



# **WHAT STEPS COMPANIES CAN TAKE TO MANAGE SOCIAL MEDIA INTERACTION TO CREATE, ESTABLISH AND MAINTAIN CUSTOMER RELATIONSHIP?**

A thesis  
Presented to  
The faculty of  
Management Sciences  
Bahria Institute of Management & Computer Science, Karachi

---

In Partial Fulfillment  
Of the Requirements for the  
Degree Master in Business Administration

---

By

**SYED MUHAMMAD ASAD HUSSAIN**

**REG# 18988**

**DECEMBER, 2012**

BAHRIA UNIVERSITY

INSTITUTE OF MANAGEMENT AND COMPUTER SCIENCES, KARACHI

RECOMMENDATION FOR ORAL EXAMINATION

This Project/thesis here to attached, entitled, "WHAT STEPS COMPANIES CAN TAKE TO MANAGE SOCIAL MEDIA INTERACTION TO CREATE, ESTABLISH AND MAINTAIN CUSTOMER RELATIONSHIP?", prepared and submitted by SYED MUHAMMAD ASAD HUSSAIN, in partial fulfillment of the requirements for the degree Master in Business Administration, is hereby recommended for appropriate action.

Date: 20/12/12



Advisor

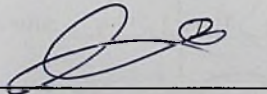
Name: M. Mumtaz

PROJECT/ THESIS COMMITTEE

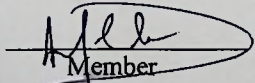
In partial fulfillment of the requirements for the degree of Master in Business Administration, this thesis entitled, "WHAT STEPS COMPANIES CAN TAKE TO MANAGE SOCIAL MEDIA INTERACTION TO CREATE, ESTABLISH AND MAINTAIN CUSTOMER RELATIONSHIP?" is here by recommended for Oral Examination.

Chairman

Name: \_\_\_\_\_



Member



Member

Member

Name: Mumtaz

Name: Asif Rehman

Name: \_\_\_\_\_

Date

## ABSTRACT

In this era of shrunken economy, every organization is finding out ways to reduce its cost. Every department is going through such a process. Marketing department is also in a phase of transmission where it is switching from traditional marketing to building long-term and customer oriented marketing strategies.

The main weapon they have found is social media marketing. The traditional marketing was a two way communication between the sender and the receiver, but through this social media communication, there is a single sender and hundreds or thousands of receivers. Organizations are using social media platforms like face book, twitter, LinkedIn, YouTube, tumbler etc to interact with the customer. It is most effective and feedbacks are generated very quickly. Some says that traditional marketing is push marketing which is in control of the organization, while social media marketing is pull marketing where the organizations have less control over the feedbacks. But the later is useful in building long-term relationship with the customers as feedbacks are consider as the latest trends in the market, and organizations used them for its benefit, which ultimately results in customer benefit.

This research is focused on how companies are using the social media marketing to its advantage. What is the mechanism and most importantly of all the budget allocated and whether this budget is less than the budget allocated to the traditional marketing.

*'What steps companies can take to manage social media interaction to create, establish and maintain customer relationship?'*

To find out what the social media marketing is all about in the Pakistani market I have chosen respondents from local organizations:

- Pakistan State Oil
- United Bank Limited
- Contact plus

Their responses revealed that the respective organizations are using this medium for their marketing purpose and have realized its effectiveness because the feedbacks are generated so quickly. Also it usage bears a less burnt on organization budget. But the organizations have yet not totally discarded away the traditional marketing methods.

From the responses generated it was also revealed that despite its acceptance worldwide as the most cost effective and customer oriented marketing strategy, it cannot earn a customer loyalty to the organization. Also because it's a very contemporary way for marketing, the organizations are yet not fully aware of all the challenges associated with it. Sometimes it has backfired but the benefit associated with it compels the organization to neglect the challenges.

The responses reveals that it will take time for their organization to fully become aware of all the pros and cons of social media marketing, but one thing is for sure, it is here to stay.



## TABLE OF CONTENTS

<b>ACKNOWLEDGEMENT</b> -----	<b>2</b>
<b>ABSTRACT</b> -----	<b>3</b>
<b>CHAPTER 1: INTRODUCTION</b> -----	<b>6</b>
1-1) OVERVIEW-----	<b>6</b>
1-2) BACKGROUND-----	<b>6</b>
1-3) PROBLEM AREA-----	<b>7</b>
1-4) STATEMENT OF PROBLEM-----	<b>8</b>
1-5) SIGNIFICANCE OF STUDY-----	<b>8</b>
1-6) SCOPE-----	<b>8</b>
1-7) DELIMITATION-----	<b>8</b>
1-8) KEYWORDS-----	<b>9</b>
<b>CHAPTER 2: RESEARCH METHODOLOGY AND PROCEDURES</b> -----	<b>10</b>
2-1) RESEARCH APPROACH-----	<b>10</b>
2-2) RESEARCH DESIGN-----	<b>10</b>
2-3) SOURCES OF DATA-----	<b>11</b>
<b>CHAPTER 3: LITERATURE REVIEW</b> -----	<b>13</b>
3-1) PUSH AND PULL MARKETING-----	<b>13</b>
3-2) RELATIONSHIP MARKETING-----	<b>15</b>
3-3) SOCIAL MEDIA-----	<b>16</b>
3-4) POWER SHIFTING FROM COMPANY TO USERS-----	<b>17</b>

3-5) RELATIONSHIPS IN SOCIAL MEDIA-----	18
3-6) SOCIAL MEDIA BEHAVIOR-----	19
3-7) INTERACTIONS OPTIMIZING FEEDBACK RESPONSES-----	19
3-8) ISSUES AND CHALLENGES IN SOCIAL MEDIA-----	21
CHAPTER 4: RESULTS AND FINDINGS-----	23
CHAPTER 5: DISCUSSION AND CONCLUSION-----	39
REFERENCES-----	41