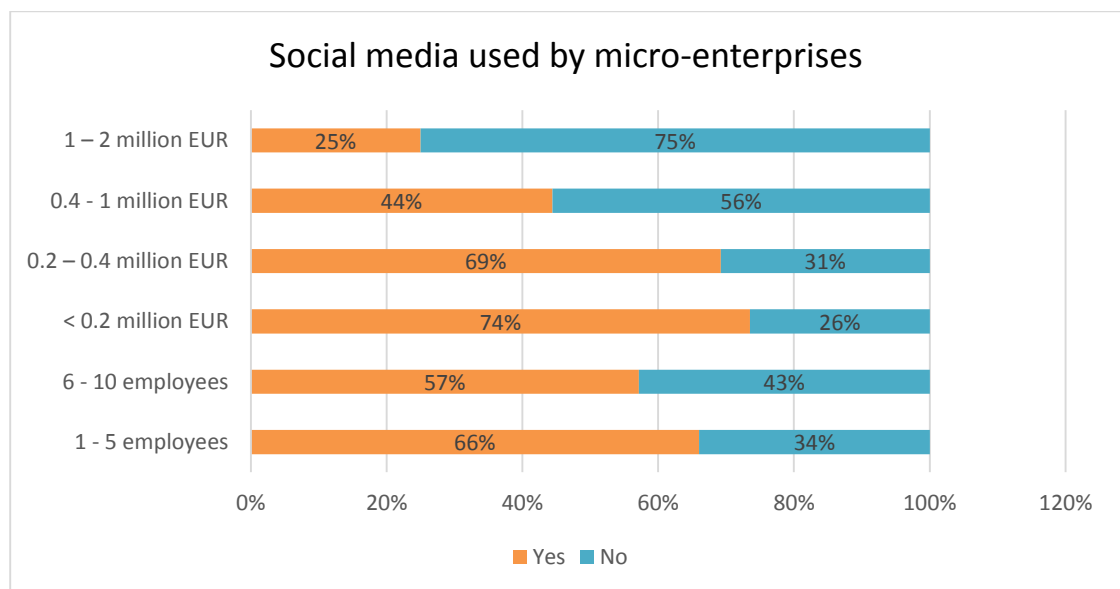


Figure 13. Utilization of social media by micro-enterprises from different groups

The graph showed an interesting trend in the use of social media by micro-enterprises: as the size of the enterprises increased, the percentage of enterprises that use social media decreased. For example, for smallest enterprises with five employees or less, the percentage of social media usage was 66 percent. Whereas, for the group of bigger enterprises with six to ten employees, the percentage of companies using social media decreases to 57 percent. The same trend was also reflected while enterprises are viewed by the value of annual turnovers. As annual turnovers increased, the percentage of enterprises using social media decreased. The group of enterprises with annual turnover less than 0.2 million euros had 74 percent of them employing social media tools, while the group with highest annual turnover (1 – 2 million euros) had 25 percent of enterprises using social media. In other words, the bigger enterprises appeared to be less attracted to social media tools than the smaller ones. Furthermore, the reasons why enterprises chose not to use social media were also determined.

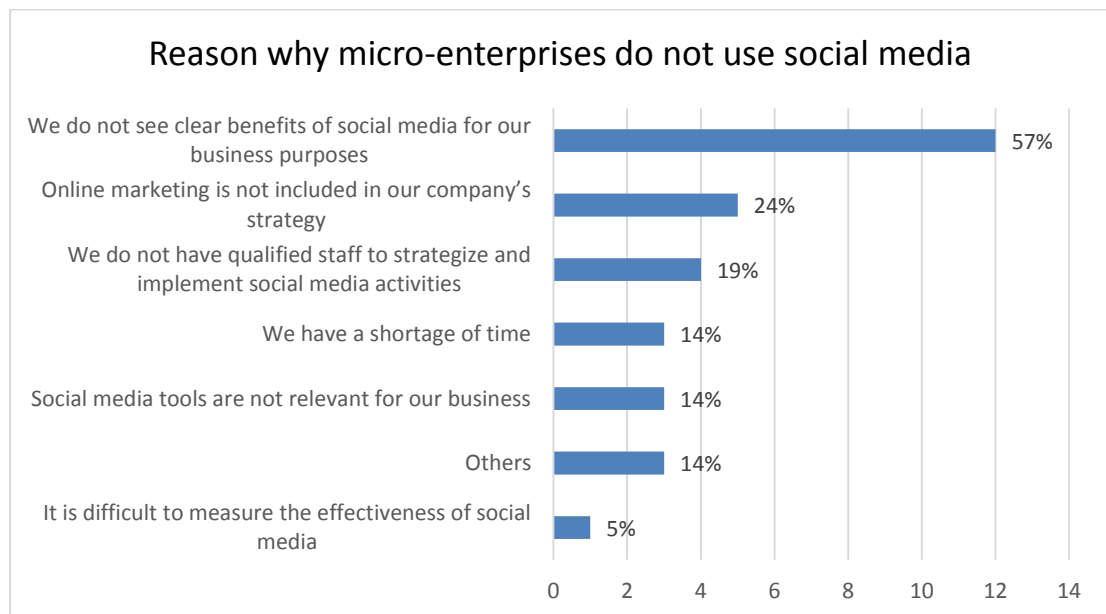


Figure 14. Reasons for not using social media

The results pointed out that the most outstanding reason why the micro-enterprises did not use social media was that they do not see benefits of the tools. Fifty-seven

percent of enterprises chose this answer as their reasons for not using social media. This idea was surprisingly opposite to what the marketing experts believed about social media. In theories, social media was seen as a cost-efficient and highly effective set of tools that could be utilized in generating brand awareness, reaching more customers, building customer relationship, etc. However, in fact, those benefits of social media did not seem to be visible to a number of micro-enterprises. However, there was another fact that nowadays, Finnish citizens of any age (between 16 and 89) could be found on social networks (see Table 1). Also, as discussed in the earlier part of this research, the percentage of Finnish people, who follow social media network services tended to increase. Therefore, while some of the enterprises did not realize their opportunities with social media, others might have made good choices and moved forwards in the competition. One good example for successful use of social media was the case of REKO, Finnish local food networks, which were mentioned on YLE News online-newspaper. According to the article, the local food networks operated via Facebook and had virtually no trade-induced expenses, as all the marketing and orders take place on social media. The networks offered a chance for small food providers to trade their products to local customers. In total, they had reached 15,000 households and gained up to 200 new customers each day. People who worked behind the networks were very optimistic about how the system worked as they stated in the article: “it is highly effective, and marketing comes at no cost because everything is handled in the Facebook group,” “it reaches a very large group of consumers with little effort,” “nearly one hundred customers have ordered meat, carrots and eggs from local producers, to the tune of 900 kilos of produce,” “this year’s sales in Jakobstad’s local food network exceeded 200,000 euros, up from last year’s 120,000 result.” (Local food networks attract 200 new customers each day, Yle News 2015.)

Besides, twenty-four percent of the enterprises said that they did not use social media for business purposes because online marketing was not a part of their strategy. Besides, nineteen percent of the companies said that they do not have qualified staff to make plans or set strategies related to social media activities, nor implement them. Moreover, fourteen percent of enterprises indicated that they

have a shortage of time for social media activities and the same amount of enterprises mentioned that they thought social media tools were not relevant to their businesses. Additionally, a small amount of enterprises (five percent) chose “it is difficult to measure the effectiveness of social media” as one of the reasons why they do not employ the tools for business purposes. Lastly, about fourteen percent of the enterprises said they had other reasons for not using social media; these answers were analyzed in the table below.

Specified answer	English translation	Interpretation level 1	Interpretation level 2
“Vihaamme sosiaalista media.”	“We hate social media.”	The enterprise strongly does not like social media.	Strong dislike of social media
“Yhteydet vakiintuneen alihankintaketjun toimijoiden kesken sujuvat sähköpostilla ja puhelimitse.”	“Contacts with actors in established subcontract chain are maintained through email and telephone.”	The enterprises keeps contacts with subcontractors via other channels than social media.	Use of other channels
“We are in this phase of business that we decided to create certain "lobby effect" first to have a couple of real fans (not just friends and relatives) to support us on social media before we launch our social media campaign.”	----	The enterprise is in the waiting period before social media campaign is run.	Choice of timing

Table 6. Other reasons why the micro-enterprises did not use social media

One reason provided by respondents was that they would like to build their initial customer-base first, before they started appearing on social media and gaining online followers. Another respondent stated that they use other channels, such as telephone and email to maintain contacts with their subcontractors. Lastly, one response from a micro-enterprises expressed their strong dislike of social media and stated it as the reason they did not use the tools.

The next up-coming questions concerned only enterprises, which were using social media at the moment.

**Question:** What business purposes does your company use social media for?

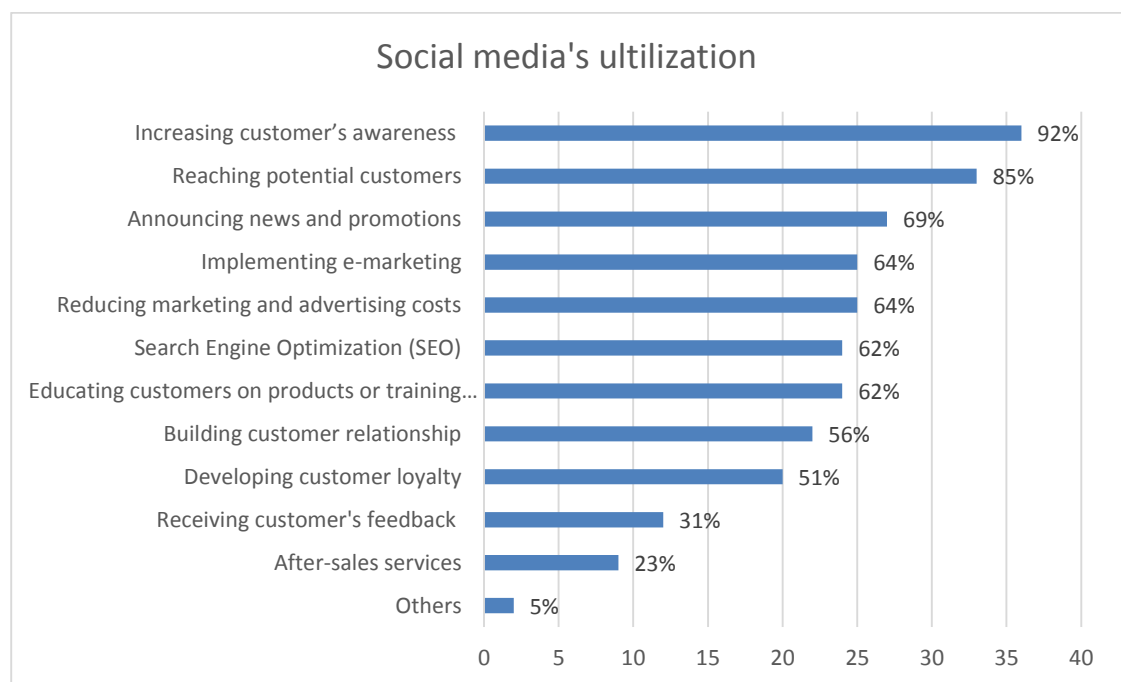


Figure 15. Utilization of social media

According to the chart, 92% of enterprises mentioned that they used social media for increasing customer's awareness of their companies, products and services. The next popular purpose was to reach new customers; 85% of the enterprises chose this option. Besides, 69% of the enterprises said that they used social media to announce

news about companies and promotion campaigns. Implementing e-marketing and reducing marketing and advertising costs were other reasons that enterprises utilized social media; 64% of enterprises agreed to these answers. Besides, 62% of enterprises mentioned that they use social media to educate the markets on new products, train their employees, as well as increasing their appearance on search engines. More than 50% of the enterprises said they developed relationship with customers and built customer loyalty using social media channels. Additionally, 31% of enterprises utilized social media to receive feedback from customers and 23% of them take care of after-sales services on social media. Also, some enterprises utilized social media for different purposes like selling products and branding.

Text field	English translation	Interpretation level 1	Interpretation level 2
"Myynti"	"Selling"	Social media is used for selling purpose	Selling
"Branding"	---	Social media is used for branding purpose	Branding

Table 7. Other business applications of social media

The next question asked about types of social media used by micro-enterprises.

**Question:** What type(s) of social media does your company use for business purposes?

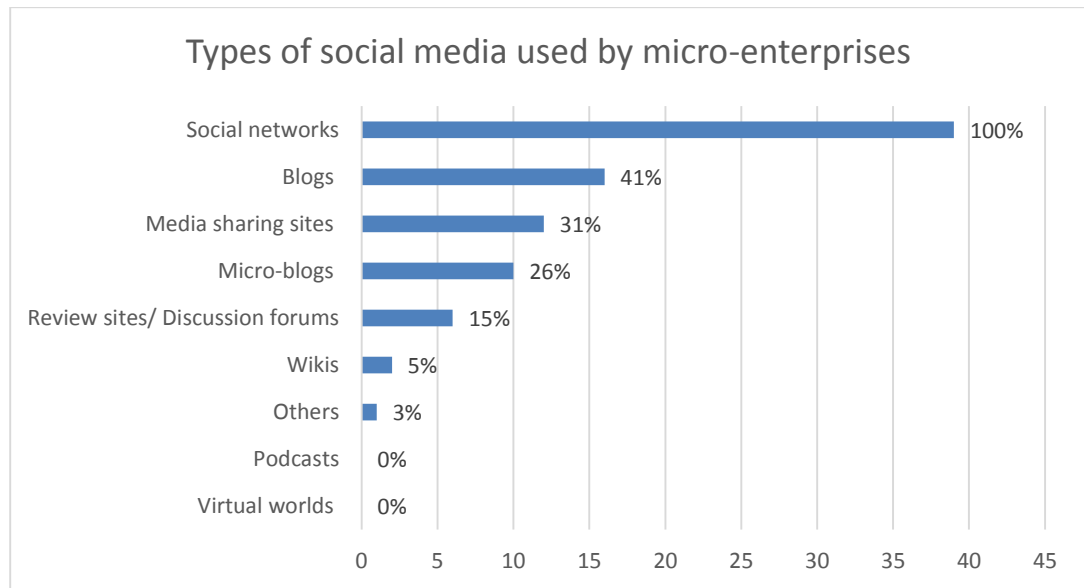


Figure 16. Types of social media used by micro-enterprises

Social network was the most popular type of social media platforms that were used among the micro-enterprises; 100% of them used this tool. Some other commonly used tools were blog, media-sharing sites, discussion forum, review site and wiki. Podcast and virtual world were not used by any micro-enterprise that participated in this research. Besides, other social media types that have been mentioned by respondents were Rebelmouse, Tagboard, ScoopIt and Paper.Li.

The next question examined the benefits of social media, from the micro-enterprises' point of view. It revealed how the enterprises saw the value that social media has brought to their businesses.

**Question:** What benefits have social media tools brought to your company?

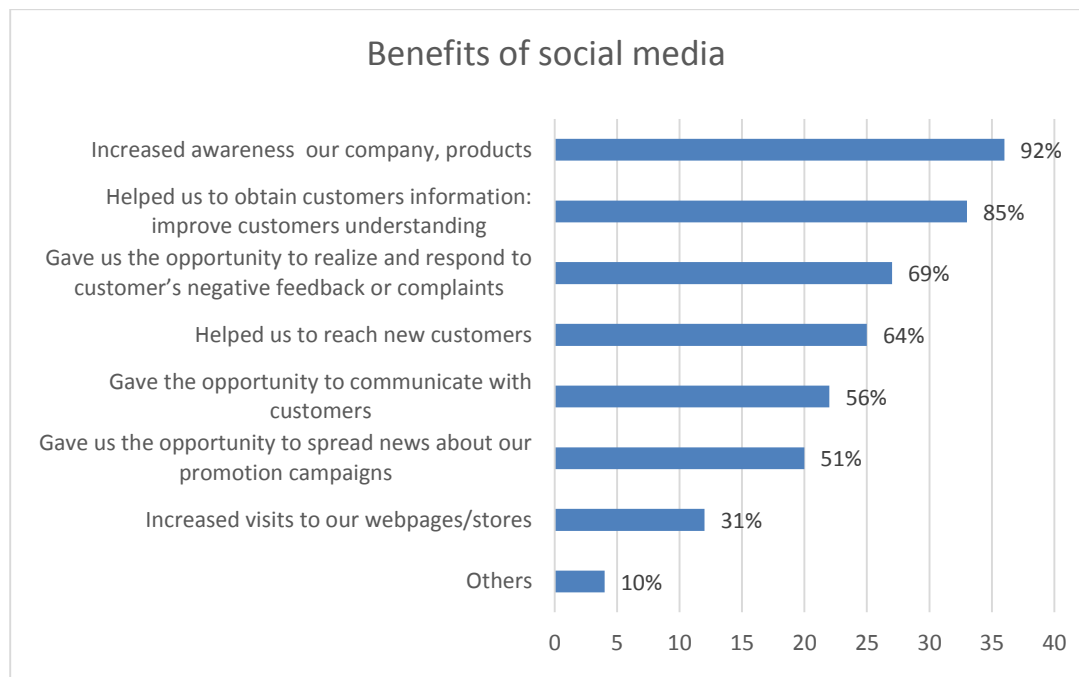


Figure 17. Benefits of social media

The most remarkable benefits that social media has brought to micro-enterprises were that it helped them to increase customer's awareness of their organizations, products and services (92%), as well as helped the enterprises to obtain information about their customer and improved their customer understanding (85%). Furthermore, social media also gave enterprises the opportunity to realize customer's negative feedback or complaints to promptly take actions and improve the situation, as well as their relation with current customers. Besides, 64% of the companies said that social media helped them to reach new customers and 56% said it gave them opportunity to communicate with customers. Another benefit was seen by 51% of the enterprises that social media gave them the opportunity to spread news about their promotion campaigns, while 31% believed that appearing on social media helped to increase visits to their webpages or stores. There were also other benefits of social media, which will be analyzed in the table below.



Text field	English translation	Interpretation level 1	Interpretation level 2
"Branding as an expert"	---	Branding as an expert	Branding
"I train/coach companies, charities and individuals in how to use social media effectively! So it's been a great source of revenue for me in that sense."	---	<ul style="list-style-type: none"> <li>- Professional training</li> <li>- Source of revenue</li> </ul>	<ul style="list-style-type: none"> <li>- Professional training</li> <li>- Source of revenue</li> </ul>
"Ei paljon mitään. Vie vaan aikaa."	"Nothing much. Only takes time."	<ul style="list-style-type: none"> <li>- Not many benefits</li> <li>- Takes time</li> </ul>	<ul style="list-style-type: none"> <li>- Low on benefits</li> <li>- Time-consuming</li> </ul>

Table 8. Other benefits of social media

It was mentioned by two of the survey respondents that social media was related closely to their professions. They worked as branding expert and professional coach, besides common benefits that social media has brought to other enterprises, to them it was considered to be the means to practice their professions and a source of revenue. However, on the contrary, some respondent considered social media as being not very beneficial and somewhat time-consuming.

Besides, in order to gain a thorough understanding of micro-enterprises' attitude towards the effectiveness of social media, the researcher asked them to rate social media on a visual scale of 0 to 100. The enterprises had a chance to tell their own judgments and opinions of how much helpful social media is in helping them to create competitive values for their businesses.

**Question:** On a scale from 0 to 100, how helpful do you think social media is in creating competitive values for your business?

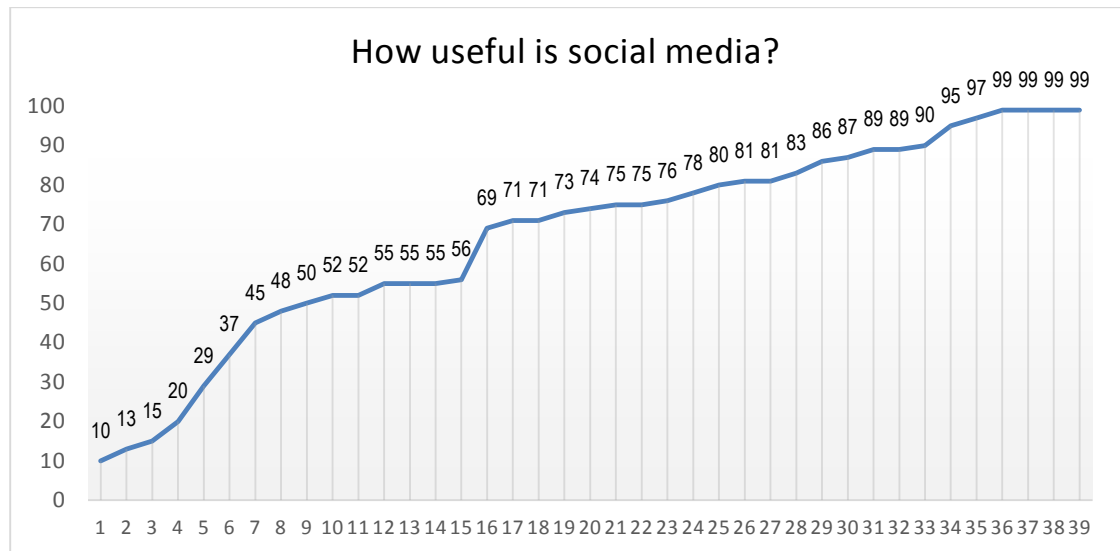


Figure 18. Effectiveness of social media (mean = 67, median = 74)

The figure above illustrates the rating by micro-enterprises for the effectiveness of social media by 39 micro-enterprises. Overall, the result is very positive. Thirty out of thirty-nine enterprises (about 77%) gave a rated social media more than 50 points. The highest rate is 99 and the lowest rate is 10. The arithmetic mean was 67, which was rather high. Besides, the median number was 74, which was even higher than the mean. High mean and median values implied a positive attitude of the micro-enterprises about social media and its efficiency in creating competitive values for them. In addition, the micro-enterprises were also asked to make predictions about their future usage of social media. Their answers were illustrated in the chart below.

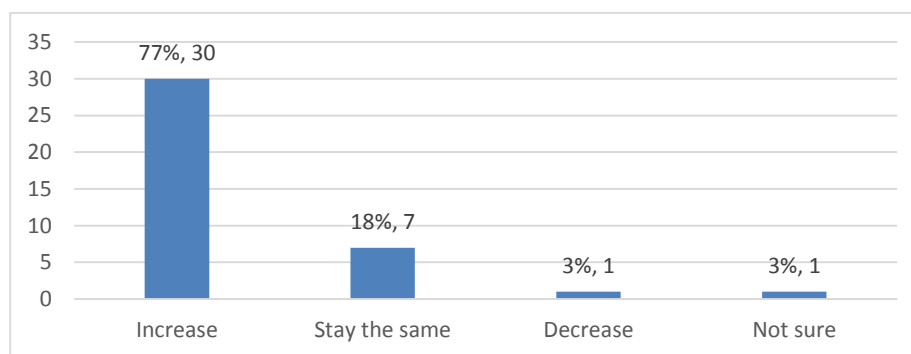


Figure 19. Future usage of social media

Majority of the enterprises (77%) predicted that in the future, the use of social media by them would increase. Seven enterprises (18%) thought that they would keep their social media's usage at the same level. Only one enterprise said that their usage would decrease now and one enterprise was able to tell about their future social-media usage. The last question explored the challenges that micro-enterprises faced with social media.

**Question:** Please choose the sentence(s) that describes the challenge(s) your company faces in using social media.

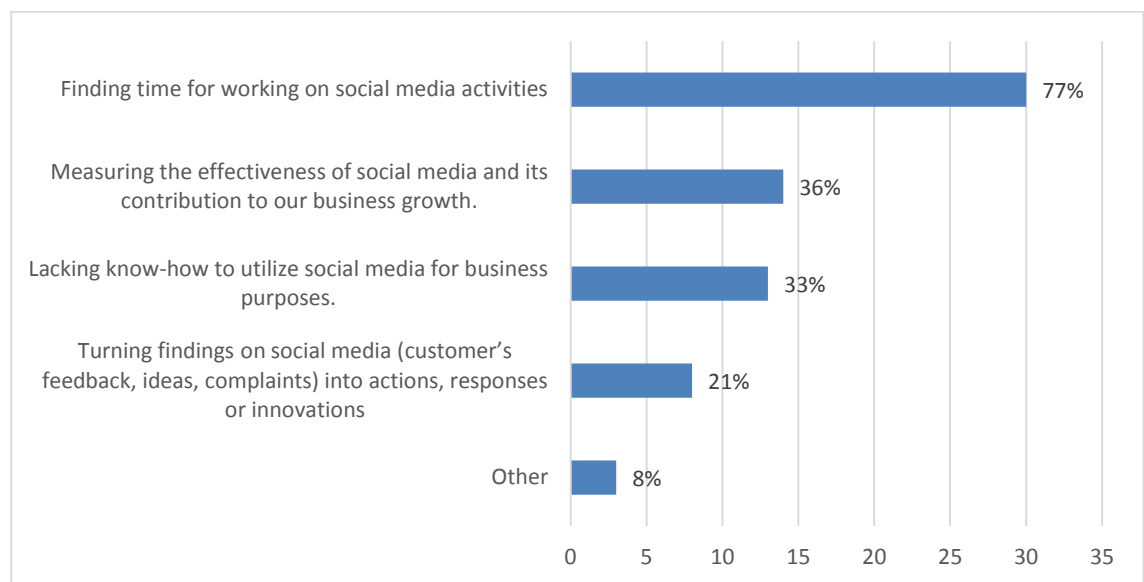


Figure 20. Challenges that micro-enterprises faced while using social media

The results showed that the most pressing challenges for micro-enterprises was finding time to work on social media activities. Besides, measuring the effectiveness of social media and its contribution to business growth was also another concern of micro-enterprises, however, it was not as difficult as the first challenge. Lack of expertise in making good plans of social media activities and implement them was a challenge for 33% of micro-enterprises. Furthermore, some of the enterprises (21%) found it demanding to turn their findings on customers through social media channels into some practical results, for example necessary actions, changes,

improvements or product innovations. There were also some other concerns of the micro-enterprises, which were analyzed in the table below.

Text field	English translation	Interpretation level 1	Interpretation level 2
“Tekijänoikeudet”	Copy rights	Copy rights	Copy rights
“Kohderyhmämme eivät seuraa aktiivisesti sosiaalista media.”	Our target groups don't actively follow social media.	Inactive target groups on social media	Inactive target groups on social media
“Increasingly 'free' social media usage is less effective (FB changes etc) and I'll have to start using paid promotions etc to achieve the same reach I got before with free status updates etc.”	---	<ul style="list-style-type: none"> <li>- Free social media usage is less effective</li> <li>- Foreseen future costs of social media</li> </ul>	<ul style="list-style-type: none"> <li>- Free social media usage is less effective</li> <li>- Foreseen future costs of social media</li> </ul>

Table 9. Other challenges of utilizing social media

One enterprise expressed the concern about copy-rights issue in social media environments. Another enterprise mentioned that their targeted groups were rather inactive on social media. Lastly, one enterprise showed the opinion about foreseen costs of social media usage.

## 7 DISCUSSIONS

The study showed that social media was commonly used among micro-enterprises in the Jyväskylä region. Even though social media tools were highly appreciated by a

majority of enterprises, some still found it challenging to employ the tool most effectively. The most noticeable concerns of the micro-enterprises were how to measure the effectiveness of social media, as well as finding time and qualified staff for social media activities. Some enterprises saw those issues as challenges, some considered them to be barriers and reasons why they decided not to use social media. Measuring social media return on investment (ROI) issue was not a concern for only micro-enterprises in this research, but also for companies that were experimenting and putting effort into social media activities. There are plenty of available guidelines, pieces of advice and tips regarding this issue. They can be found from many sources such as books and articles by experienced marketers, experts, scholars, etc. Besides, there are also available analytics tools that are designed for measuring ROI of social media activities. Google Analytics and Hootsuite are some good examples. However, the effectiveness of social media campaigns are not only affected by how efficiently social media tools work, but also by the strategies set by enterprises. It should be understood that social media are not the executives or decision makers, but only the channels or a set of tools for marketers and business owners to implement their set plans. Therefore, a well-defined strategy follows by practical plans are the factors to enhance the efficiency of a social media marketing campaign.

Besides, the problems about lack of time and suitable staff are rather understandable, because micro-enterprises often have limited resources. One way to solve this problem could be outsourcing. If the owners of micro-enterprises are not familiar with setting up marketing strategies, creating plans and implementing them, they could search for help from outside the companies. Marketing and advertising firms can provide professional services. However, if micro-enterprises are open to new experience and are a little bit adventurous, they can also cooperate with students in business schools for some new perspectives and fresh ideas. That could be a solution to their marketing plans. The cooperation between enterprises and students or new graduates could be done under many forms, for example project work, part-time job, summer job or internship. Since micro-enterprises are more flexible in decision making process and implementing changes, they can also adopt

new ideas and be creative with social media utilization, until they find the ways that work the best for them.

One respondent of the survey mentioned copyright as a challenge while using social media services. According to World Intellectual Property Organization (WIPO), copyright (or author's right) is a legal term used to describe the rights that creators have over their literary and artistic works. Copyright protection is obtained automatically without the need for registration or other formalities, in the majority of countries, and according to the Berne Convention. (WIPO 2014.) Furthermore, if desire, authors can also register their works through voluntary registration system. Such voluntary registration systems can help solve disputes over ownership or creation, as well as facilitate financial transactions, sales, and the assignment and/or transfer of rights (WIPO 2014). Works that can be protected by copyright laws include:

- *literary works such as novels, poems, plays, reference works, newspaper articles;*
- *computer programs, databases;*
- *films, musical compositions, and choreography;*
- *artistic works such as paintings, drawings, photographs, and sculpture;*
- *architecture; and*
- *advertisements, maps, and technical drawings. (WIPO 2014.)*

Some social media platforms such as Facebook, Twitter and Pinterest allow users to post copyrighted content. They have rather similar terms of service, which point out that the sites do not own authorship of the content. On one hand, all the copyrights retain to the owner. For instance, Facebook's terms of service declares that the users own all of the content and information they post on Facebook, and they can control how it is shared through privacy and application settings (Facebook's terms of service 2014). On the other hand, by signing up and agreeing to their terms of services, users grant the service-providers a "worldwide, non-exclusive, royalty-free license (with the right to sublicense) to use, copy, reproduce, process, adapt, modify, publish, transmit, display and distribute such Content in any and all media or distribution methods (now known or later developed)" (Twitter's Terms of service 2014). To

simply put it, these terms of service is to enable the service providers to make users' content visible to other users and allow the content to stay remained on the platforms even after the content owners delete their accounts; while the copyrights (or authorship) always belong to the persons who create it.

## **Recommendations**

As mentioned earlier in this study, micro-enterprises play the key role in many economies. The structure of businesses in Europe is dominated by small enterprises: 92 percent are small and micro enterprises, 8 percent are medium-sized enterprises and less than 0.1 percent are large businesses (Mulfinger cited by Gögl & Schedler 2009, 299). One study by Eurostat shows that in Finland, the number of enterprises are micro enterprises is 91.8% of all enterprises and they employed 24.7% of the workforce (Nearly 40% of persons employed by non-financial enterprises in the EU28 worked for SMEs in 2011, 2013). Since micro-enterprises have certain characteristics that differ from large-sized ones (see chapter 3.1), they can utilize social media tools in their own ways to gain competitive advantages. This part of the research presents some recommendations and suggestions from the researcher (in addition to the applications that have been presented in chapter 4) for micro-enterprises, in order to utilize social media effectively for business purposes.

- Hunt for the news – Be up-to-date!

Gillin (2009, xxii) states in his book "Secrets of Social Media Marketing" that writing a book about a market that is changing so fast is like trying to catch lightning in a bottle; any book about this topic is out of date the moment it is published. That describes well the nature of social media phenomena – it is ever-changing. Existing platforms are updated frequently and new platforms emerge. Customers' experience changes, so as customer's behaviors.

Therefore, it is vital for enterprises to keep themselves up-to-date in business world. Luckily, this is not difficult to do. There are a lot of influencers on the Internet; they are well-known authors, marketers, CEOs, evangelists,

educators, experts, etc. who are learning constantly and sharing their knowledge and experiences widely on social media channels, for example social networks, blogs or podcasts. Following them on social media channels can help micro-enterprises to gain insightful information, helpful tips and pieces of advice as soon as they have been made public. Outstanding influencers, who write about social media topics, are Sean Gardner, Mari Smith, Guy Kawasaki, Kim Garst and Ted Rubin. Sean Gardner is a social media adviser and co-founder of “Twitter Powerhouse Series” on the Huffington Post. Mari Smith, Guy Kawasaki, Kim Garst and Ted Rubin are widely recognized authors, strategists and social media experts. Their published books include “The Art of Social Media: Power Tips for Power Users” (Guy Kawasaki - coauthor), “Facebook Marketing: An Hour A Day” (Mari Smith - coauthor), “The New Relationship Marketing” (Mari Smith) and “Return on Relationship” (Ted Rubin).

- Communicate and connect

According to Edelman’s research on consumers’ decision journey, consumers are in a lively relationship with brands after purchase. They often talk about their purchases in social networks and posted reviews online and tend to turn to review sites for troubleshooting advice. (Edelman 2013, p.22-23.) Edelman (2013, 19) also emphasize the importance of *earned media* over *owned media*. Since contents on earned media seem to have more influence on consumers, enterprises should paying their attention and effort in the right places. Micro-enterprises should make themselves present and reachable on social media, otherwise, they might lose a great chance to be noticed by potential customers.

- Experiment

Every company is a unique case. According to Gillin, one common mistake of marketers is to start with the tools first. Instead, in order to choose the most effective tools, micro-enterprises should start with to their business goals, stick to them and find the most suitable ones to reach those goals. (Gillin 2009, 22.) Social media tools are plenty, micro-enterprises should not stop



experimenting and learning until they figure out the best ones for themselves.

- Be creative and original

One of the special feature of social media is that it gives micro-enterprises many opportunities to express themselves to the targeted audience. Social networks, blogs and media-sharing websites are the most effective channels for enterprises to express themselves as unique organizations to customers. Media-contents like pictures and videos have their power of visual presentation and delivering messages. They show customers the personalities of the enthusiasts who are working behind a brand, who altogether create and shape the personalities of the brands that they are connecting with. Through social media channels, micro-enterprises can present themselves in more special and original ways. Customers could feel more connected and supportive to a brand, if they can get to know the real faces who are working behind the brand's logo. Besides, Floors believes that for small retailers, differentiating based on functional positioning attributes is no longer a sustainable competitive advantage; since they can be quickly copied by others. Instead, small retailers can win the battle by differentiating themselves on brand personality; as personality connect to customers emotionally and these emotions will have more and more influence on store choice decisions. (Floors 2006, p.346 – 347.)

## 8 CONCLUSIONS

As discussed above, this research aimed to study the adoption and utilization of social media tools by micro-enterprises in the Jyväskylä region. Instead of just focusing on a single case-study, the researcher would like to provide an overview of how social media was involved in the micro-enterprises' business activities. Online survey technique was employed in the empirical research process. The research findings showed that 65% of micro-enterprises in the Jyväskylä region were using social media. The relatively high number showed that the micro-enterprises were

open to experience with social media tools. Besides, as pointed out by the micro-enterprises, the main purposes of utilizing social media were related to increasing customers' awareness of brands, products or services, implementing e-marketing, search engine optimization, as well as building customer relationship and loyalty. These findings confirmed the theoretical points that existing literature suggested about the business practices of social media tools. The marketing experts believed that the use of social media were often for marketing, sales, public relations and communications (Safko 2010, 8; Evans 2010, 4). Additionally, Mustonen suggested that social media could also act as a channel to feedback and interaction with customers. The most popular types of social media used by the micro-enterprises were social networks, blogs and media-sharing sites. The least popular ones were podcasts and virtual worlds. The results were quite understandable, as in Finland, while social media networks, blogs, micro-blogs and other media-sharing sites were already very popular among Internet users, podcasts and virtual worlds were still little-known. Therefore, the Jyväskylä's micro-enterprises have not found those channels familiar or useful yet. Besides, the most remarkable benefits that social media brought to the micro-enterprises were increasing awareness and understanding of customers, opportunities to communicate with them and to spread news about promotion. In general, the effectiveness of social media in creating competitive advantages was rated rather high, with the average score at 67 on the scale of 0 to 100. The highest score was 99 and lowest score was 10. Overall, the results showed a positive attitude of micro-enterprises towards employing social media in business purposes. Additionally, 77% of enterprises believed that their use of social media will increase in the next few year. Lastly, the most pressing challenges for micro-enterprises were to find time and qualified staff to work on social media activities, as well as to measure the effectiveness of social media and its contribution to their business growth. Although measuring return on investment of social media campaign was seen as a problem by micro-enterprises, it could be solve with the help of professional analytics tools. Besides, the solution for the lack of resources problems (such as time and suitable staff) could be outsourcing.

## Reliability and credibility

Reliability and credibility of a research could be enhanced by reducing threats of getting invalid answers. According to Saunders et al. (2009, 156), one of the threats to reliability was subject or participant error, which occur while some factor such as the time while the questionnaire was answered could affect the answer of survey taker emotionally. Therefore, the time of sending out the questionnaire was also considered in the data collection stage to ensure that many responses as possible would be achieved and the response were error-free. The determined time for sending out emails to potential survey participators took place from eleven o'clock to three o'clock during weekdays. Furthermore, a pilot period was also undertaken before the official distribution of questionnaire to eliminate errors that might occur in the data collecting stage. A framework by Saunders *et al.* was utilized (see Chapter 5) while developing the questionnaire to ensure the right data would be collected and to enhance the validity of primary data. The majority of the responses were received through self-administrated questionnaire. Five responses were recorded via telephone while researcher as interviewer paid attention to keeping a bias-free approach. Therefore, threat of observer or research bias could be avoided.

Establishing credibility was seriously considered in gaining access to people involved in the research. In the emails to respondents, research purposes and goals were clearly explained. The role and rights of participators were also presented.

Participators were aware of how they could contribute to the research process by providing data concerning the usage of social media in their organizations, especially issues concerning benefits or opportunities that social media has brought as well as challenges. Participators were also informed how their contact information was acquired and the data provided by them would be used as main data set for the research and treated with strictest confidence. Participation of respondents were volunteer and any comments or queries could be made to the provided contact information of the researcher. Respondents also had the right to unsubscribe to receiving similar survey invitation emails or reminders if they wished.

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## APPENDICES

### Appendix 1. Questionnaire in English

#### PAGE 1

#### 1. What is your company's business field?

Advertising	Insurance
Agriculture	IT
Accounting & Financial Services	Legal
Apparel & Accessories	Marketing
Banking	Music, Motion Picture & Video
Business Consulting	Pharmaceuticals
Consumer Products	Publishing
Cosmetics	Real Estate
Education	Retail & Wholesale
Fashion design	Security & Guarding
Health Care & Social Services	Sports
Hotels, restaurants and catering	Transportation
Entertainment & Leisure	Others
Industrial design	

#### 2. Number of employees

- 1-5
- 6-10

#### 3. Annual turnover is:

- < 0.2 million EUR
- 0.2 – 0.4 millj. EUR
- 0.4 – 1 million EUR
- 1 – 2 million EUR

#### 4. Does your company use social media (Facebook, Twitter, Youtube, blogs, etc.) for business purposes (i.e. marketing, promoting, finding new customers, etc.)?

- Yes (continue with Page 3)
- No (continue with Page 2)

## **PAGE 2**

**5. Please select the sentence(s) that describe reason why your company decides NOT to use social media:**

- ☐ We do not see clear benefits of social media for our business purposes.
- ☐ Social media tools are not relevant for our business.
- ☐ It is difficult to measure the effectiveness of social media.
- ☐ Online marketing is not included in our company's strategy.
- ☐ We have a shortage of time
- ☐ We do not have qualified staff to strategize and implement social media activities.
- ☐ Other (please specify)

Please enter your email address if you would like to receive a summary of my research findings.

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## **PAGE 3**

**6. What business purposes does your company use social media for?**

- ☐ Increasing customer's awareness of our brand and products/services
- ☐ Implementing e-marketing
- ☐ Reaching potential customers
- ☐ Building customer relationship
- ☐ Developing customer loyalty
- ☐ Announcing news and promotions
- ☐ Listening to customer's feedback about company's products/services
- ☐ Responding to customer's feedback (after-sales services)
- ☐ Reducing marketing and advertising costs



- ☐ Educating customers on products
- ☐ Improving company's presence on search engines (Search Engine Optimization/SEO)
- ☐ Other (please specify)

**7. What social media type(s) your company is using for business purposes, at the moment?**

- ☐ Social networks (e.g. Facebook, LinkedIn, MySpace, Google+, Suomi24...)
- ☐ Blogs (e.g. WordPress, Blogger, TypePad, Livejournal...)
- ☐ Media sharing sites (e.g. YouTube, Photobucket, Pinterest, Digg.com, del.icio.us...)
- ☐ Review sites/ Discussion forums
- ☐ Micro-blogs (e.g. Twitter)
- ☐ Wikis (e.g. Wikipedia)
- ☐ Podcasts
- ☐ Virtual worlds (e.g. SecondLife, Habbo Hotels ...)
- ☐ Others (please specify)

**8. What benefits have social media tools brought to your company?**

- ☐ Increased awareness of our company, products, services
- ☐ Helped us to reach new customers
- ☐ Helped us to obtain customers information: improve customers understanding
- ☐ Gave us the opportunity to communicate with customers
- ☐ Gave us the opportunity to spread news about our promotion campaigns
- ☐ Gave us the opportunity to realize and respond to customer's negative feedback or complaints
- ☐ Increased visits to our webpages/stores
- ☐ Others (please specify)

**9. On a scale from 0 to 100, how helpful do you think social media is in creating competitive values for your business?**

0 = useless

100 = extremely useful

**10. In the next few years, the use of social media by our company will:**

- ☐ Increase
- ☐ Stay the same
- ☐ Decrease
- ☐ Not sure

**11. Please choose the sentence(s) that describes the challenges your company faces in using social media:**

- ☐ Finding time for working on social media activities
- ☐ Lacking know-how to utilize social media for business purposes.
- ☐ Measuring the effectiveness of social media and its contribution to our business growth.
- ☐ Turning findings on social media (customer's feedback, ideas, complaints) into actions, responses or innovations
- ☐ Other (please specify)

Please enter your email address if you would like to receive a summary of my research findings.

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## Appendix 2. Questionnaire in Finnish

### PAGE 1

#### 1. Yrityksenne toimiala

Mainonta	Teollinen muotoilu
Maatalous	Vakuutus
Kirjanpito- ja finanssipalvelut	IT
Vaatetus ja asusteet	Asianajopalvelut
Pankkipalvelut	Markkinointi
Konsulttipalvelut	Musiikki, elokuva & video
Kulutustavarat	Lääketeollisuus
Kosmetiikka	Kustannustoiminta
Koulutus	Kiinteistönvälitys
Muotisuunnittelu	Vähittäismyynti & Tukkukauppa
Terveystenhoito- ja sosiaalipalvelut	Turvallisuus- ja vartiointipalvelut
Hotelli- ja ravintola-ala, catering-palvelut	Urheilu
Viihde ja vapaa-aika	Kuljetus, rahti
	Muu

#### 2. Työntekijöidenne määrä

- 1-5
- 6-10

#### 3. Vuotuinen liikevaihtonne viime vuonna oli:

- < 0.2 milj. €
- 0.2 – 0.4 milj. €
- 0.4 – 1 milj. €
- 1 – 2 milj. €

#### 5. Käyttääkö yrityksenne sosiaalista mediaa (Facebook, Twitter, Youtube, blogeja, jne.) liiketarkoituksiin (esim. markkinointiin, mainostamiseen, uusien asiakkaiden houkuttelemiseen, jne.)?

- Kyllä (continue with Page 3)
- Ei (continue with Page 2)

**PAGE 2****6. Valitse syy(t), miksi yhtiönne päättää olla käyttämättä sosiaalista mediaa:**

- ☐ Emme koe saavamme sosiaalisesta mediasta hyötyjä liiketarkoituksiimme.
- ☐ Sosiaalisen median tarjoamat työkalut eivät ole oleellisia yrityksellemme.
- ☐ Sosiaalisen median tehokkuutta on vaikea määrittää.
- ☐ Verkkomarkkinointi ei ole osa yrityksemme strategiaa.
- ☐ Kärsimme ajanpuutteesta.
- ☐ Meillä ei ole pätevää henkilökuntaa suunnitella ja toteuttaa toimintaa sosiaalisessa mediassa.
- ☐ Muu, mikä?

Jos haluatte saada yhteenvedon tutkimukseni tuloksista, voitte jättää sähköpostiosoitteenne alla olevaan kenttään.

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**PAGE 3****7. Mihin tarkoituksiin yrityksenne käyttää sosiaalista mediaa?**

- ☐ Asiakkaiden tietoisuuden lisääminen yrityksemme brändistä sekä sen tuotteista ja/tai palveluista
- ☐ Sähköisen markkinoinnin toteuttaminen
- ☐ Potentiaalisten asiakkaiden tavoittaminen
- ☐ Asiakassuhteen rakentaminen
- ☐ Asiakasuskollisuuden kehittäminen
- ☐ Uutisista ja tarjouksista ilmoittaminen
- ☐ Yrityksen tuotteita ja/tai palveluita koskevan asiakaspalautteen kuunteleminen
- ☐ Asiakkaiden palautteeseen vastaaminen (myynninjälkeiset palvelut)
- ☐ Markkinointi- ja mainostuskulujen vähentäminen
- ☐ Tiedottaa asiakaskuntaa tuotteista
- ☐ Yrityksen näkyvyyden lisääminen Internetin hakukoneissa (hakukoneoptimointi)
- ☐ Muu, mikä?

## 8. Mitä sosiaalisen median muotoja yrityksenne käyttää liiketarkoituksiin tällä hetkellä?

- ☐ Verkkoyhteisöpalveluja (esim. Facebook, LinkedIn, MySpace, Google+, Suomi24 ...)
- ☐ Blogeja (esim. WordPress, Blogger, TypePad, Livejournal...)
- ☐ Sisällönjakopalveluja (esim. YouTube, Photobucket, Pinterest, Digg.com, del.icio.us...)
- ☐ Arvostelusivustoja/keskustelupalstoja
- ☐ Mikroblogeja (esim. Twitter)
- ☐ Wikejä (i.g. Wikipedia)
- ☐ Podcasteja
- ☐ Virtuaalimaailmoja (esim. SecondLife, Habbo Hotels...)
- ☐ Muu, mikä?

## 9. Mitä hyötyjä sosiaalinen media on tuonut yrityksellenne?

- ☐ Lisääntynyt tietoisuus yrityksestämme, tuotteistamme ja palveluistamme
- ☐ Auttoi yritystämme tavoittamaan lisää asiakkaita
- ☐ Auttoi yritystämme hankkimaan tietoa asiakkaistamme: ymmärrys asiakaskunnasta parani
- ☐ Antoi yrityksellemme mahdollisuuden kommunikoida asiakkaiden kanssa
- ☐ Antoi yrityksellemme mahdollisuuden levittää uutisia tarjouksistamme ja kampanjoistamme
- ☐ Antoi yrityksellemme mahdollisuuden ymmärtää ja vastata asiakkaiden negatiiviseen palautteeseen ja/tai valituksiin
- ☐ Lisäsi vierailuja verkkosivuillamme/verkkokaupassamme
- ☐ Muu, mikä?

## 10. Kuinka näette sosiaalisen median roolin kilpailuedun luomisessa yrityksellenne?

0 = Hyödytön

100 = Erittäin hyödyllinen

## 11. Seuraavien parin vuoden aikana, sosiaalisen median käyttö yrityksessämme tulee:

- Kasvamaan
- Pysymään samana
- Väheneään

- En osaa sanoa

**12. Valitse kohta/kohdat, jo(t)ka kuvaavat niitä haasteita, joita yrityksenne kohtaa sosiaalisen median käytössä:**

- ☐ Ajan löytäminen toimimiselle sosiaalisessa mediassa
- ☐ Meiltä puuttuu tietotaitoa hyödyntää sosiaalista mediaa liiketoimintaan
- ☐ Sosiaalisen median tehokkuuden ja sen osuuden arviointi osana yrityksen liiketoiminnan kasvua
- ☐ Sosiaalisesta mediasta saatujen havaintojen (asiakaspalaute, ideat, valitukset) soveltaminen käytännön toimiksi, vastauksiksi ja innovaatioiksi
- ☐ Muu, mikä?

Jos haluatte saada yhteenvedon tutkimukseni tuloksista, voitte jättää sähköpostiosoitteenne alla olevaan kenttään.

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### **Appendix 3. Transcription of introduction video**

Hello!

I am Nhu, a student from JAMK University of Applied Sciences. I'm doing my Bachelor thesis about the use of social media by micro-enterprises in the Jyväskylä region.

For that purpose, I'm conducting an online survey. Here is the link to the questionnaire. I hope you can help me by answering to it.

By answering to this questionnaire, you will help me to draw a picture of the opportunities and challenges that micro-companies face while using social media.

Besides, if you would like to receive a summary of the findings from this research, please enter your email at the end of the questionnaire.

I appreciate your contribution very much. Thank you and have a nice day!

Link to Introduction video: <http://youtu.be/uux6Eo-D6Po>