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Impacts of social media in restaurant businesses-

A case study of restaurants based on Oulu region

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ABSTRACT

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Social media's acceptance rate has been increasing day by day. All kinds of business are adopting social media as crucial tool for implementing business and marketing strategies. This research is done to highlight the impacts of social media in restaurants of Oulu based restaurants.

The main objective of this thesis is to examine the impacts social media has in business and how social media is influencing business activities. Furthermore, this research provides a brief information of social media and how efficient marketing can be done using it. Moreover, a clear explanation is demonstrated to illustrate how social media has transformed the traditional way of marketing activities.

Mixed of qualitative and quantitative method is used. Moreover, to explore depth information Face-to-Face (F2F), unstructured and individual interviews were conducted to the entrepreneurs and communication responsible of restaurants. Materials for this research includes books, journals, articles, statistics and different websites related to social media.

The result shows that social media has positive impact on restaurant business. Accepting social media by restaurants leads to increment in sales and flow of customers. Facebook and Instagram are social media tools used by the restaurants. Word of mouth plays a vital role for attracting new customers. Social media has provided cheap and accessible marketing platform to reach to thousands of customers instantly. Limitation of research includes small number of respondents and language barrier. Similar research could be done in the future where more respondents are available. Social media offers many possibilities for business expansion.

Keywords: social media, social media marketing, small-sized enterprises, face to face, word of mouth, restaurant

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1 INTRODUCTION

This research is conducted to highlight the impacts of social media in small-sized business focusing on the restaurants in Oulu region. Business whether it is small-sized, medium-sized or large-sized are influenced enormously using social media. Social media has played vital role on the growth of a company. Especially for the start-up organizations, it is important to know their target customers to expand business in a relevant social networking site.

Meanwhile in the recent decades, the use of social media has been increased tremendously. Different organizations are using social media as their vital tool to deal with their business. Social media such as Facebook, Twitter, Instagram, You Tube, and Flickr has been increasing day by day and the acceptance rate has been rising extraordinarily delivering enormous number of users in less than 10 years. (Hendricks & Noor Al-Deen 2011, 7.) Social media has enlarged the approach how organizations develop their business strategies affecting in such a way that it creates impression to connection among potential customers leading to the prosperous building and managing the company (Agresta & Bough 2011, 9).

Social media has become a handy and convenient tool for marketing, communication with customers, their stakeholders as well as inside their organization. Social network sites are well established but the most popular social media varies by the use-level of social media by country and geographical demographics. It is equally important to analyze the popular social network to pursue social activities amongst target audiences to uplift the business. (Chaffey 2017, cited 01.03.2017.)

The research of the thesis is based on mixed of qualitative and quantitative research method due to the nature of the research topic. To approach the broader understanding and richer information face to face interviews was followed to the entrepreneurs of the selected restaurants and responsible person for social media marketing and communication from Oulu region.

Face-to-Face (F2F) interviews helps to insight deeper understanding of existing market for comprehensive data collection (Marshall 2016, cited 20.02.2016). Furthermore, information from books, websites, articles and journals and school's databases were used to receive a better output.

In addition, researcher's own proficiency in social media has also been considered for this research purpose.

1.1 Description of Research

The idea of the research is generated from the interest of researcher in social media and its marketing. Researcher is willing to know about the strategies of social media more in depth hence the research is inaugurated focusing on small business of Oulu based restaurants to minimize the area of research subject.

Research commence from interviewing the selected entrepreneurs and communication responsible from Oulu region who are expected to attend the interviews to explore social media as their crucial tool for promoting business. F2F interviews will be conducted for the research. The interviews were recorded and used later to interpret the collected information and in-depth analyzation to overcome the research questions.

The researcher in the theory part will briefly summarize about evolution of social media, social media marketing, comparison between social media marketing and traditional marketing, impacts of social media on business.as well as the state of restaurant business in Oulu region.

Moreover, at the end researcher will explain briefly about research methodology (operation involved in collection of data, narration of research questionnaire, data analysis of the research) pursued by result, conclusion and discussion.

1.2 Objectives and limitations of the Research

The purpose of the thesis is to find out the possible opportunities initiated by social media in small sized enterprises (SMEs) and how it is influencing the restaurant business based on Oulu region. Secondly, the objective is to find out social media marketing as a tool for promoting the business.

In the end of the research following research questions will be answered.

- What are the impacts of social media in restaurant business?
- How social media is influencing the business?

Additionally, these supportive questions will be answered to receive in-depth outcome.

- How entrepreneurs are using social media marketing for promoting their business?
- What advantages and disadvantages does social media have in restaurant business?

This research is limited to SMEs of Oulu region focusing on restaurant business. Hence the result is not applicable for bigger organization. The results can be applied as a basis to similar SMEs and start-up companies who want to seek and expand their businesses among potential customers.

2 SOCIAL MEDIA

According to Statista (2017) Facebook remains the ruling social network site. Figure 1 shows that with total of 1,871 million users globally Facebook remains a dominant social network followed by 1000 million users of WhatsApp. Instagram and Twitter are on seventh and ninth position worldwide with a total number of 600 and 317 million active users all over the world.

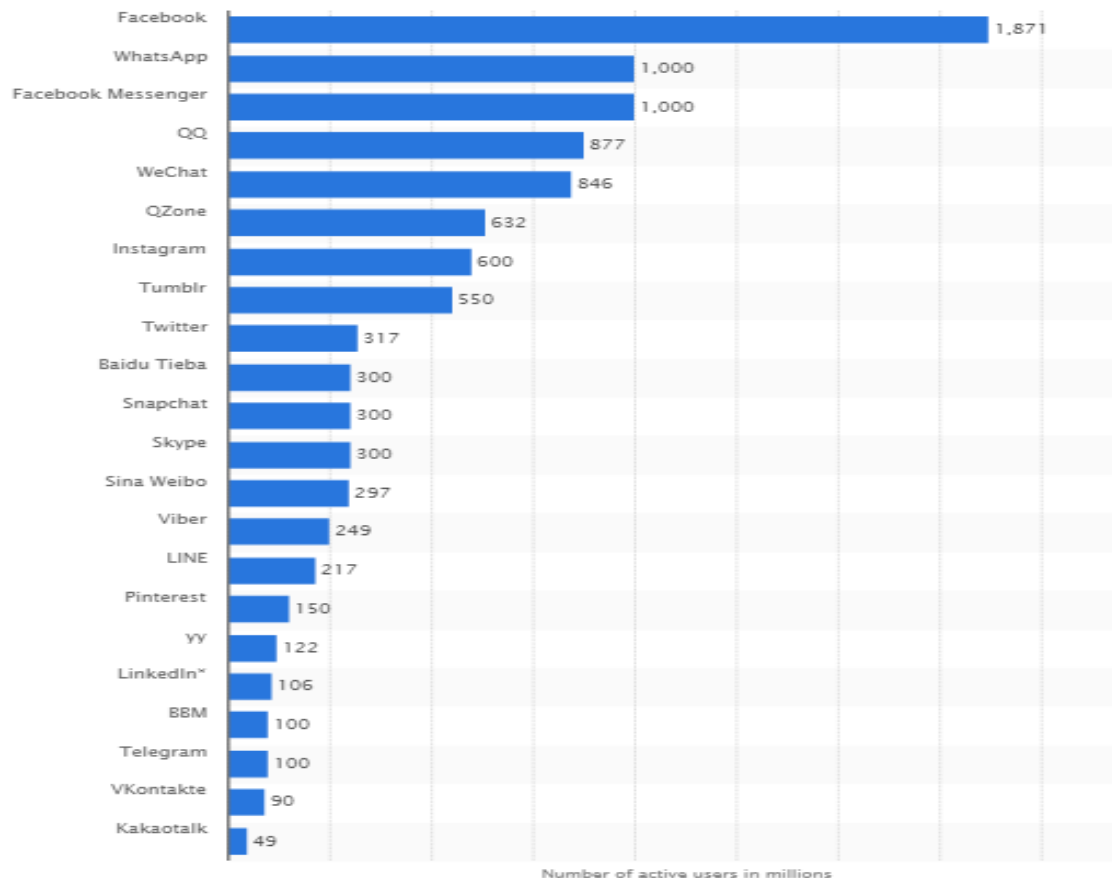


FIGURE 1. Most famous social network sites worldwide ranked by the number of users in millions (Statista 2017a, cited 01.03.2017).

Moreover, this chapter explains the evolution of social media, the most important popular social networks among restaurants of Oulu region Facebook and Instagram. Furthermore, advantages and disadvantages of social media is also highlighted briefly.

2.1 History of social media

The term social media is known by everyone in today's world. Not only the urban areas but also the remote areas of the world have at least heard about Facebook, Instagram and Twitter and may be using them daily. Although it seems like a new trend at the present, it has been practiced and started few decades ago. During 20th century, technology began to change rapidly. (Hendricks 2013, cited 07.03.2017.)

The first social media site was created in 1997 by Andrew Weinreich. It enabled the registered user to upload profile and make friends with other users. Then, Blogging become popular. Invention of blogging and social media exploded the popularity. Sites such as Myspace, LinkedIn came in to existence during 2000. (Barker, Barker, Bormann, Roberts & Zahay 2016, 79-80.) After that Facebook in 2004, YouTube in 2005 and Twitter in 2006 was created and available to users all around the world. These sites are recognized to be most popular social networks until now on the internet. Tremendous variety of social networking sites can be linked to allow cross posting. It is very difficult to decide the future of social networking might look in the coming years or even decades from now but it seems that it will have its existence until the human exist on earth. (Hendricks 2013, cited 07.03.2017.)

It's almost impossible to think people's daily lives without the use of social media. Moreover, the growth of social media in detail could be understood further by comparing with these timelines.

1997: The birth of Social Media

One only first recognized social media was a website called six degrees. It was named after a theory called six degrees of separation theory and lasted since 1997 to 2001. Besides profile and friends network it allowed to connect and confirm friendships who didn't register as users for few people. After that the era of internet moved to blogging and instant messaging. Blogging precisely is not a social media but it enables to communicate with other readers. Instant messenger such as ICQ, AOL'S was created in the line of social media. (History cooperative 2016, cited 07.03.2016.)

2000: The internet is everywhere

Around 100 million people had access to the internet by the year 2000 and it was simply common to be engaged in social media and be available online. It was also therefore looked as a Hobby.

More and more people started to make friends, date, discuss about the subject matter they want talk about. It still had more to come. (History cooperative 2016, cited 07.03.2017.)

2003: The first social media surge

Younger generation today might not know that Myspace was a popular place to create profile and make friends which led into the inspiring and famous website such as fakebook. Myspace was used by musicians to promote their music. LinkedIn a professional's network website began which is useful to connect business people, find jobs and socialize. (History cooperative 2016, cited 07.03.2017.)

Around 2005: Facebook and Twitter

Facebook invented by Mark Zuckerberg and friends in 2004 launched and in no time set a bar for rest of the social media services. It is the most used social media website until now with over billion users. It was launched for Harvard students and later Zuckerberg felt that the world can use this service and released it from TheFacebook.com to Facebook.com. (Barker et al. 2016, 80.)

Similarly, Twitter has a unique distinction of allowing its users to send tweets which has 317 million users. Twitter was invented by Jack Dorsey, Biz Stone, Noah Glass and Evan Williams inspired by the popularity of text messaging. (History cooperative 2016, cited 07.03.2017.)

Around 2010: The rest of the pack

There were dozens of websites which provided social media services such as Flickr famous photo sharing sites, photo bucket. Instagram are nowadays gaining social media sides on business cards and social media.

Social media is not only uses to chat or more daily conversations, it has also became widely spread in business. Website have started to list social media addresses, business include Facebook and Twitter addresses in their commercials to include their social media posts in their websites. It's almost rare to find businesses or brands without social media icons. In addition, internet marketers have been using social media as a medium to boost up their visibility of websites which benefits in their business. (History cooperative 2016, cited 07.03.2017.)

Social Media today

Social media has a huge platform for all as it is popular than others because smaller ones also get used by a small part of the population because each one caters to a very different type of person.

For example, Instagram caters to the kind of person who want to express or communicate through photographs, Twitter are best for short bursts information. Therefore, as we know businesses are using social media to promote their products or services in a very new way and each social media has its distinct purpose that the other media may not have. (History cooperative 2016, cited 07.03.2017.)

2.1.1 Facebook

Facebook is internet based social network which hosts a community of users making easy for the users who want to get connected and communicate with other users. Facebook enables the users to share experiences to each other and helps to get connected with friends, families regardless the geographical barrier. Launched by Mark Zuckerberg at 2004 while he was a student at Harvard, Facebook is the largest and most dominant social site today. Initially Facebook (“thefacebook” original name) was targeted for college students which could get connected and socialize online. Understanding the opportunity beyond the college surrounding Facebook was opened to school students in 2005 and later in 2006 to all the users above age 13. (Miller 2016, Getting to know Facebook on the web.)

In the fourth quarter of 2016, Facebook has the total number of 1.86 billion monthly active users. In the leading market of internet user Facebook usage penetration is above 80 percent currently. Furthermore, the users also can join different user groups based on their workplace, college or school and can categorize Facebook contacts into the list. Also, users can collaborate with the wide selection of social games in Facebook and in photo sharing application like Instagram. (Statista 2017b, cited 20.03.2017.)

More than 80% of the small sized companies are using social media to promote their business where Facebook counts their top listed marketing tool. According to a survey made by Webs (digital services division of Vistaprint) in 2292 small companies, Customer acquisition, increasing brand awareness and building a network for followers are the three main reason owners are creating a Facebook page for their company. Furthermore, Facebook’s vice president of small business Dan Levy mentioned that paid advertisement of Facebook has become effective and the companies should put their efforts to their Facebook page for growing their business and boost the marketing. (Loten, Janofsky & Albergotti 2014, cited 20.03.2017.)

2.1.2 Instagram

Instagram is an application which allows users to take photo and share them to their followers along with other social sites like Facebook. The petition of Instagram lies in the fact that the user can select the pictures and change them to the admirable beautiful images and make them fancier according the desire. Launched in 2010, Instagram initially was made available just to the iPhone users. However, Android version was launched in 2011 and the popularity started like a rocket where between July 2011 and July 2012 the user of Instagram has increased by 17,319% resulting an extraordinary growth in the history of social media. (Currid 2013, Chapter 7.)

With a total user of 600 million (see figure 1) Instagram is a perfect medium for sharing fresh stories where a clean interface let user to emphasis on the pictures and is the best platform to speak to the influencers and trend spotters. It is the most recognisable place for global branding in today's social world. (Currid 2013, Chapter 7.) Instagram is an ideal tool for small and non-profit businesses as it is a best story telling platform to create brand awareness and get connected to your audience which is useful for a business, mentioned Katie Keating a Social Content & Engagement Strategist of IBM. Moreover, Nichol Addison (Director of Corporate Communications Lithium Technologies) encourages to use Instagram for employee engagement, introducing products, building relationship as well as for other functions by which she believes to influences the revenue of the company. (PR News 2015, cited 21.03.2017.)

2.2 Advantages of social media

The use of social media in today's twenty-first century has been increasing rapidly. Over the last decades, the number of internet users have drastically increased. Often in the past, use of social media in businesses were considered as a failure but those pessimists were vanished as the increased trend of social media. Over 3 billion internet users exist today of which more than 2 billion users are active in social media. (Copp 2016, cited 09.02.2017.) Distinct kinds of businesses whether it is small sized, medium sized or large-sized businesses, social media and its marketing has been a vital part to promote their business and increase brand awareness among their valuable customers. Some of the advantages of using social media can be highlighted as;

Popularity and valuable customer's vision

The more businesses are active in social media the more chances they acquire to become popular. Above 500 million tweets, 95 million videos and photos uploads in Instagram and over 4.5 billion likes on Facebook are there daily (Copp 2016, cited 09.02.2017.) In addition to this, actively promoting the organization with trending ways for example hashtags in Facebook and twitter helps to raise the brand awareness and reliability (Caruso 2016, cited 09.02.2017).

Prosperous customer experience

Customers assume to get the responses as quickly as possible whether an organization is in social media or not. Providing rich information with better customer support as quickly as possible helps to increase the annual sales as well as financial gain. (Copp 2016, cited 09.02.2017.)

Increment in customer service

Responding the customer's comments whether it is positive or negative, clearing confusion as well as interpreting the doubts deepens the quality of customer service in online marketing. People who chases a brand in social media are loyal to that brand. (Caruso 2016, cited 09.02.2016.) Actively using social media can increase the experience of customer.

Increased web traffic

It is equally important to increase the web traffic of your business. Responsive and well- designed website featuring outstanding search engines are not enough. Boosting the site, use of social media is significantly important. Activities like engaging customers by sharing appropriate contents in social media, collecting feedbacks and responding them wisely, adjusting marketing strategy from feedback on target group increases the web traffic which leads to appear on top in search engine optimization(SEO) as social sites starts looking more like SEO. (Dane 2016, cited 09.02.2017.)

Analysing competitors

Tracking the activities of competitors and analysing the result to use in business helps to upgrade business followed by upgrading plans, offering discounts and other offers to attract more customers (Caruso 2016, cited 09.02.2017).

Building relationship

Social media is not just for expansion of business and marketing platform. It is the pitch to develop relationship with loyal customers by answering customer's questionnaires appropriately and

quickly. Management of the relation exist before, during and after; provides an opportunity to enrich the future relationship with potential customers. (Coen 2016, cited 09.02.2017.)

ResQ App

According to Natural Resources Institute, restaurants in Finland dumps one fifth of the food prepared for a day totalling 80 million kilograms of food every year. Introduction of ResQ club along with partnership of 200 restaurants all over Finland raised sustainability to some extent and prevented dumping of food by providing food at a discount rate to the customers instead of throwing the food. The GPS tracks customers and they get displayed in their phone at which participating restaurant offers discounted foods. This app provides suitable platform to show off their brand among potential customers. A simple act through ResQ app will fulfil customers hunger, increases revenue to some extent, attract new customers and shows that you care about sustainability. (Yle Uutiset 2016, cited 15.05.2017.)

2.3 Disadvantages of social media

Business organizations mostly use Facebook, Twitter, Instagram and YouTube as social media tools to connect with their loyal customers. These social media tools provide better opportunity to stay tuned and connected to increase the brand awareness and financial gain. On the other hand, along with the advantages social media also brings different disadvantages.

Improper Relevant Network

It is equally important to choose appropriate network by studying the market. The management should decide in which social media the company should be more active. Accordingly, the size of the organization, the management team or responsible team should be able to choose the appropriate social network. Entrepreneurs should figure out which social media is trending the most based on the target group of their customers for a better output. (Brookins 2017, cited 09.02.2017.)

Lack of skills in Customer Relationship Management (CRM)

Social sites are not just for posting pictures, videos of the product but it can be used for creating a good relationship with customers. Lack of skills in CRM may hamper the organization to decrease in sales. (Brookins 2017, cited 09.02.2017.) Use of appropriate and polite expressions while

responding to the customers and responding every query with patience should be considered as building relation is not an instant process.

Time consumption

According to the Brookins (2017) managing time is a difficult part. Social media requires a lot of time investment. Entrepreneur or responsible communication and marketing manager should allocate required time for the social media which could be hesitating to some small-sized companies. Establishing relationship with customer can take months and longer than expected. Fan following could be reduced if time and efforts are not made and inquiries are not responded. Furthermore, updating in the social media is must.

Negative Reviews

Social media is a dominant tool for all brand types for ultimate sales. Feedbacks received from social sites could be utilised to upgrade business plans and make changes admitting the desire of loyal customers. But, not always organizations receive positive feedbacks. Negative comments in social site hampers business as well as image. Social media managers respond such negative comments appropriately by

1. Ignoring negative feedbacks by responding them positively,
2. Deleting disapproving opinion from social page as soon as possible before other people can approach to it,
3. Appeasing for the situation customer feels by answering them conveniently,
4. Offering an apology to the customer with possible solution of the situation. (Seek Social Media 2017, cited 09.02.2017.)

3 SOCIAL MEDIA AS A MARKETING TOOL

Social media marketing is a tool that pursue to accommodate and advance social media marketing approaches along different other kinds of ideas which influences the social behaviors of an individual and the society for a better valuable social deed (International Social Marketing Association 2016, cited 09.02.1017). The universality of social media is a big issue in this digital 21st century for marketing purpose. Before the introduction of Web 2.0 customers had few alternatives approaching about products or services of a specific organization so that the companies had to spend money for raising the brand profile. The traditional marketing principle suggests that your company needs to stand in a crowd of millions global sites to accomplish brand awareness and reach their goal for ultimate sales. (Richardson, Gosnay & Carroll 2010, 42.) Introduction of social media has eliminated those traditional ways. The most effective way of promotion marketers agrees is word- of-mouth which is now replaced by Word-of-Mouse in social networks to approach bigger target communities with low cost marketing paths. (Richardson et al. 43.)

Furthermore, Ryan (2015) mentioned in his book *Understanding Social Media*, four fundamental business rules for owning social media output which focuses in both inside and outside contexts of social media sites which are

1. Understanding your customer, how they are using social media and how any specific product or service could be their part of discussion in a proactive way?
2. Testing and analyzing in every viable way and discovering what approach works
3. Giving that workable approach time
4. Measuring the achievement if you want, but make sure that you can, if not than repeat rule three. (Ryan 2015, *Getting started – how to create a compelling social media program.*)

To highlight a brief understanding of social media marketing this chapter furthermore illustrates the concepts of traditional marketing and how it differs from social media marketing, zones of social media, the concept of word-of-mouth and impacts of social media on business.

3.1 Traditional marketing and social media marketing

Social media marketing has entirely changed the process and the way marketers used to carry out the marketing process before. Social media marketing nowadays has predominantly dominated the traditional ways of doing marketing activities. Traditional marketing is way costly than social media marketing and most of the businesses now have adopted social media for boosting their business which could reach to the millions of people which traditional marketing approaches could not do. Figure 2 shows the difference between the platforms of social media and traditional media.

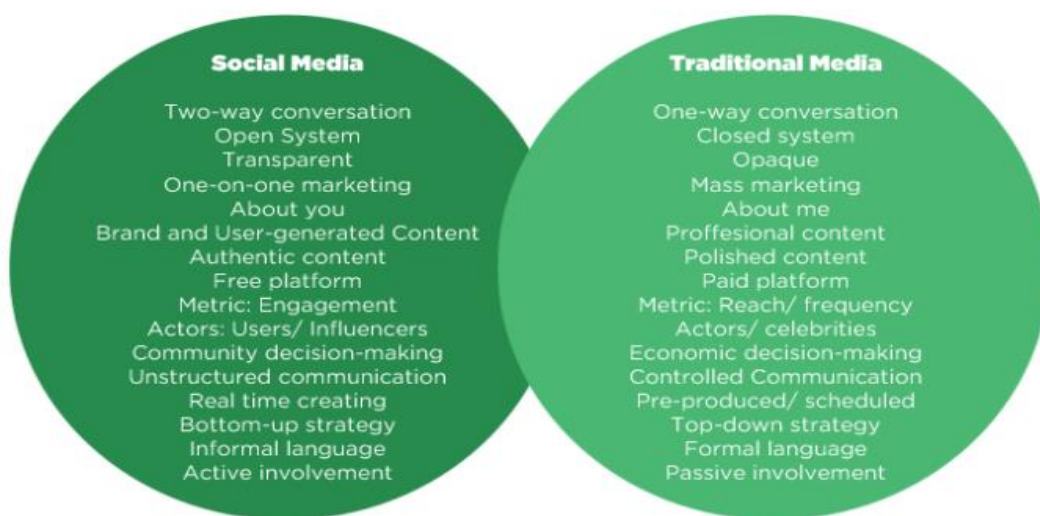


FIGURE 2. Difference between social media and traditional media (WePlay 2017, cited 24.03.2017).

Social media marketing and traditional marketing are two diverse ways of marketing which needs to be understood for a successful marketing. The funnel in figure 3 shows that social media marketing is completely opposite to that of traditional marketing. In social media marketing, finding new customers through recommendation of potential and loyal customers are considered as important platform i.e. word-of-mouth. Word-of-mouth plays a vital role in social media marketing as social media is a free platform which has two-way communication with customers. On the other hand, traditional marketing is opposite to that where one way communication exists. (WePlay 2017, cited 24.03.2017.)

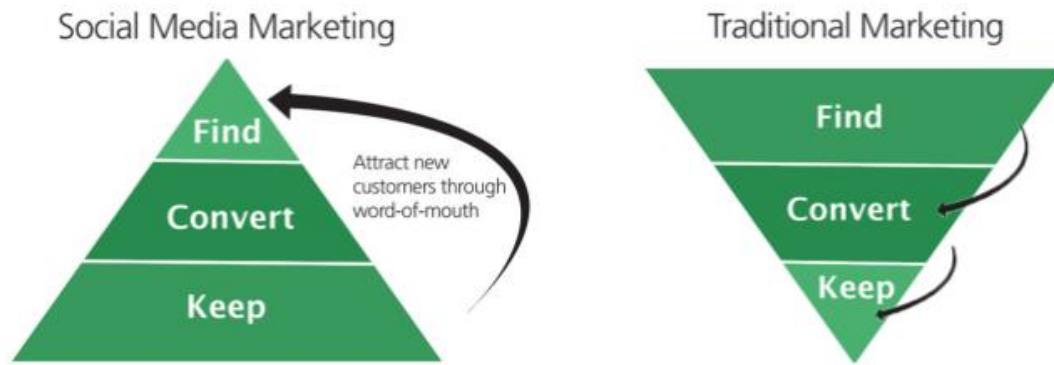


FIGURE 3. Funnel of social media marketing and traditional marketing (WePlay 2017, cited 24.03.2017).

In classical way of marketing, marketers only focus on the marketing mix to reach their goals and visions. The principle of marketing mix explains four Ps: Product, Price, Promotion and Place where a company sells a product or service with reasonable price using effective channels and tools for promotion in suitable demanded places. Moreover, social media marketing continues evolving new techniques in this digital world to boost up marketing plans which consist of fifth P; Participation. Social media is changing the way consumer thinks and acts. Through new “P”, social media is providing new platforms to the marketers to transform their business. Participation improves customer satisfaction, relationship with customers and stakeholders, influences attitudes towards brands. Ultimately increasing the participation of customers through customers while sharing a new process of 5P’s marketing. (Tuten & Solomon 2015, 21.)

3.2 Social media Zones

Media has different meanings but generally we use it as a term for communication in our daily life. There are different range of media that people are using. From mass media (communication channel which can reach to a larger community like print, broadcast and digital communication to personal media (platform for two-way communication in a small extent) such as telephone, emails as well as face-to face communication. Social media on the other hand exceeds the boundaries of both mass and personal media which enables an individual to reach up to millions of other individuals. (Tuten & Solomon 2015, 7.)

Social media offers various channels online along with their carriers but it is complex as social media has larger quantity of channels and the change of social network is fast. According to Tuten & Solomon (2015, 8) one of the way to organize social media is to divide them into four zones as illustrated in the figure 4; social community, social publishing, social entertainment and social commerce. Some of the social media networks resembles many zones due to the variety of services they deliver.



FIGURE 4. Four Zones of social media (Tuten & Solomon 2015, 8).

The first zone of social media is social community which defines the channels of social media focusing on the relationships and participation of its users. It reflects two-way as well as multi way communication, collaboration, conversation and experience and resources sharing. The primary motive for people to involve in this zone is to socialize and build relationship. Most of the social networking sites like Facebook, LinkedIn and Twitter belongs to this zone. The second social publishing zone consists of the social networks which delivers broadcasting of the contents to the audiences. This zone includes either photo sharing sites like Instagram, video sharing sites like YouTube or others like blogs, Slide share, and Sound cloud. Additionally, the third zone social entertainment provides the platform that offers different channels with opportunities for the entertainment purpose like game, music and art. Myspace, Candy Crush, Spotify fall on this category. Lastly, social commerce is a subcategory of e-commerce by which buying, selling, managing of the goods and services via internet can be done. (Tuten & Solomon 2015, 10-12, 24, 234.) The illustration of the social media zones and their carriers are as shown in the figure 5.



FIGURE 5. Four Zones of social media marketing with their several carriers (Tuten & Solomon 2015, 11).

Furthermore, marketing can be further divided into three core categories- paid media, owned media and earned media. Paid media are paid placements that includes sales promotions, advertisements, paid reviews and search engine optimization (SEO) marketing. Companies can pay for SEO, Facebook ads to boost up their company in public for brand promotion. On the other hand, owned media comprises companies own websites, blogs, contents in social media profiles and other kind of printed materials of company. In owned media, networks and contents are completely under the control of company. Lastly, earned media are those contents which are distributed by an organization without any cost which is the most effective in a way for brand promotion. This is the achievement made by the company from the efforts in paid and owned media. It refers to conversations made in the social communities, reviews and ratings. Word-of-Mouth is the dominant platform in earned media for publicity. (Tuten & Solomon 2015, 25; Smith 2016, cited 03.04.2016).

Table 1. Medias and their examples (Tuten & Solomon 2015, 25; Smith 2016, cited 03.04.2016).

Media	Examples
Paid	TV and Radio ads, newspaper ads, Internet and social media ads, SEO, Pay Per Click

Owned	Websites, Blogs, eBooks, contents circulated in social media
Earned	Word of Mouth influences, press coverage, shares, retweets, reviews

Table 1 illustrates the examples of paid, owned and earned media. The examples are from traditional media, internet based media and social media.

3.3 Word of Mouth (WOM)

“The best marketing with social networks comes not from the company but from the customer or fan base” (Barker, Barker, Bormann & Roberts 2016, 83). In 1967, Arndt was one of the initial researcher to define WOM as a person to person oral communication. It comprises of a communicator and a listener referring to non-commercial, unpaid and earned channel. As the popularity of internet grew slowly and gradually, traditional WOM changes to electronic word-of-mouth (eWOM). eWOM is defined as the communication directed to the customers by customers using internet-based technologies like Facebook, Google, Twitter for promotional purposes. (Litvin, Goldsmith & Pan 2008, 147-169.)

WOM and eWOM are considered as the major factors in marketing. Customers purchase decision and customer’s loyalty are important for successful business. (Leung & Baloglu 2015, 266-282.) eWOM has grown to new level. Internet users nowadays enthusiastically goes through social networking sites to find what other customers have reviewed about a specific product. Additionally, customers can even engage themselves to familiarize about that product. (Erkan 2014, 461-473.) On the other hand, eWOM can be done by marketers using buzz or viral marketing where marketers deliver a specific message acquiring certain aims via different social networks. Unlike WOM, information in eWOM can be accessed and can be supplemented by using the elements like emoticons and pictures. (Velazquez, Blasco & Saura 2015, 227-250.)

Facebook is the dominant social network therefore entrepreneurs in the small industries like restaurant needs to understand the techniques to influence their brands and services through eWOM communication process. Features such as participation, social connection, innovativeness and experiences are the major factors contributing to spread eWOM in social networks. Because of successful examination of customer’s involvement in eWOM, an organization can be ideal in competitive business environment. (Kucukemiroglu & Kara 2015, 2.)

In Coca-Cola, the Facebook page has started just from the two fans. The page then with the help of WOM increased profoundly. Later company bought the page for propelling the brand after seeing the effectiveness of the Facebook page. Today, the company has more than 89, 805,855 fans with top brand page of the world which provides sophisticated information and marketing contents. (Barker et al. 2016, 83.)

3.4 Impacts of social media on business

Social media use is rising in astronomical proportion day by day. There are enormous business tactics in social media platforms for brand awareness. Steadiness in social media platforms are keys to success. Using appropriate tactics like word-of-mouth, influencing target customers, proper communication and engaging with customers impacts deeply in success of any business. (Kelly 2017, cited 07.04.2017.) The figure 6 shows how marketers benefit their businesses using social media.

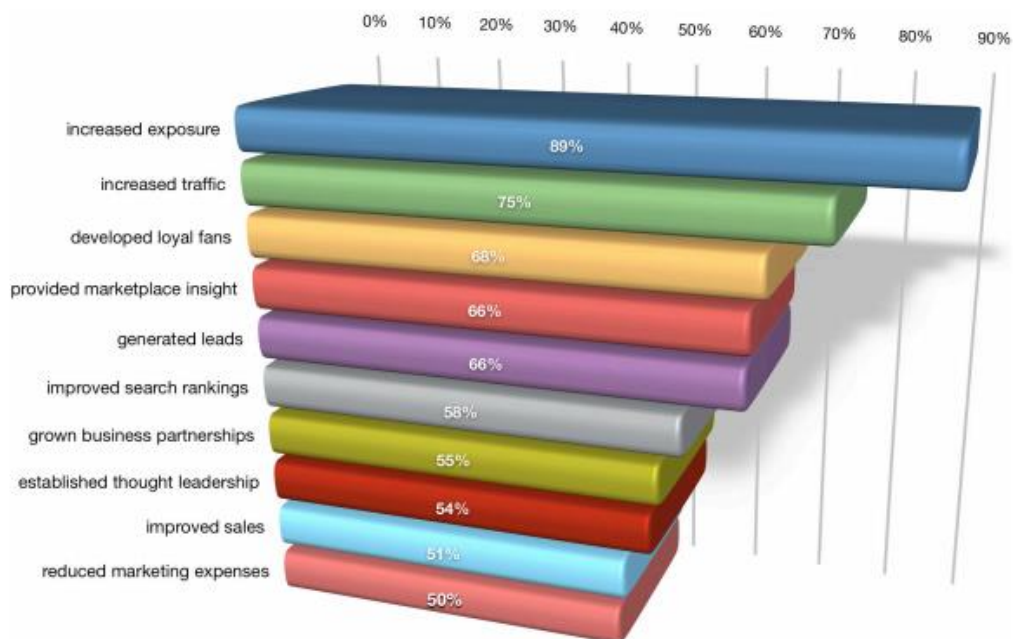


FIGURE 6. Benefits of social media marketing (Social media examiner 2016, cited 07.04.2017).

The main impacts of social media in business are increasing exposure, increasing traffic, generating loyal fans and creating business intelligence. Each of the benefits mentioned applies equally to both business-to-business (B2B) and business-to-consumer (B2C) marketing. Likewise, thoughtful leadership is used mostly in B2B but all marketer wants to know their product quality and capability. Enhanced search ranking and growth in business partnership are significant in any

business process. Finally, improving sales and decreased expenses in marketing are ranked at the bottom list in benefits of social media marketing. (Barker et al. 2016, 8.)

Social media has powerful impact on business. Social media has decreased the traditional way for success of business where marketers used to be dependent on radio, television, newspapers and direct mails for marketing. As social media platforms provide direct screening hence the impact of marketing through social media can influence more than that of traditional way. In addition, it can take more time to see the fullest impact as developing relationship with customers in social media is not a straightforward process. (Barker et al. 2016, 8-9.)

Leaders of small business are using social media promoting their business to obtain viability, visibility and sustainability for survival. According to MerchantCircle, small businesses are using social media as they provide easy access to peoples easily and quickly, developing relationship and approaching potential customers. Also, 60 % people knows about a specific brand or retailer through social networking sites as they use three or more digital means for purchasing a product. (Taneja & Toombs 2014, 249-260.)

Recently, a new research has shown that social media plays a vital role to create buzz to get consumers to buy. Over the past decade social media networks has been used to create buzz by marketers around their products. To examine what impacts tweets and other recommendations have on sales and to increase return on investment and the size of the companies, 20,000 European consumers were examined, across 30 product areas and more than 100 brands, in 2013 and 2014. Respondents were asked to how extent does the social media effect their decision journeys and about instances when they recommend products. Impacts of social media on buying decision is greater than before and it is growing in multiplying rate. Although the size of social influencers creating the buzz is small. (Bughin 2015, cited 08.04.2017.)

Increasing Importance

Average of 26% of the purchases on all product categories were induces by social recommendations which is significantly 10-15% higher than estimated. Thirty product categories were studied where two-third of the impact was direct that is recommendations played a critical role at the point of purchase. Remaining third was indirect which means social media effects at earlier decision-journey touch points for example recommendations creates awareness of a product or communications with friends helps consumers to compare quality and to evaluate higher value

features. Also in 2014, the result showed that social media recommendations have increased 10% more purchases than they had in 2013. (Bughin 2015, cited 08.04.2017.)

Nuances are essential

Consumers were found that they access social media to very different degree in different product categories. 15% of the respondents uses social media to choose utility services. In other categories for example travel, investment services and over the counter drugs 40%-50% of consumer considered social recommendations. Small number of active influencers accounted for a disproportionate share to total recommendations. (Bughin 2015, cited 08.04.2017.)

Navigating in a fluctuating environment

Social strategies of companies are made to maximize their returns therefore they encourage consumers to engage in social communications to inspire more influencers to express interest for their products. Consumers are likely to tune into social media before purchase who uses search engines to gain more information and knowledge about the product. According to the research paradoxically those companies who allows endorsement are likely to get less strong comments than that of companies who invited of any sort of companies. Positive comments are three times numerous than negative comments. Some companies demonstrated that they could easily change the negative vibes by responding them quickly. (Bughin 2015, cited 08.04.2017.)

Being a small company, the most challenging part is to stay in a dominant position in social media as there must be done a lot of stuffs while branching out the company. Social media is time consuming because you want to be sure that you share the happenings with your potential customers in a right language. (Hackney 2014, 15.) However, those companies spending effectively on search engine optimization (to move product mention to the top in search result) can expect to be benefits from greater social media impact (Bughin 2015, cited 08.04.2017).

4 SOCIAL MEDIA IN FINLAND

This chapter illustrates the usage of social media in Finland and how Finnish residents are adopting social media in their daily life. Furthermore, a brief elaboration of social media respective to different forms of business are shortly labelled.

4.1 Finland

Finland (Republic of Finland) is situated in Northern Europe. The country is located along with land borders with Norway, Sweden and Russia to the north, northwest and east respectively. With a population of around 5.4 million and area 338,424 km² Finland is the eighth largest nation in Europe. Majority of people 88.67 % speaks Finnish and biggest city is Helsinki (The capital city). (Wikipedia 2017, cited 21.04.2017.) In 2016, 16.6% of population falls between the age group of 0-14 years old, 62.9% on 15-64 years old and 20.9% on 65+ years old where population percentage is 1000 unit (Statistics Finland 2017a, cited 02.05.2017).

Finland is one of the best and small country in terms of worldwide scale. Finland is best amongst safety and society, equality, environment and nature, satisfaction and trust, children's well-being, information society, affordability and health. (Statistics Finland 2017b, cited 21.04.2017.) The country is special due to midnight's sun, real life Santa Claus, aurora lights, clean lakes, wild natures, skiing, Finnish saunas, technology and design (Visit Finland 2017, cited 21.04.2017).

4.2 State of social media

Social media's acceptance rate has been increasing day by day in Finland. The technological country is full of innovation. YouTube is most popular in Finland. More than 80% of the Finnish people from 15-74 years old are using YouTube. Secondly, Facebook users are approximately 2.5 million. However, the Facebook users are increasing in older age groups but have decreased among the people below 18 years. 200,000 Facebook users are of age more than 65 years. WhatsApp and Facebook Messenger are in third position whereas Instagram and Twitter are in fourth and fifth position in Finland. (Pönkä 2017, cited 10.04.2017.)

In a survey of 2016 by Statistics Finland to find out how Finnish residents are using internet in their daily life, it was found that 88% of the Finnish people aged 16 to 89 (around 5 % between ages 75-89) used internet regular. Residents of age 55 or below used the web. 72% of Finns were online numerous times in a day. It was found that the internet was used for everyday life, searching information, communication and following the social networks. Internet is now on hands and easily reachable endlessly where 65% used the internet using mobile on workplace and outside their home. Correspondingly, 24% of the Finns count were using internet by tablet. Similarly, popularity of social networking sites has continual raise in 2016 in Finland except to the residents of age group 16 to 24. In the past three months, 56% of Finnish people of age 16 to 89 (around 5 % between age 75-89) years followed social networking sites for various purposes which was 3% grew than in 2015. On the other hand, the share of people aged 16 to 24 decreased by 4% to 89%. (Statistics Finland 2016, cited 10.04.2017.)

Suvi Uski in her blog made a comparison of usage of social media in Finland from the year 2011 to 2016 in figure 7. The figure interprets the state of social media in last five years along with various age groups. It is clearly shown that overall usage of social media has been increased among Finnish people to 56%. The total growth has increased 3% than in 2015. (Uski 2016, cited 10.04.2017.) Furthermore, Statistic Finland report shows that 23% of Finnish use social media for monitoring corporate brands and services or products. On the other hand, 21% of population prefer social sites connecting with products that are sold, distributed or exchanged among the people. Similarly, 14% are following a fan page or uses social media as a fan. (Valtari 2016, cited 10.04.2017.)

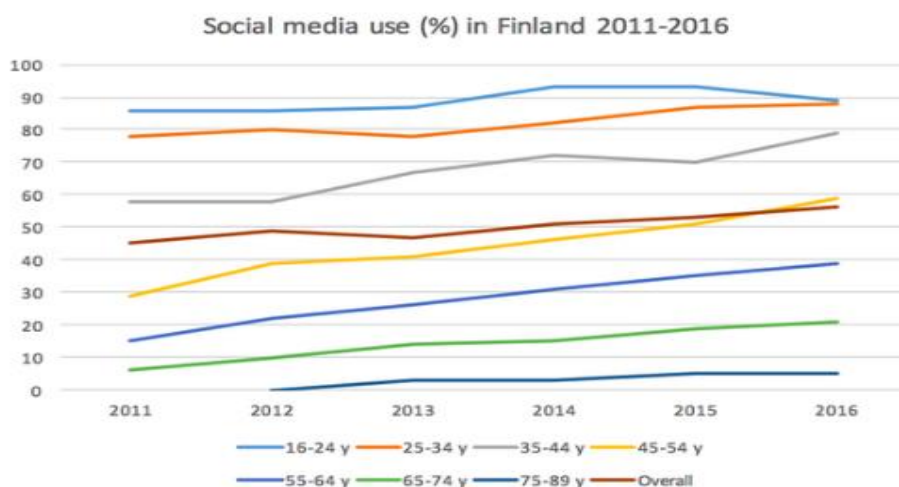


FIGURE 7. Comparison of use of social media in percentage in Finland from 2011 to 2016 (Uski 2016, cited 10.04.2017).

In 2013, a study was organised among different enterprises to figure out how popular social media among Finnish organization and their impacts is. Social media use in industry of information and communication is most common, used by 80 % of enterprises. The least use of social media is found in transportation, storage and in construction sector that covers 21 % of the enterprises. Similarly, the use of social media in sector of accommodation and food service activities is 65%. Respectively, social media was used by 34 % among small enterprises (10-19) employees and 57% in large enterprises (>100 employees). The report further illustrates that social media improves the company's image and product, agrees 83% enterprises. 56% enterprises revealed that responding customer's questionnaire and reviews are most mutual purposes. One- third of the enterprises use social media for employees recruiting, customer's participation, and innovation, association with other business partners and for exchanging views, knowledge or opinions with other organizations. (Statistics Finland 2013, cited 10.04.2017.)

5 RESTAURANTS IN OULU REGION

Oulu has varieties of catering and hospitality along with the modern technology. The researcher in chapter 5 aims to provide brief information regarding Oulu region and other supplements regarding restaurant situation in Oulu. Moreover, the process of selection of restaurants for the interview purpose is defined as well.

5.1 Oulu and Restaurants

Oulu is the fifth largest and populous city of Finland with approximately 200,000 people. Oulu consists of diverse cultures, hospitality and beautiful nature. Oulu combines these with modern technologies. The city's main priority is to value education, research and innovation and everyone is welcomed by Oulu to explore Oulu and contributing to further innovations. (City of Oulu 2017, cited 21.04.2017.)

Oulu is one of the most pleasurable city of Finland. City has been spread to numerous island and connected by best cycling pathways. Considered as a valuable city of technology, Oulu the capital of Northern Scandinavia offers different varieties of culture. (Lonely Planet 2017, cited 21.04.2017). There are diversities of travelling, accommodation, activities, conferences, and culture, shopping and restaurant possibilities in Oulu region.

Oulu has multicultural selection of restaurants spread all over the city. Oulu comprises the restaurants of every taste from international to local cuisine either for a relaxed place for lunch or dinner serving their ethnic cuisine to the people who want to explore their taste. There are different selections of restaurants in Oulu from Mediterranean with nice background music to fast food chains (italic pizza, burgers). Selection of Asian restaurants are available who want to try Japanese, Chinese, Indian, Nepali, Thai and other Asian tastes. (Visit Oulu 2017, cited 21.04.2017.) A total of 237 restaurants, cafe restaurant and other food kiosks in Oulu region (Kohdistamiskone B2B 2017, cited 25.04.2017).

5.2 Selection of Restaurants

For conducting interviews, researcher has referred to Eat.fi and TripAdvisor to contact restaurants. The restaurants were randomly selected from those sites and were contacted. A total of six, responded and were interviewed. A short brief description of Eat.fi and TripAdvisor are illustrated below;

Eat.fi

Eat.fi is an application developed with a concept to figure out best places to eat, to know when the restaurant's kitchen gets closed, to explore unfamiliar places to eat and to overhear what other people think about a specific restaurant (reviews). Hence, Eat.fi was developed by Tina Aspiala in 2005. Over-time, as the popularity of Eat.fi grows it was built better and better so that customers could easily explore new places to eat. Eat.fi provides a fair chance to every restaurant to grow their business and attract more customers as it is community based platform. Users can make comment only once but can edit their reviews. (Eat.fi 2017a, cited 21.04.2017.)

Eat.fi includes the features like color-coding for open restaurants, minimization of restaurants through map, updating tools like wiki which allows clients for updating restaurant information. Similarly, owners of the restaurants also have access to their restaurant information without any cost. Also, it has additional features like customer profile pages, restaurant fans, community features and photo adding ability for deeper participation of the users. (Eat.fi 2017b, cited 21.04.2017.)

Users can minimize the categories depending upon name of the restaurant, their location, cuisine, price, overall reviews and other characteristic to figure out best place to eat through Eat.fi. Eat.fi was sold in 2011 to MTV3 and to City Digital Oy in 2015 (Eat.fi 2017a, cited 21.04.2017).

TripAdvisor (TA)

TripAdvisor is the largest travel site of the world. Founded in 2000 by Stephen Kaufer. TA allows travellers to advice from millions of travellers all over the world with reviews of 500 million which includes 7 million restaurants, accommodation and tourist attractions. There are different other 23 travel media brands through which TA manages and operates its site making the largest community site globally reaching around 390 million monthly visitors. (TripAdvisor 2017, cited 21.04.2017.)

TA is one of the widely-used tool for restaurant business which is functioned as a user generated site. The goal of TA is to provide unbiased recommendations for businesses. (Sanlioz, Hanim & Kozak 2015, 229-241.) TA acts as online forum where users or travellers can share their experience and knowledge to others (Jeacle & Carter 2011, 293-309). Moreover, through TA customers can review popular restaurants near their location based on the reviews made by other customers which reduces bad travelling experience of travellers and tourists. The award-winning travel site TA provides comprehensive selection to users and has become the first travel search engine. (Business Wire 2004, cited 21.04.2017.)

6 RESEARCH METHODOLOGY

Mixed of qualitative and quantitative research method was used for the research process. Moreover, to explore depth information Face-to-Face (F2F), unstructured and individual interviews were conducted to the entrepreneurs and communication responsible of restaurants of Oulu region.

The main objective of this research is to figure out the potential impacts initiated by social media in the restaurants. The research aims to answer following research questions

1. What are the impacts of social media in restaurant business?
2. How social media is influencing the business?

Furthermore, through F2F this research will respond these supportive questions

3. How entrepreneurs are using social media marketing for promoting their business?
4. What advantages and disadvantages does social media have in restaurant business?

F2F, unstructured and individual interview was chosen because F2F provides the interviewer the accurate screening of the question by receiving answers full of information. Furthermore, in F2F interviews non-verbal cues like body language, facial expression, and voice which shows the confidence of interviewees towards their answer. (Wyse 2014, cited 25.04.2017.)

To answer these research problems a set of 17 questionnaires was prepared. Fourteen of the questions are open ended and three of them were objective. Likewise, the questionnaire is further divided into three sections. The first part intends to ask general information regarding restaurants like age, size of restaurant and number of employees. The second part is more focused to answer research questions. The second part centers on evaluating the marketing (traditional and social media) strategy, social media impacts and advantages and disadvantages restaurants are having through social media. Finally, in the third part of the questionnaire objective questions were placed to figure out the opinion of entrepreneurs or communication responsible regarding social media marketing, negative reviews in social media and how they are affecting their business. The questionnaire can be found in appendix 1.

The interviewees were given enough time to answer the question. Around 15-30 minutes took for each interview. Time and place were allocated as declared by the entrepreneurs or the communication responsible of the restaurants.

7 RESULTS

This chapter examines the outcomes of the research obtained through interviews. The interviewed restaurants are

Name	Web address	Social media sites	Other services
Ravintola LaVida Oulu	http://www.espanjalainenlavidafi/	Facebook	Eat.fi, TripAdvisor
Ravintola Indian Cuisine	http://www.indiancuisine.fi/	Facebook, Instagram	Eat.fi, TripAdvisor
Noodle Bar 9	https://noodlebar9.fi/	Facebook, Instagram, Twitter	TripAdvisor
Ravintola Hugo (Uusi Seurahuone)	http://www.ravintolahugo.fi/	Facebook, Instagram	Eat.fi, TripAdvisor
Välimeren Ravintola Olimpos	http://www.olimpos.fi/	Facebook, Instagram	Eat.fi, TripAdvisor
La Torrefazione Oulu (La Torre)	http://www.latorre.fi/en/location/valkea	Facebook, Instagram (Oulu)	Visit Oulu, Eat.fi, TripAdvisor

The restaurants were contacted by referring Eat.fi and TripAdvisor. Email was sent for appointment to the restaurants. Entrepreneurs or communication responsible of the restaurant were interviewed. The entire process for interviewing the restaurants took around three weeks from 01.03.2017 to 20.03.2017. Finally, the answers acknowledged from interview were evaluated to overcome the research questions.

Size and Age

Among 43 contacted restaurants from Oulu only 6 responded. Half of the restaurants interviewed aged 1-5 years old and half of them were 10-15 years old. Similarly, 67% of the restaurants have 6-9 employees whereas 33% have 10-14 employees minimizing all restaurants to small-sized enterprises.

Target customers

It is essential for every business organizations to recognise their target customers to get desired benefits from the marketing strategy and to build good relationship with customers. Therefore, respondents were asked about their target customers in question number 3 (Appendix 1). Commonly, people visiting these restaurants plans to celebrate family and business functions, meetings, other celebration and desire of good appetite in peaceful place. More than half of the respondents mentioned that they do not have any specific target customers.

“We really do not have any specific target customers, all age group people from Oulu and outside are welcome”

“We haven’t found any exact customers”

“All kind of businesses, party organisers and normal people”

“This restaurant is for everyone”

Less than half of respondents were specific towards their target customers. Undoubtedly, they were aiming their business towards their target customers.

“Middle aged local Finnish people, 25+ working class people to be honest”

“Everyone is welcome but we are trying to get customers from young adults to middle aged-people”

Marketing strategy

Marketing strategy ensures any business to identify potential customers, understand their customer’s need through which best possible marketing principles can be implemented (Marketing Donut 2017, cited 03.05.2017). Marketing strategies includes many tactics either by using traditional media as well as social media. Researcher’s motive is to examine marketing strategies restaurants are adopting to attract customers (Appendix 1, question 4). It was found that majority of the restaurants are approving WOM and eWOM as their vigorous tool to make their restaurant viral among locals either through social media (mostly Facebook and Instagram) or traditionally (Newspaper and Email marketing).

“We decided to buy better qualitative ingredients. Customers who are going to other restaurants and our restaurant easily find difference in ingredients. Slowly and gradually, we started getting few

customers and they are referring other customers. So, it's a customer whispering campaign which is a best form of advertisement because we live in a small town"

"We found that mouth to mouth is the most effective"

"Mouth to mouth from customers and we are doing marketing in Facebook"

"Mostly in social media then we have our own website. We trust may be little too much in mouth to mouth"

Some of them are using local newspaper and email advertising for marketing their business for special occasions.

"Sometimes we use local newspaper for Christmas buffet, Christmas parties etc. We also send monthly email advertising letters to our customers"

"We are marketing about our discount and occasional offers and happenings for example Valentine couple offers in local newspaper, in website and in Facebook"

Budget

Half of the respondents mentioned that they were spending 100-500€ for marketing monthly which includes marketing through social media, local newspaper, email advertising, TripAdvisor, Eat.fi and for Search Engine Optimization (SEO). On the other hand, few respondents (33%) revealed that they do not use any kind of marketing tools instead they use their social media sites and believes in WOM as marketing tool made by their customers.

Moreover, one respondent is unaware about the marketing budget.

"We have budget in Facebook marketing but I am not aware about that, we are just using Instagram here. Facebook is active from Helsinki restaurant as we have total 5 cafeterias all over Finland"

Consequences after marketing

Furthermore, after successful implementation of marketing strategy among potential customers the outcomes can be shown either through increase in sales or increase in customers. Therefore, respondents were asked if marketing strategy has altered their situation (Appendix 1, question 5). Most of the respondents (83%) agreed that the marketing strategy they have been adopting has positive consequences. Moreover, some of them also mentioned that it has increased the flow of customer and contributed on sales.

“It has good impact on our customer and increased the flow of customer”

“Flow of customer has increased”

“It helps to increase customers and little bit increase in sales”

One respondent stated popularity through Facebook and WOM as their changed situation.

“People have found our restaurant from Facebook and mouth to mouth”

One of the respondent was undecided as they use only photo sharing site Instagram for their Oulu based restaurant.

“It’s hard to say because we just manage Instagram here”

Selection of social media

Along with marketing strategies and marketing plans, appropriate selection of social media tool is equally imperative to deliver message and to communicate with customers for building better relationship. Poor selection of social network will lack you behind. Hence, respondents were asked which social network they were using to reach their customers (Appendix 1, question 6). Facebook and Instagram were found to be most used social media (Facebook dominantly) by all restaurants to convey their information. Few of the restaurants mentioned Twitter but they were not active on Twitter.

Use of social media

Moreover, researcher intends to go in depth how restaurants are satisfying their customers and how they are getting connected with customers. Later, respondents were asked how they were using precise social media tool they have mentioned (Appendix 1, question 7). Finally, respondents revealed that they were sharing photos of foods, events, information related to foods and services and advertising in social media. One third of the respondents stated that their priority goes to the feedbacks from customers along with sharing other information related to their business.

“Mostly we put information if there is something new and different and we use for the feedbacks that is quite important”

“We share our post, communicate with customers and deal with feedbacks through Facebook”

One respondent reply that they were displaying their restaurant's environment through social media by pictures or videos along with foods.

"We try to make not just pictures and products but also the atmosphere we have here"

Motive for choosing specific social sites

There are different social media networks available now. Every now and then new social network rises and other disappears. The popularity of social media has been increased rapidly in last decade. Each social media has different purpose and caters different peoples and business. Facebook caters to businesses who want to share long information, Instagram through pictures and Twitter through short burst information. Restaurants were questioned why they have chosen Facebook and Instagram dominantly to run their business (Appendix 1, question 8). Half of the respondents agreed that Facebook or Instagram are easy to use and approach their customers.

"Most common and easy to use"

"Everything is now on Facebook"

One third of the respondents stated that social media has greater reach than other traditional media and they can market their business to thousands of more people which traditional marketing tactics fails to do.

"Facebook is most efficient one. We have almost 1000 followers and by paying advertisement you reach thousands of people more"

"Social media has got bigger reach than anything else"

One of the respondent specified that using social media they want to advance their customer service.

"It's our feeling that we try to get as pictures and show it to our customers. We want to take our customer service to next level"

Satisfaction through social media

Social media has both positive and negative impacts on any business. Proper determination and utilisation of social media consequence humble paths to extent business goals. Patience is needed

as success will not appear immediately on business through social media. Successful brand leverage in social media require various tactics which needs to be followed efficiently (Schiff 2015, cited 04.05.2017). In the interview, respondents revealed answers in accordance to question “are you satisfied to use that social media” (Appendix 1, question 9). Diverse responses were collected. All respondents were satisfied with different impacts of social media in their business. Half of the response collected revealed that either restaurant’s customer or sales has increased or both influencing business positively.

“Yes I am. Now it is possible to make public appearance every day. It is very efficient. I just launched 1 hour ago our weekend menu, and after that I have made already many table reservations for coming weekend”

“We are satisfied. It has increased sales to a certain level and the flow of customers”

“Yes, we are satisfied by mouth to mouth made by our customers”

One third (33%) of respondents were undecided what impact does social media has in their business although they mentioned that they were satisfied.

“There are no big expectations but we are satisfied. I don’t know how it has changed our situation”

“Yes, but there could be much more followers and it could reach to much more people that it does now”

Furthermore, one respondent answered that social media provides them easy and cheap platform to communicate with customers and obtain reviews about their foods and services as their satisfaction part.

“Of course, I am satisfied. We can ask customer about feedbacks. Those are very difficult to approach if we do through the paper based media and if we do it through television it is expensive and we cannot afford it. I think currently, marketing available through Facebook is the cheapest way for small restaurants like us to move forward”

Time spent on social sites

Customers are keen to know new things about your business through social media. Being active in social media sites is equally significant for interacting with customers. Active in social media refers social engagement. An active presence in social media is significant to every successful

marketing method. (Seek Visibility 2016, cited 04.05.2017.) Two-third (67%) of the respondents (appendix 1, question 10) mentioned that they update contents in social media once a week and one-third (33%) of them 1-3 times a week. All the restaurants spend thirty minutes to two hours per week in their social media sites. Moreover, 50% were communication and marketing responsible persons, 33% were owners of restaurants and 17% other employees who were making updates in social sites.

Pictures and videos of food, premises, happenings, articles and additional information related to food are the stuffs restaurants were updating based on interviews. Furthermore, 67% of the respondents agreed that they respond to their customers daily.

State after updated contents

Energetic, updated and efficient appearance in social media sites found to have positive impact among potential customers. It has also contributed to attract new customers as well and contributed in sales of business. Based on the responses from question 11 (appendix 1), 33.33% of the respondents agreed that updated contents and consistency in social media subsidises in attracting customers by conveying information.

“It is efficient and quick way to reach your customers”

“Customer gets attracted as we are new. People wants to know new restaurants and new food. Facebook is a good way to approach”

Half of the respondents mentioned that updating contents like discount offers and updated info's in social sites helps to increase sales and bookings in the restaurants (where 16.67% revealed that it increases their popularity among social sites like Facebook). Additionally, 16.67% respondents were undecided how that act has affected their business.

“It is difficult to say. To be honest I really do not know. I don't have anything that make it clear”

Competitor

Marketing strategy includes measuring competitor's performance. Social media sites have introduced modest way to track your competitors through social sites. One of the way to leverage social media tools is by analysing and tracking competitors (Appendix 1, question 12).

“You should know what is happening around and we put an eye what price range they are giving, what kind of food they are selling, are there any secret discounts because many times it is found that lot of restaurants give secret discounts which is not mentioned in the websites and social sites. I keep an eye what kind of information they are publishing in social sites. So, that’s the master of any business”. (Mallick, interview 13.03.2017.)

All the respondents were aware about their competitors. Regardless, two-third (67%) of the respondents were following their competitors where 50% of them were following through social media and 17% of them as an individual customer. Likewise, one-third (33%) of respondents were not following their competitors.

“We just concentrate on our own, that’ how we get success because we need to do different and we do not need to follow anyone”

Feedbacks

Customer satisfaction is another crucial portion. Good place and decent atmosphere is not only the thing customer needs but also quality of food and services. Therefore, respondents were asked if they were using feedbacks received from customers on their business (Appendix 1, question 13). 67% mentioned that they were using feedbacks to influence their work and improve the quality of service to satisfy customers need along with tasty food. Nevertheless, they are not really changing any kind of menus instead they prefer to clarify their customers how the food is processed with ingredients. Likewise, 33% were just following the reviews carefully and responding them.

Furthermore, 67% of the respondents were receiving negative feedbacks related to missing foods and poor service. They were compensating by offering gift cards with apologies by responding them politely or by replacing the food. 33% of them stated that they are mostly receiving positive feedbacks and they are just following them. Similarly, 33% of them were ignoring the bad reviews as the language was very bad and they believe those feedbacks to be biased. Likewise, 17% were asking feedbacks from customer directly on their premises.

Change of social media in future

Respectively, researcher query the respondents if they want to change the use of social media in future (Appendix 1, question 14). Two-third (67%) of respondents mentioned they do not want to change the use. Similarly, one-third (33%) of them agreed to expand their social networking sites

by being active in other social sites (Instagram and Twitter) whereas 17% of respondent mentioned that their restaurant is popular among locals so they do not need to change the use of social sites in future.

Quantitative part

The last part of the questionnaire (appendix 1) is focused on analysing social media in restaurants through quantitative research method. Hence three questions were asked to the respondents to know their opinion about social media in restaurant business.

From figure 8, it is seen that all the respondents approve on the fact that social media is dominating tool in marketing. The survey carried out amongst 6 restaurants of Oulu region showed that all the restaurants are prioritizing social media as a leading way for carrying out marketing. Among them, 33% of the respondents strongly agree and 67% agrees social media marketing to be an overriding means for marketing compared to traditional marketing process.

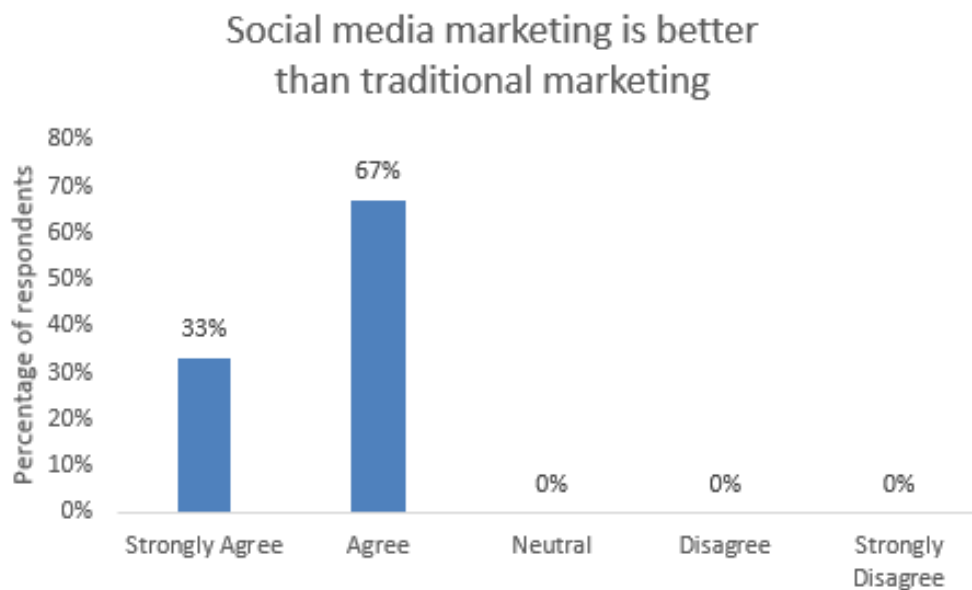


FIGURE 8. Responses of social media marketing is better than other traditional marketing in today's restaurant business (n=6).

Furthermore, researcher aims to examine how social media can improve customer satisfaction and product recommendation hence the respondents were asked to illustrate their opinions regarding social media in improving customer satisfaction. Half of the respondents agrees and 33% of the

respondents strongly agree on the fact. Moreover, 17% of the respondents were not sure if social media could improve customer satisfaction and product recommendation.

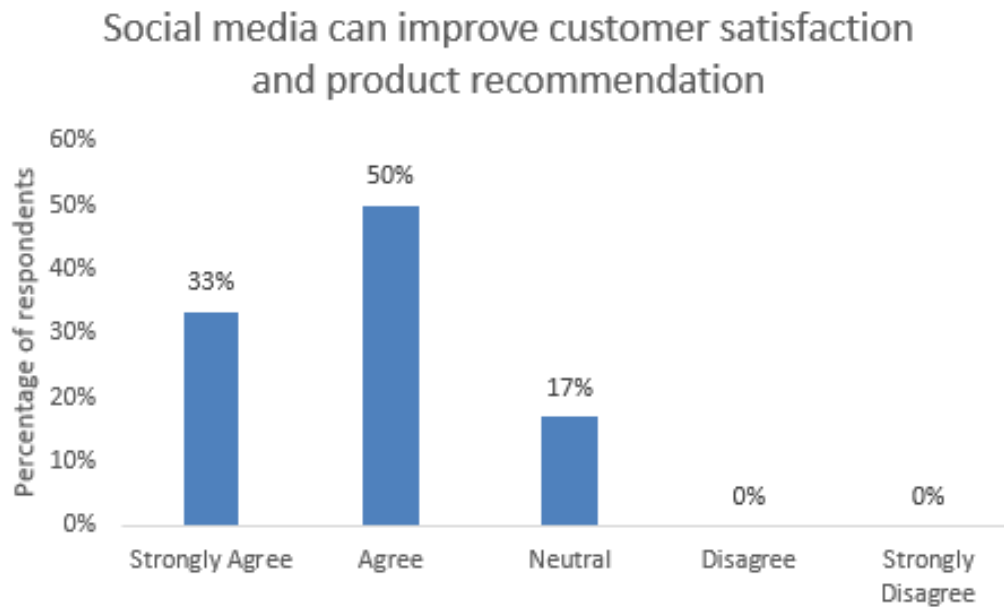


FIGURE 9. Responses of social media can improve customer satisfaction and product recommendation (n=6).

Finally, researcher's intention was to discover the opinions concerning negative reviews in social media affecting business (sales, decrease in flow of customer) or not. Later, it was revealed that, half of the respondents agreed on the fact that negative reviews in social media can affect business. Furthermore, 16.67% of the respondents strongly agreed and 16.67% were undecided. 16.67% of the respondents disagreed that negative reviews can affect business. The illustration is shown in figure 10.

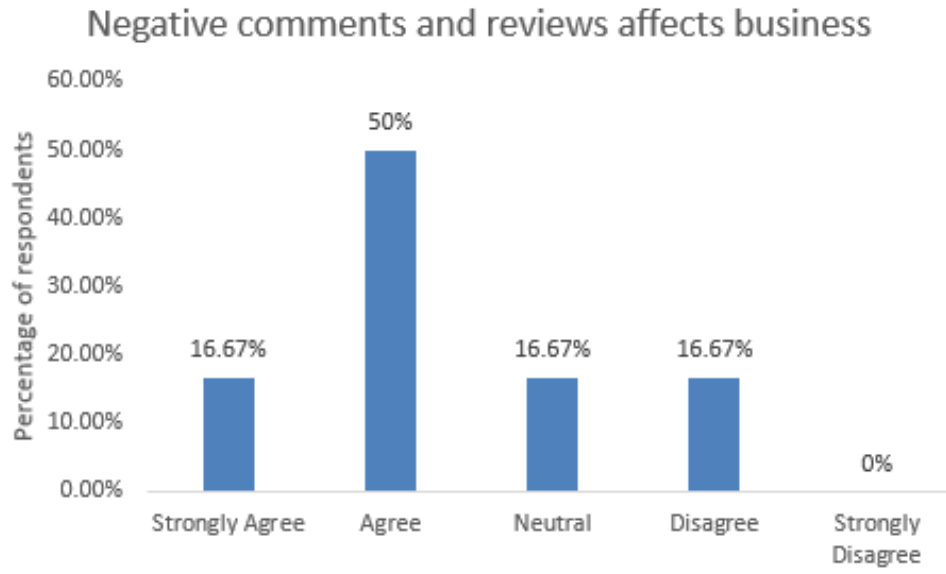


FIGURE 10. Responses of negative comments and reviews in social media effects business (n=6).

8 CONCLUSION

Social media is a significant platform for every business to make a rise in competitive environment. It provides crucial tool to seek out potential customers as well as new customers towards any business. Along with the popularity, social media has dominated the traditional ways of marketing methods.

The objective of this research was to inspect impacts of social media in business and how it is influencing business. Additionally, Oulu based restaurants were chosen for conducting survey. Forty-three restaurants were contacted and six of them were interviewed by means of F2F. The direct impact of social media has on sales and increase in flow of customers. Majority of the restaurant's (83%) customers has increased with clever use of social media.

Social media provides easy and cheap platform for small business like restaurants who want to pursue and advance their business in competitive environment. Results shows that Facebook is the most popular social network acknowledged amongst restaurants of Oulu. Similarly, it provides them an easy and cheap platform to reach thousands of people through Facebook marketing.

Restaurants are focusing more in social media marketing than in traditional marketing. WOM and eWOM are the earned medias by restaurants. Sharing foods and premises, offers and discounts in social media sites are the keys to attract customers. Social media has increased customer satisfaction with daily interaction with customers. Additionally, the time consumption in social media is quite low. The reason behind is the restaurants do not have any dedicated employee who is just responsible for handling social media sites.

Similarly, along with increment in sales and customers, social media has certain shortcomings. Negative reviews in social media leads businesses to face difficulties. 67% of respondents mentioned that negative feedback affects business. The main reason behind this is poor customer service and missing food ingredients. Restaurants were offering gift cards or apology in such cases and considering feedbacks to improve their service. Furthermore, 16.67% disagree and 16.67% neither agree nor disagree on the fact that negative reviews in social media affects business. Finally, results revealed that social media has impacted restaurant business positively by increasing their customers and sales with a sociable inexpensive platform.

Although the restaurants are publishing discounts or offers in their website and social media sites, they have not been using any kind of special apps for discounts. On the other hand, Wolt (food delivery service) has been launched in Oulu. Wolt acts as middle man service provider. Partnership with Wolt will subsidise to the sales of these small restaurant business of Oulu. A courier picks up food and delivers to customer in declared time. Wolt will eradicate the problems of hiring extra employee for delivering food (which exist in pizza online service) which will save both time and money by increasing the business potentials.

Restaurants were not undertaking any activities for left over foods. ResQ app would be great platform for them to offer food in cheaper price. This act will fulfil someone's appetite and will contribute to their sales instead of throwing perfectly healthy food in trash. Customer's get qualitative inexpensive food at low price through ResQ app. Efficient utilization of this platform helps to attract more customers which is well-organized marketing tactic. Restaurants could show themselves that they care about sustainability. For start-ups, this app can provide fascinating technique to expand, boost brands and penetrate market along with saving food.

9 DISCUSSION

Social media are online communication channel with worldwide connectivity. The acceptance rate of social media has increased rapidly during short span of time. Social media has now dominated all the traditional ways of media. Facebook remains the most dominant and widely used worldwide social network.

Although social media has both positive and negative aspects, proper utilization can bring desired business goals. Identifying target customers is the significant part before conducting business. Majority of the respondents in this research fails to identify their target customers. They could have achieved more turnover than they had at present situation.

This research was based on my interest towards social media and it's marketing. Finally, I decided to start thesis on similar topic and restaurants of Oulu region was chosen for conducting research. During the thesis process, I have learned many things regarding social media, its history, marketing strategies of social media and how social media has dominated traditional media. The powerful impact of word of mouth traditionally and using social media is more beyond my expectation and I am happy to reveal more about it through this thesis. These developed skills will support me in my professional life as I want to continue my professional career in marketing and communication.

During the research process of my thesis, I had some difficulties. I was not able to interview the owner of the restaurants as planned because I did not get response of my email in time. As it is a vague subject matter, enormous number of information's are available in internet which put me in so much dilemma. It would not be possible without the guidance and supervision of my supervisor which also has improved my information screening ability.

This thesis has been hindered by some factors as the research focuses only on small sized businesses of Oulu. Small number of respondents affects the quality of research. Language barrier could be another reason as researcher is not fluent in Finnish language. For future research purposes, it would be more specific to organize research where there is possibility of considerable number of respondents to bring quality of result. Social media has many possibilities for future research in any field. The change in social networks is fast. Every now and then new social site arises and others extinct.

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1. Age of restaurant
2. Size of restaurant (number of employees)
3. Who are your target customers?
4. What kind of marketing strategy have you used to promote your restaurant?
5. Does that strategy have changed your situation?
6. Which social media network your restaurant is using?
7. How do you use that social media tool?
8. Why do you choose that social media?
9. Are you satisfied to use that social media? How?
10. How often your restaurant updates content in social media. How many hours in a week it takes to make the updates? Who makes the updates? What kind of contents you have in restaurant's social media?
11. Has it made any good changes and helped in attracting your customers? How?
12. Do you know your competitor and their activities? How are they using social media?
13. Do you use the feedbacks you got from social media to improvise your restaurant food and services? How are you implementing those feedbacks?
14. Would you like to change the use of social media in future?
15. Social media marketing is better than other traditional marketing in today's restaurant business.
 - a. Strongly agree
 - b. Agree
 - c. Neutral
 - d. Disagree

e. Strongly Disagree

16. Social media can improve customer satisfaction and product recommendation.

a. Strongly agree

b. Agree

c. Neutral

d. Disagree

e. Strongly disagree

17. Negative comments and review in social media can decrease or affects the restaurant business.

a. Strongly agree

b. Agree

c. Neutral

d. Disagree

e. Strongly disagree