

Sharing is the Name of the Game: B2B Social Media Customer Engagement in the Life Sciences industry

Dr Diana Fandel (Gulf State University Florida)

Dr Susan Rose, Dr Anastasiya Saraeva, Dr Anne Dibley (HCCM @Henley Business School)

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Introduction

This paper provides a short summary of research presented at the Henley Centre for Customer Management workshop in April 2021.

The work has been published in the Industrial Marketing Management journal and access to the full article is available at: <https://centaur.reading.ac.uk/95458/>

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Henley Business School
Greenlands
Henley-on-Thames
Oxfordshire
RG9 3AU

henley.ac.uk/hccm

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Background to the Research

The theme of the research study was how the use of social media by B2B firms is enabling customer relationship building. Whilst the adoption of social media in consumer markets is now strong, firms in B2B markets have been slower to recognize how this may be used to engage with customers. Figures show that 45% of social media activity is now by professionals using it for business purposes ([GlobalWeb Index Report 2019](#)) so clear evidence of SM now solidly in use in the business context.

SM allows faster more efficient interactions with customers as well as other stakeholders such as suppliers, partners, distributors, agencies, or employees and can help to build deeper relationship. The study focused on how social media can be used to build B2B relationships by building trust and loyalty which are the core elements of effective relationships. Customer engagement can be viewed as the continuous individual interactions that a customer has with another firm. The interactions may be direct (a sales meeting) or indirect (viewing the firm's website) but importantly are selected by the customer. Over time this continuous engagement becomes the customer experience which can be defined as "how a customer feels about a company over time" (Paul Greenberg).

Our case example today gives us insight into how a US life sciences company is using social media to interact and engage with customers in order to enhance customer experience. We particularly investigated the effects upon trust and loyalty.

The Role of Social Media in B2B

Social media can be used by the firm to support four key business processes:

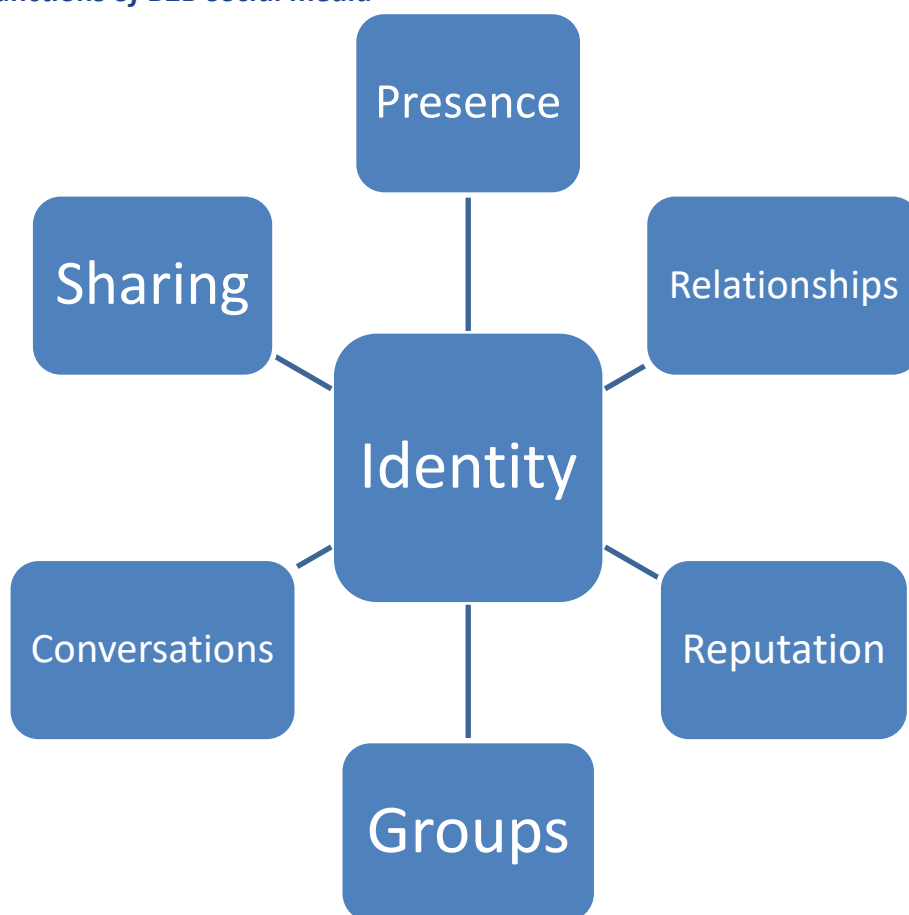
- Marketing and Communications
- Sales Management and business development
- Co-creation of value to enhance the customer's buying and/or consumption experience
- Wider stakeholder relationship management

B2B social media activities may include:

- Webinars
- Blogs
- brand hosted customer or employee community platforms
- 3rd party hosted B2B online communities, or;
- branded pages on public platforms such as LinkedIn or Twitter

Social media has been found to provide a number of benefits to customer relationships. In a B2B context, social media enables conversations between customers at group level that aid the sharing of information, knowledge and experiences. This may be between the firm and customer and/or customer to customer. It functions effectively depending on the extent to which users are willing to exchange/share information; be present; build relationships; hold conversations; form community groups; understand the reputation and standing of others; and most importantly identify and reveal themselves to others (Kietzmann et al, 2011).

Figure 1 *The functions of B2B social media*



(Adapted from Kietzmann et al, 2011)

Social Media, Trust and Loyalty

Trust has been defined as “a willingness to rely on an exchange partner in whom one has confidence” (Moorman, Deshpande and Zaltman, 1993:82). It is the ability of one party to rely on another. Four building blocks of trust in B2B relationships have been identified which include:

- Vendor credibility
- Customer confidence in the vendor
- Vendor benevolence
- Customer willingness to be vulnerable

Social media can be an important source of evidence of vendor expertise and competencies which leads to credibility and confidence in the eyes of the customer. Social media enables customers to assess trustworthiness via interactions with both the firm and other customers and be able to see expertise and competency in action (Zhang & Li, 2019). Trust building digital activities in particular include showcasing products; providing service reviews; sharing customer testimonials; providing expert opinion and guidance; enabling customers to share experiences of the firm; demonstrating goodwill and shared beliefs and values; providing a caring and supportive customer community.

Customer loyalty is a key outcome of relationship building. It can be viewed as behavioural (what customers do) or attitudinal (how they feel). Behavioural loyalty is tangible and overt such as repeat purchasing; contract renewal; or they may advocate and/or recommend the firm (f2f or on social media). Loyalty is intangible. It is how the customer feels and their attitude towards the firm, and whether they want to support the firm. Attitudes in particular drive advocacy.

Research Aims

The three research aims identified were:

- Identify what aspects of a firm's B2B social media communication practices are influencing trust in customer relationships
- Demonstrate that a firm's SM activities with their customers are creating trust and loyalty
- Understand the link between trust and loyalty in B2B social media

The Research Study

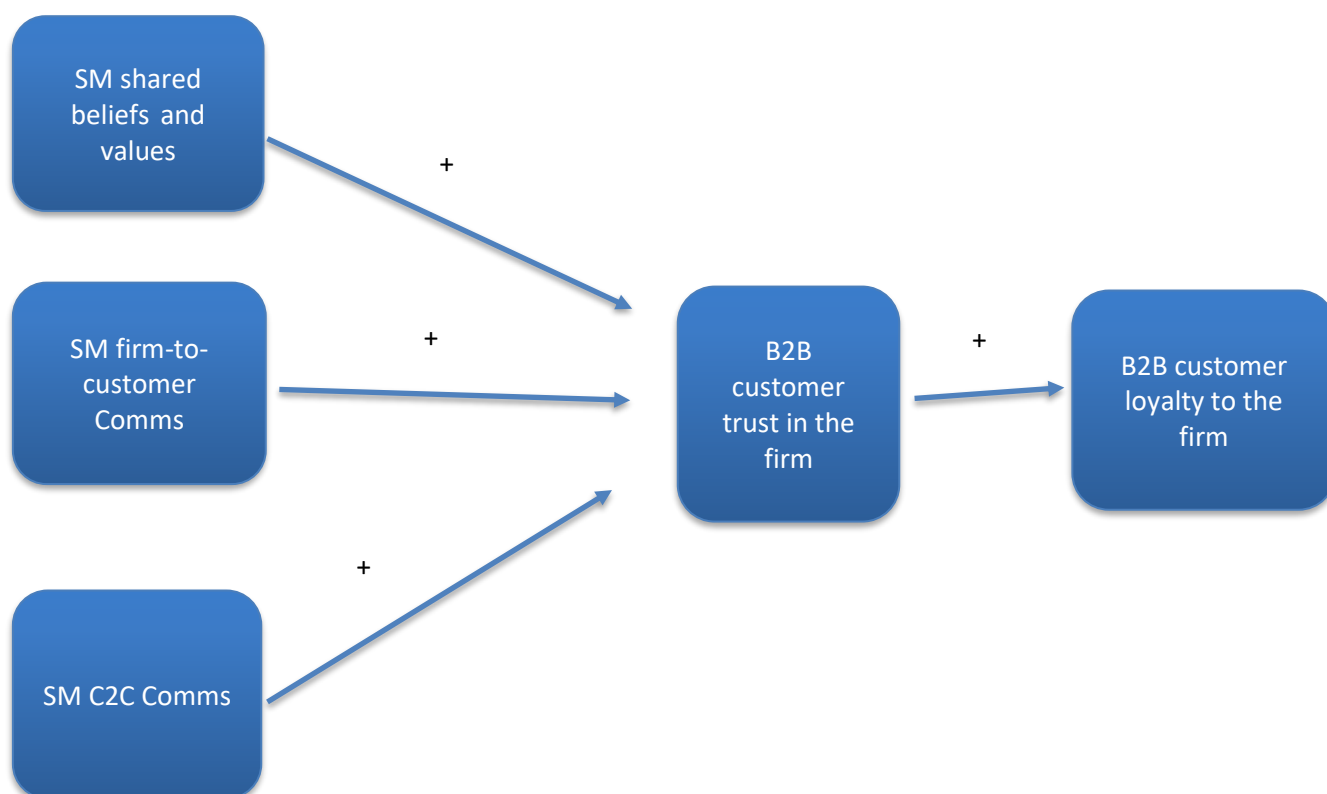
The research study took place in a US Life Sciences firm. B2B marketing recognizes that a key difference to consumer marketing is the larger number of individuals involved in the decision to buy as well as the use of the products or services. We were interested to investigate customers of the firm who were using the firm's social media and who were users of the products they sold. A total of 196 customers took part who were from a range of industries including Pharmaceuticals, Healthcare, Hospitals & Medical Practices and

Forensics Laboratories. Their roles included lab technicians, forensic scientists, doctors and scientists. All were using social media to engage with the firm. An online survey was distributed to the customers which explored both their social media behaviours, attitudes and levels of trust and loyalty.

Key Findings

The model shown at Figure 2 was developed and tested by the study as a representation of the relationship between antecedent social media activities and their effects on customer trust and loyalty.

Figure 2: A Model of the effects of B2B social media activities upon trust and loyalty



The findings indicate that:

- Three social media practices by the firm were influencing customers' trust in the firm. These were:
 - That the customer and firm shared the same values and beliefs as demonstrated through social media i.e. whether the statements made (for example during the Covid-19 pandemic) aligned to the values of the customer;
 - That the firm communicated with the customer, in particular the nature of the communication and openness to sharing information and experiences;
 - That the firm provided the opportunity for customers to engage with other customers (C2C) about their experiences of the firm
- Of the three practices, firm-to-customer communication had the strongest effect on trust in the brand

- Trust was found to mediate between the social media practices and loyalty i.e. is a pre-requisite for loyalty. The only exception was 'shared beliefs' where it was found it can directly affect loyalty without the presence of trust. This suggests that customers will support a brand that aligns to their beliefs and values without building up feelings of trust over time
- Trust can take occur at different levels in the social media context. Customers may have trust in the firm brand as well as feeling trust in the customer community itself. Previous work by Bruhn et al, (2014) had found that brand trust positively affects C2C level trust (if I trust the brand then I trust the customer community). Our study found a reverse effect that C2C level trust can also have a direct and positive effect on the customer's trust in the brand. This finding suggest that C2C communications are important as they can be a valuable tool to boost e-Word-of-Mouth and enable stronger levels of trust between vendor and B2B customer

Managerial Implications

A number of managerial implications are identified from this study:

1. For B2B firms using social media as a two-way communication with customers is an effective way to influence both trust and loyalty. This can be achieved by building customer communities online. So B2B firms should feel encouraged to engage in social media customer communication and allocate resources to develop the knowledge and skills within digital marketing teams to adapt to this form of customer engagement.
2. Given the two-way effect of trust at both brand and community level, B2B firms should continue to build trust via customer activities both within and outside social media. Social media is not a substitute for existing forms of customer engagement practices but rather an important additional to traditional communication practices such as direct f2f sales interactions. Re-balance of resources across digital and non-digital channels becomes relevant
3. Third, the importance of shared beliefs about social media practices indicates that firms should be known not only for what they say in their social media messages, but also what they stand for in terms of why and how they use social media. Firms should be aware of what is communicated (Is it informative to the customer? Does it help them to do their job?); how it is communicated (Does it make sense to them? – which may be important in a highly technical or complex field); and is SM used fairly (Do I have an opportunity as a customer to give feedback?)? As customers judge firms by their behaviour (offline and online) and then infer from that what they stand for and
4. B2B firms should be aware of the increasing importance given to online messages. Social media activities should be given senior level accountability and recognised as a core element of customer engagement

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The primary objective of the Henley Centre for Customer Management is to promote customer focus and service excellence best practice through observing practice in leading companies and distilling this into useful, easy to digest knowledge that helps members to improve their own customer management and customer service plans and implementations.

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The Henley Centre for Customer Management is supported by members representing a diverse range of organisations.

Each year, the Centre aims to attract a diverse membership of up to 10 organisations, each a leader in their sector.

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- Co-op
- GlaxoSmithKline
- Mercedes Benz Financial Services
- Simplyhealth
- TENERITY
- Vauxhall Finance

Centre contacts

Director

Professor Moira Clark

01491 571494

moira.clark@henley.ac.uk

Executive Director

Tony Harrington

07815 938534

tony_harrington@btinternet.com

Research Director

Dr Andrew Myers

07831 589315

a.myers@reading.ac.uk

Client Relationship Executive

Daniel Wallace

+44(0)1491 418710

d.wallace@henley.ac.uk