Developing A Model of Social Media Marketing Strategies to Increase Customer Engagement

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ABSTRACT

People worldwide are extensively involved in using web 2.0 technologies and social media platforms. Consequently, businesses view such technologies as effective mechanisms for increased interaction with their customers. As a result, topics related to social media marketing have attracted the attention of scholars and researchers to enhance current understanding in the marketing field. The aim of this research is to develop a model of social media marketing strategies to increase customer engagement. The research topic is a combination of quantitative and qualitative methods, where the quantitative research method involves survey research of a descriptive and explanatory nature, while the qualitative research method involves the use of interview techniques. Based on the objective, the research method of this study is fundamental. The population of this research includes leading car brands in the automotive industry that are highly active on social media and have high customer engagement. The findings resulted in the extraction of 4 main themes and 12 sub-themes based on data analysis. Additionally, a model for customer engagement with the brand is presented. Companies can consider the strategies outlined in this research for developing and expanding their long-term plans to increase their sustainability and adapt them if necessary. Business owners in other industries can also use the findings of this research to set their business goals, which could lead to increased customer engagement, brand advertising, and brand content enhancement.

1. Introduction

The emergence of second-generation internet applications, also known as web 2.0, plays a significant role in the development of social media. The term web 2.0 generally refers to a platform of technological infrastructures in which users collaboratively add to or modify content and applications (2016, Ananda). Social media are internet-based applications built on the ideological and technological basis of web 2.0, allowing for the creation and exchange of user-generated content (2010 Kaplan & Haenlein). Prior to the emergence of social media, online content was predominantly one-way. Hence, the emergence of social media led to a shift in online content to a two-way interaction (2016, Ananda et al).

Social media have become a major platform connecting a third of the world's population (2012 Nelson-Field &, Taylor). This trend is not unique to Iran, where the majority of businesses are in some way associated with social media and need enhancement in this area due to the increasing use of this platform by individuals and their competitors, necessitating a shift of advertisers from traditional media and increased investment in digital advertising (2017, Dolan et al). In the past decade, there has been a significant increase in complex and intensified engagements between companies and their customers through social media (2021, Li et al).

The rapid growth of social media channels in the past decade has attracted the attention of scholars and industries, prompting the eager desire to understand and explore subtle differences between social networks and to be aware of how to strategically manage them to achieve desired results. Social media has led to increased flexibility in content retrieval and has brought about changes in the way individuals and organizations interact (2017, Dolan et al). Social media allows individuals to freely engage with customers and creates multiple ways for marketers to communicate with consumers, thus improving customer interaction, expanding their engagement, and creating opportunities for increasing company profitability, regardless of geographical location (2017, Dolan et al).

Social media has rapidly become a defining technology used by billions of people worldwide. For example, Facebook admitted in its report that by March 31, 2019, it had 2.38 billion monthly active users (2021, Umunna). It is also estimated that over 15 million brands worldwide are registered with the social media platform Facebook and are striving to reach over 1 billion consumers (2013, Koetsier) On one hand, commercial companies use social media platforms to extend geographical access to customers (2018, Gao et al), strengthen and evaluate their brands (2012, Naylor et al), and establish closer relationships with customers (2013, Rapp et al). On the other hand, consumers are increasingly empowered through social media and are taking control of the marketing communication process, becoming co-creators and interpreters of messages (2016, Hamilton et al).

The use of social media is prominent in the global arena, enabling companies and organizations to engage with all customers, expand their businesses, and enhance customer integration. The skill of increased customer engagement and agility is important in the current world of growing competition, and organizations must be equipped with suitable strategies to increase customer integration awareness. Culturally, social media are highly significant as they have become a primary domain for many individuals to receive a wide range of information about the world around them.

Social media provide a two-way communication channel between companies and their customers, transforming the way products and services are traded with consumers. As a cost-effective marketing tool, social media may be used successfully in defining company objectives. Considering the high failure rate of businesses, social media marketing can be a valuable tool for business leaders to increase customer integration and engagement, thus increasing profitability (Umunna 2021).

The role of social media has gradually evolved from a unified marketing tool to a market information source, allowing companies to observe, analyze, and predict customer behaviors. Strategic use of social media by marketers to achieve a competitive advantage and superior performance has become increasingly essential (2016 Lamberton & Stephen). Owyang and Aho admitted that, according to their report, 50% of marketers found that using social media did not help them increase customer integration for boosting sales or engaging customers. A fundamental commercial issue is that business leaders do not take advantage of social media to improve customer integration, thus missing out on its potential profitability. Few companies have properly formulated their participation in social media, which leads to customer integration and plays a significant role in improving and enhancing customer engagement with the company.

The specific business problem is that some business leaders lack social media marketing strategies to increase customer integration. For most companies, the continuous challenge is not launching social media campaigns, but rather integrating social media with their marketing strategies to attract customers and build valuable, long-term relationships with them (2016 Lamberton & Stephen).

The use of social media as one of the elements of company strategies has gained increasing importance.

However, systematic research has not extensively gathered and expanded extensive knowledge on social media marketing strategies. While there is a diverse literature on social media marketing strategies, there is limited information on successful strategies used by business leaders to increase profitability. Companies adopt their social media marketing strategies through intuition or trial and error (2016, Ananda et al.). Additionally, learning from the success of business leaders who have used social media marketing to increase customer engagement and profitability can provide significant insights that can be beneficial for the growth of local economies (Chen & Lee, 2018).

Today, the use of social media has become highly important in the development of businesses and enterprises. Individuals, managers, and business leaders strive to increase customer engagement and integration in their social media platforms. This is not only true for large companies but is also crucial for small businesses and their early stages of growth. The use of social media has become a very important and practical part of businesses, even those created on platforms like Instagram. It enables business owners to establish direct communication with customers, strive to increase customer integration with the company, and "melt" into the community, going beyond two-way interaction with customers, ultimately leading to increased sales and company profits. Extensive research has shown that focusing on social media marketing strategies to improve and enhance customer integration is a unique and noteworthy subject that has not been thoroughly examined in Iran. Given the special role that social media marketing strategies play in increasing company sales, job creation, and at a larger scale, in the development of the local and national economy, addressing this issue is of great importance. Understanding the strategies used by successful business leaders to increase customer engagement and integration provides valuable insights to business owners and prevents business failures. The majority of businesses face issues in how they use social media and the lack of appropriate marketing strategies to increase customer integration.

Business leaders who do not use or are not aware of effective strategies face failure and their survival is at risk. Because one of the main goals of any business is survival and vitality in the business environment. Many business leaders are unaware of the significant role of social media in their businesses and do not utilize this platform as necessary. Meanwhile, social media provides an effective platform for better communication with customers, and the more their integration increases, the more beneficial it will be for the company and the respective organization. Therefore, in this study, we aim to provide new insights to business leaders by discovering successful social media marketing strategies and by filling the gap in information through expert opinions and data analysis.

In this study, we will gather insights from experts who effectively and efficiently use social media and are aware of the important role of customer integration in their businesses. The discovered strategies can be utilized by business leaders and managers to redefine their social media marketing strategies and goals for improving business performance. Since the use of effective social media marketing strategies is essential for business leaders and managers, they can adopt or be inspired by the strategies presented in this research to develop customer integration and create long-term survival plans to achieve their goals.

The findings of this research can pave the way for other managers and business leaders to use this knowledge, which is extremely cost-effective compared to other methods of obtaining information. It can be beneficial for managers and business leaders in increasing brand awareness, improving content presented on social media by organizations, saving on marketing costs, and ultimately increasing the profitability and survival of organizations. This research can be highly beneficial for any business that has some connection to or intends to use social media, as social media plays a very special and practical role in today's world, and not using it can jeopardize the survival of organizations due to increasing competition in the business arena.

2. Research Method

In a scientific research, the research method plays the most important role. By employing precise and appropriate methods, a researcher can prevent many potential errors. "Resorting to and adhering to pre-tested methods will surely have the great advantage of saving time, cost, and energy, and, as Descartes put it, will guide the researcher to the truth in the sciences." The method used in this study is a blended approach of quantitative and qualitative methods. In the quantitative research method, a survey approach will be used, and in the qualitative research method, interview techniques will be employed. Based on the goal, the research method utilized in this study is fundamental. The research population includes excellent automobile brands in the automotive industry that have a significant presence on social media and benefit from high customer integration.

3. Findings

• Initial qualitative analysis phase

In order to familiarize with the research data in the execution of the qualitative section of the research, the opinions of 15 experts working in sales and customer affairs in the automotive industry, who are relevant to the research field, were collected through document analysis with in-depth interviews, in the spring of 2024. The statistical community consists of individuals who: 1- Have knowledge and experience in the industry, 2- Have willingness and interest to participate, 3- Possess the necessary qualifications for participation, 4- Have diverse experiences. The following table provides a summary description of the sample's demographic characteristics.

Table 1: Summary of Demographic Description of Research Sample

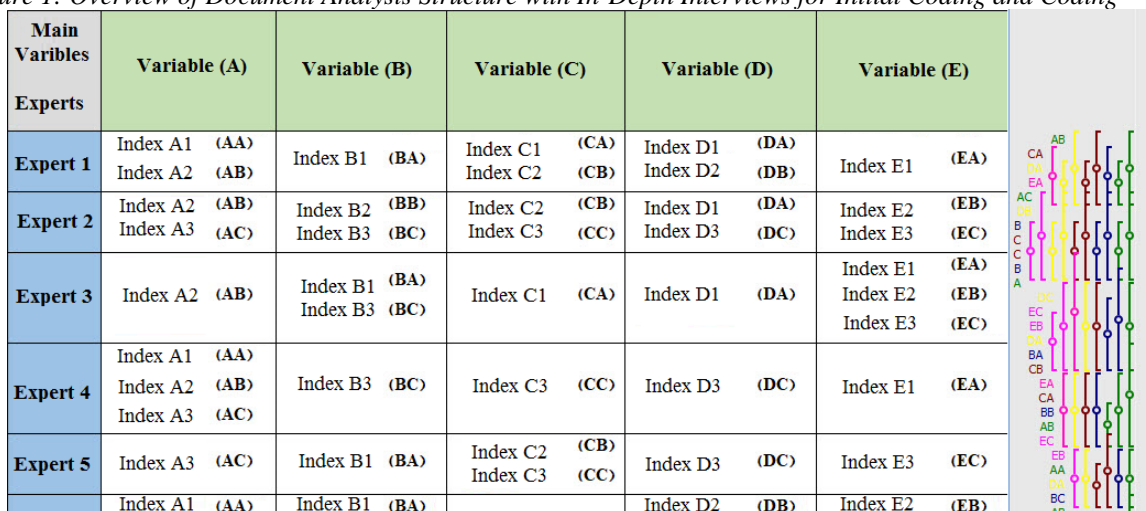| Attribute Type	Attribute	Count	Relative Frequency (Percentage)
Gender	Male	11	73%
	Female	4	27%
Education Level	Bachelor's	2	13%
	Master's	4	27%
	Doctorate	9	60%
Work Experience	3 to 5 years	2	13%
	6 to 10 years	5	33%
	More than 10 years	8	44%
Occupation Type	Employed in the automotive industry	9	60%
	Users and independent researchers (public stakeholders)	3	20%
	Industry sales experts	3	20%

In this stage, to justify the use of qualitative analysis techniques, studies that researched a relevant topic were utilized. The main research variables based on the experts' opinions are as follows:
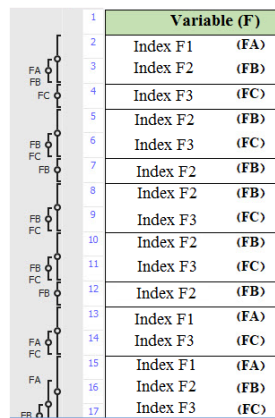
Table 2: Extraction of Research Variables for Initial Coding and Coding

Content management	Attractive promotions
Adherence to Instagram algorithm	Marketing by individuals

The creation of primary codes and coding begins when the data has been studied and familiarized with. In this stage, for selecting terms for research variables, the main variables extracted from conducting qualitative methodology in the study in the form of variables and indicators emphasized by the experts are utilized. Here, a part of the outputs of the document analysis with in-depth interviews is presented:

Figure 1: Overview of Document Analysis Structure with In-Depth Interviews for Initial Coding and Coding

Main Varibles Experts	Variable (A)	Variable (B)	Variable (C)	Variable (D)	Variable (E)	
Expert 1	Index A1 (AA) Index A2 (AB)	Index B1 (BA)	Index C1 (CA) Index C2 (CB)	Index D1 (DA) Index D2 (DB)	Index E1 (EA)	
Expert 2	Index A2 (AB) Index A3 (AC)	Index B2 (BB) Index B3 (BC)	Index C2 (CB) Index C3 (CC)	Index D1 (DA) Index D3 (DC)	Index E2 (EB) Index E3 (EC)	
Expert 3	Index A2 (AB)	Index B1 (BA) Index B3 (BC)	Index C1 (CA)	Index D1 (DA)	Index E1 (EA) Index E2 (EB) Index E3 (EC)	
Expert 4	Index A1 (AA) Index A2 (AB) Index A3 (AC)	Index B3 (BC)	Index C3 (CC)	Index D3 (DC)	Index E1 (EA)	
Expert 5	Index A3 (AC)	Index B1 (BA)	Index C2 (CB) Index C3 (CC)	Index D3 (DC)	Index E3 (EC)	
	Index A1 (AA)	Index B1 (BA)		Index D2 (DB)	Index E2 (EB)	

The overall view of the document analysis structure with in-depth interviews in the document browser of MAXQDA software shows the presentation of attractive promotions, content management, marketing by individuals, and adherence to the Instagram algorithm as the main research variables.

During the phase of exploration and understanding of research variables, which focuses on a higher-level analysis than codes, various codes are organized into ordered variables, and all coded data related to each of the variables are recognized and collected. Essentially, at this stage, codes are analyzed, and attention is paid to the way different codes are combined to form a base index. In this stage, for selecting terms for research variables, an association is established among the main variables based on qualitative analysis in the MAXQDA software. The indicators present in the main research variables are based on the experts' opinions:

Table 3: Establishing Relationships between Variables Based on Coding Matrix

Attractive Promotions	Content Management
Gift giving with purchase	Sharing diverse content
Consideration of seasonal discounts	Linking media together
Offering special rewards to specific customers	Campaign organization
Adherence to the Instagram algorithm	**Marketing by individuals**
Sustaining activity	Word-of-mouth advertising
Measuring content sharing time	Influencer marketing
Utilizing prevalent shared trends	Use of hashtags

Here, the distribution of expert responses in the content segmentation section of the research indicates that for each of the six main research variables, three indicators have been extracted:

The concept of "attractive promotions" encompasses indicators such as: gift giving with purchase, consideration of seasonal discounts, offering special rewards to specific customers.

The concept of "content management" encompasses indicators such as: sharing diverse content, linking media together, campaign organization.

The concept of "marketing by individuals" encompasses indicators such as: word-of-mouth advertising, influencer marketing, use of hashtags.

The concept of "adherence to the Instagram algorithm" encompasses indicators such as: sustaining activity, measuring content sharing time, utilizing prevalent shared trends.

Stage of Description and Interpretation in Qualitative Analysis

In the stage of drawing the network of variables, it became evident that some proposed variables overlap with each other, and it may be necessary to separate other variables into distinct ones. In this stage, for selecting terms for research variables, integration and improvement of variables in the MAXQDA software have been carried out:

Table 4: Integration and Improvement of Research Variables

Attractive Promotions with code (A)
Gift giving with purchase
Consideration of seasonal discounts
Offering special rewards to specific customers
Content Management with code (B)
Sharing diverse content
Linking media together
Campaign organization

Marketing by individuals with code (C)
Word-of-mouth advertising
Influencer marketing
Use of hashtags
Adherence to the Instagram algorithm with code (D)
Sustaining activity
Measuring content sharing time
Utilizing prevalent shared trends

To examine how well the research measurement tool captures the desired characteristic, scientific documents, organizational standards, as well as the opinions of supervising professors, advisors, and some experts and specialists employed in the tax organization have been utilized. The tool for determining the model variables for initial decision-making, after incorporating their opinions using qualitative methodology, reached its final form. After finalizing the research variables and model indicators, further statistical analysis and implementation of structural equation modeling will be carried out.

During the stage of analyzing the network of variables, the drawn variable networks are examined and analyzed. Finally, the ranking of research codes based on their frequency in the coding matrix is as follows:

Table 5: Ranking of Research Codes

Code	All coded segments	Position
AB	12	2
BA	11	4
EB	11	14
FB	11	17
DC	10	12
EA	10	13
CB	9	8
FC	9	18
AC	8	3
BC	8	6
CA	8	7
CC	8	9
DA	8	10
FA	7	16
EC	6	15
AA	5	1
BB	5	5
DB	5	11

The most frequent indicators of the main variables are:

The indicator of considering seasonal discounts with code (AB) has the highest frequency in the stage of attractive promotions with code (A) with a frequency of 12 out of 15 experts.

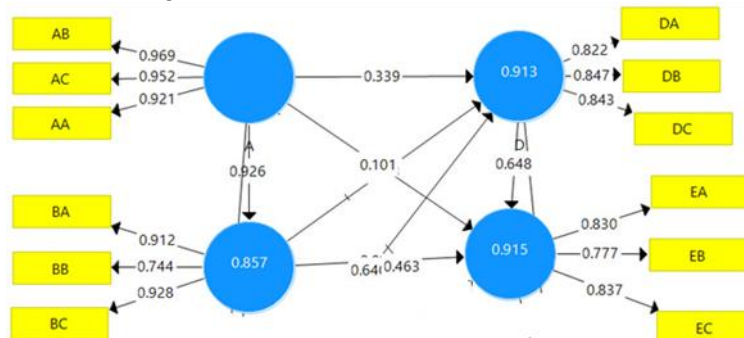*Figure 2: Model drawn in the PLS environment*

Table 6: Observable Variables and Confirmatory Factor Analysis

Observable Variables Factor Loadings	Confirmatory Factor Analysis

Attractive Promotions	0.9687
Content Management	0.9525
Marketing by Individuals	0.9438
Adherence to Instagram Algorithm	0.9279

4. Discussion and Conclusion

Considering the importance of using a suitable platform in social media, it is suggested that industry owners and businesses should not overlook this matter and choose the right and appropriate platform for their activities.

It is recommended that industry owners and brands do not neglect their presence on social media platforms and always keep it updated while adhering to the issues highlighted in the research, such as marketing by individuals, content management, and adherence to Instagram algorithms if using this software, and offering attractive promotions.

It is suggested that performance levels be regularly evaluated. For example, industry owners and brands can schedule these assessments seasonally or at an appropriate time based on their field of activity.

Industry owners and brands should consider the use of social media platforms as an important matter and utilize them purposefully, not just by sharing content. It is suggested that, in order to make more effective use of this platform for brand development to gain popularity, accelerate their branding processes, and create a greater awareness of the brand, they should focus on retaining and attracting customers. This is because customers are always the heart of businesses, and without them, businesses would practically not exist.

It is recommended that social media strategists and those involved in this important matter do not rely solely on a single plan and strategy and, in order to deal with upcoming challenges, they should definitely have alternative strategies. To have a background in facing upcoming challenges in using social media for customer engagement, they can consider the challenges mentioned in this research for better customer integration.

Given the high penetration rate of the internet in the country and the widespread use of social media, today, we witness many startups and even small businesses having a strong presence on social networks, including Instagram, for branding and competing in their field of work. This strong presence leads to increased interaction with target users. Therefore, in the first stage, brands should take steps to establish brand communities on these platforms. The existence of these communities has many advantages for companies because customers in this environment share their thoughts, beliefs, and experiences. Currently, consumers are more aware of various offerings, and they can easily gain insight into a company and its products through the information available on the internet. Consumers can compare prices, read product descriptions, and inquire about the quality of the product and customer satisfaction from other consumers. These communities are a very important source of information about customer interests and their experience with products, and organizations can take advantage of this information to address the shortcomings of existing products and produce new products according to consumer preferences. This is done through electronic word-of-mouth advertising.

Individuals with high psychological ownership seek others with similar identities in brand communities due to their pursuit of efficiency and greater effectiveness. People in virtual environments are looking for new connections and information and express their thoughts and opinions freely and anonymously. This sense of responsibility towards the virtual community and other members creates a sense of belonging and dependency, leading individuals with higher psychological ownership to be more involved in online brand communities. The collective psychological ownership in brand communities originates online and is felt in the relationship between members or the group itself. This tendency towards a group level also creates a sense of affiliation in brand communities, as members consider themselves an inseparable part of the group and evaluate their knowledge and feelings collectively. These behaviors lead to integration with the brand and ultimately foster trust in the brand. Psychological ownership leads to emotional attachment to brands, which in turn encourages individuals to pay more for higher values and desirable behaviors toward the brand. Increased sense of ownership in brand communities leads to satisfaction, self-enhancement, and improved customer participatory behaviors. According to validated research results, an increase in psychological ownership significantly affects the credibility of brands.

Considering the components of brand psychological ownership, including efficiency, personal identity, and responsibility, it is recommended that marketing managers provide avenues for improving psychological ownership to enhance confidence in their brands. Additionally, customer interactions in brand communities are influenced by the environment and events surrounding the brand. Paying attention to these factors provides valuable guidelines for marketers and business managers. Increasing the attractiveness of brand

communities is one aspect that improves psychological ownership, customer integration, and ultimately, trust in the brand. Therefore, the importance placed on brand communities is essential for increasing customer interaction. Furthermore, companies can increase customer interaction with the brand and subsequently build trust by organizing brand-focused events.

Focusing on strengths and enhancing them is among the influential factors that should not be overlooked. Therefore, it is suggested that industry owners safeguard and strengthen the strengths of their industry. Internal unity and unity among employees elevate collaboration within the organization and create a sense of being one family, which is crucial for organizational progress. Therefore, organizations are advised not to overlook their internal factors and to maintain and, if necessary, strengthen them.

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