SOCIAL MEDIA WITHIN GLOBAL LOGISTICS PROVIDERS: PERCEPTIONS FROM THE GENERATION X COHORT

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ABSTRACT

The rise of social media has significantly impacted organisations by providing the opportunity to market goods/services more cost effectively to a wider audience. It however appears that social media is not integrated into organisational strategy. Furthermore, employees from the Generation X cohort might show resistance to adopting social media as a marketing tool.

This study investigates social media use in two global logistics providers, specifically seen from the perspective of Generation X employees. An exploratory research design was followed by means of conducting a multiple-case study in the logistics sector. Data were collected by means of self-administered questionnaires. The adapted instrument, utilising a Likert-scale, measured perceptions of social media usage in terms of ease of use, usefulness, intention to use, actual use and integration with corporate strategy.

Results indicate Generation X employees perceive social media as a useful marketing tool, perceive social media as easy to use and indicated high intent to use social media. A lack of real social media strategies and lack of integration into corporate strategy was indicated. This paper also provides recommendations to enhance the benefits and effectiveness of social media usage.

1   INTRODUCTION

1.1   Background

Social Media (SM) has rapidly infiltrated organisations across the world. SM has also had an influence on an organisation's corporate strategy. Andrews (cited by Nickols, 2008) interprets corporate strategy as a company's combination of decisions that are constituted by "its objectives, purpose or goals, produces the principal policies and plans for achieving those goals". Over and above this, a corporate strategy indicates the company's intended contributions to its various stakeholders.

The internet, along with SM, offers inexpensive and sophisticated instruments to companies for advertising, selling their products or services, promotion of the ideas and values of their company and communicating with customers all over the world, in a manner that is easy, effective and direct (Schiffman et al., 2010). The conventional use of the internet has progressively shifted from information dissemination, to commerce, and the ability to create, modify, share and discuss internet content. This shift has a significant ability to impact a firm's reputation and even survival (Sivertsen et al., 2013). However, Sivertsen et al. (2013) add that at an organisational-level, there still exists a lack of confidence in using SM. Although SM has undoubtedly opened a myriad of opportunities for businesses, these inevitably come with challenges and this holds especially true in the workplace through corporate strategy (Jones et al., 2007).

The impulsive and free-ranging charm of SM has been found to rest uneasy in a workplace setting. SM can be the cause of workplace issues, such as being perceived as a platform for self-promotion, and a need exists to effectively integrate SM into organisational structures (Bochenek & Blili, 2013). Dailey (2009) argues that the impact of SM on business and culture is rooted from two main factors, namely influence and engagement. The impact of incorporating SM causes a sense of uncertainty of this shared identity in an organisation (Burdge & Vanclay, 1996). This holds especially true amongst those born between 1965 and 1984, which can better be identified as the Generation X cohort (Harvard, 2010). Hauptmann and Steger (2013) explain that "different birth cohorts of employees adapt differently to the existence of new media in organisations and as a result, act differently towards social media". Generation X is accustomed to conventional types of technology, such as e-mail usage. This cohort seems to have failed to take the leap with evolving technologies into the SM era and are therefore less inclined to apply SM within their corporate strategy execution (Hauptmann & Steger, 2013). It is therefore worrying that a barrier exists in accepting SM within organisations (Martin & van Bavel, 2013).

1.2   Problem statement

The influence of social media significantly affects the current and future state of the South African business environment, mainly due to the rigidity of corporate strategies and growing role that social media holds in daily life. There is an apparent mismatch and lack of synergy within organisation's implementation of corporate strategy and social media. The problem lies in the lack of in-depth knowledge of the role of social media and its influence on formulating a successful corporate strategy. There further exists a gap in current literature linking social media to corporate strategy, specifically when viewed from the perspective of the Generation X cohort. This lack of literature determining the perception of social media and its influence on corporate strategy, viewed from the Generation X cohort in South Africa, also poses a challenge in forming a reliable conclusion on the topic.

1.3 Aim of Paper

This study aims to determine the influence social media has on the behaviour and attitude of Generation X employees towards corporate strategy. This objective will be achieved by critically analysing the influence social media has on a company's corporate strategy by means of an empirical analysis. Recommendations based on the empirical results will be proposed in order to successfully incorporate social media into an organisation's corporate strategy.

2 LITERATURE REVIEW

2.1 Corporate Strategy

Corporate strategy (CS) can be described as the structure and framework of an organisation. This framework, better known as strategic aspects, is made up of a sound vision, mission, values and objectives (Gamble et al., 2013). It is a pattern of judgements within a company that regulates and reveals its purpose. Additionally, it formulates and implements custom principals, policies and plans needed for achieving its purpose and goals (Nickols, 2008). Furthermore, a good CS "outlines the contribution it intends to make to its shareholders, employees, customers and community", so that these stakeholders can decide if it is adequate, ethical or aligned with their expectations (Steyn, 2002). Therefore, CS are developed in order to achieve competitive advantage and to focus attention either on identifying and promoting organisational strengths, or strengthening their weaknesses, and identifying both opportunities and threats (Porter, 1985). Anderson et al. (2008) explain that strategic priorities are more likely to be achieved when CS and the nature of employee composition, such as generational differences, are taken into account. Dreher (2014) concludes that CS needs to drive SM strategy in order for SM to be effective. Cilliers and Nagel (1994) explain that logistics companies have shifted away in their corporate strategies from focusing on turnover, to focusing on cost-effectiveness and productivity. Value creation took centre stage, as well as cost reduction and a focus on customer experience and value.

2.2 Generation X

Generation X employees are individuals born between 1965 and 1984 (Robinson, 2014). Klos (2009) argues that significant generational differences exist between Generation X, Baby Boomers and Millennials. While Baby Boomers are regarded as self-centred workaholics and Millennials as tech-savvy job-hoppers, Generation X is regarded as sceptical, cynical, questioning authority figures. This cohort's work ethic is "work to live" and not necessarily because of interest (Klos, 2009). These individuals are often described as the next generation of future managers, replacing ageing, tech-averse Baby Boomers. Generation X was raised in times of economic and political change and are regarded as highly cautious, conservative and self-reliant in nature and this reflects strongly in the workplace, particularly when compared to other birth cohorts (Sirias et al., 2007). Generation X appears to display difficulties in understanding SM and its terminology; its function and use; above all, realising that it is not something that can be learned once-off, but is rather a continuous learning process, as SM is always evolving (Leonardi & Treem, 2012).

2.3   Social Media

McGrath (2008) explains that technology affects almost every aspect of an individual's life. Brey (2006) adds that the Internet has fundamentally changed human culture, as well as commerce, and that these changes have not been fully grasped as yet. McGrath (2008) goes on to say that as much as the personal lives have changed, the business world has been revolutionised almost beyond recognition in the past few decades. SM is not a new concept, but is a sensation that is transforming communication (Carton, 2009). The Harvard Business Review (2010) supported that traditional methods of marketing and corporate strategies are being challenged, while new opportunities are being created to allow organisations to connect with their customers instantly and effectively, in an effort to better understand them. The key concept that is the building block of, and the reason for, SM's effectiveness is the change in patterns of communication between consumers and companies. Organisations have shifted their focus on talking 'with' and not 'at', the public. Latham et al. (2011) further say that the ultimate goal of this shift in communication is to develop and deepen the relationship between the organisation and the customer. These interactions with SM create a sense of trust and familiarity for consumers (Latham *et al*, 2011).

Developing new pathways of communication can serve as a tool to advance the interest of the business and to manage its risk (Chaher & Spellman, 2012). One of the most attractive aspects SM has to offer a company is its ability to increase awareness about the organisation, more effective target marketing, the opportunity to discover innovative ideas for new business prospects, drastic improvement of communication, and identifies how existing and potential customers perceive the brand and reputation of the organisation (Chaher & Spellman, 2012). Further, Dreher (2014) explains that SM has profound effects on organisations, such as allowing content to be created with more ease, and shared more rapidly amongst employees, who are now much more likely to collaborate. However, in the logistics industry concerns exist regarding SM, mainly due to an unclear business case and lack of integration into policy & strategy. Also, external partners are not ready/willing to use social media, which is proving difficult for the industry due to the extensive number of external partners each organisation holds (Fronetics, 2014).

In Africa, companies are progressively employing and administering SM strategies to better engage with their consumer target market (Deloitte, 2012). There are areas of concern where SM has been encountering problems (EMC, 2009). EMC (2009) mention that traditional businesses are resisting SM, something that cannot be ignored, due to SM's rising status (Mayfield, 2008). SM can be distracting for an employee if not used correctly; therefore it requires an investment of time and attention in order for it to be beneficial (Broughton et al., 2011). Also, information that was once confidential and safely stored, pre-social media, now runs the risk of being publically exposed in the case of a leak (Hauptmann & Steger 2013). It seems that, gradually, it will impact almost every role, at every kind of company, in all parts of the world. Bochenek and Blili (2013) argue that firms that embrace SM enjoy increased sales levels, improved strategic integration and better relationship with customers. Therefore, the true value of social business is where organisations have linked SM strategies to corporate strategies (Deloitte, 2012).

3   METHODOLOGY

3.1   Research Design & Sampling

This study utilised an exploratory research design. The study comprised of both primary and secondary sources which were used to collect information on SM and CS, from the perspective of Generation X employees. An empirical study formed the basis for collection from primary sources, while secondary sources comprised of literature on SM, CS and Generation X. The research was quantitative in nature as it made use of self-administered questionnaires to measure Generation X's perception of intra-organisational use of SM and CS within two organisations in the logistics industry. Theory was combined and analysed with the data obtained from the questionnaires.

The target population for this study focused on South African Generation X employees, at various levels of seniority, within the logistics industry. A multiple-case study approach was followed by sampling the head offices of DHL Express and TNT International Express, situated in Gauteng. A stratified sampling approach was followed in the data collection process. The respondents were employed in various departments ranging from upper management to general employees, in the finance, sales and marketing, operations and supply chain, human resources and administration divisions.

3.2   Data Collection & Analysis

A structured, self-administered questionnaire was utilised. The developed measuring instrument was adapted from questionnaires developed by Lorenzo-Romero et al. (2013), Cohen (2011), and Su et al. (2013). The instrument was constructed according to three dimensions, measuring the employees' perceptions of the impact of social media on the conceptualisation of strategic activities, corporate culture, and value creation. These three dimensions were further split up into five sections, ranging from A to E. Section A was demographically oriented, whereas sections B-E posed a series of 32 statements. A six-point Likert scale was used to accurately gauge responses to these statements. A value of 1 indicated strong disagreement, while a value of 6 indicated strong agreement to a posed statement.

Descriptive statistics were used to analyse data for this study. Descriptive statistics were associated with frequency distributions and were used to summarise the captured data, mainly focusing on the mean, standard deviation, standard error and coefficient of variation. This allowed the researcher to highlight areas which provided valuable insight into the issue of SM use amongst the Generation X cohort, and associated impact on CS. A total of 100 questionnaires were distributed, of which 56 useable questionnaires were returned, resulting in a response rate of 56%. Due to the low number of responses and utilisation of a multiple-case study approach, results cannot be generalised for the entire logistics industry and should be regarded as context-bound.

4   FINDINGS

4.1   Demographics

TNT and DHL provided 35.7% and 64.3%, respectively, of the responses. 59% of respondents were female, while 41% were male. 15% of respondents indicated being born in 1981, followed by those who indicated being born in 1980 and 1982 (11%). Of the remaining respondents, 63% were born between 1967-1979, 1983 and 1984.

4.2   Descriptive Statistics

Table 1 provides a summary of the descriptive statistics calculated for this study. Means above 3 were recorded on each of the four constructs in the attitudes towards SM, corporate strategy concerns and Generation X cohort's outlook. This suggests that sampled Generation X employees perceive SM to be useful and easy to use.

Table 1: Descriptive statistics summary

SECTION	MEAN	STD. DEVIATION	STD. ERROR	COEFFICIENT OF VARIATION	SKEWNESS
PERCEIVED USEFULLNESS	4.4464	1.0891	0.1455	24.72%	-1.1805
PERCEIVED EASE OF USE	4.5938	0.9584	0.1281	20.95%	-0.7157
INTENTION TO USE	3.7455	1.2717	0.1685	36.16%	-0.0197
ACTUAL USE	4.333	1.3804	0.1993	36.58%	-0.8773
SM & CORP. STRATEGY	3.8679	1.1156	0.1498	30.35%	-0.4819

4.2.1   Perceived usefulness of Social Media

An overall mean of 4.44 was recorded for perceived usefulness of SM, thereby indicating that respondents viewed SM as useful for their organisation. Respondents indicated that the most useful component of SM is that it enables the organisation access to its important and useful information and improves job quality.
Respondents further indicated a strong positive sentiment towards SM. SM was perceived as allowing organisations to increase profits and proving useful in day-to-day activities.
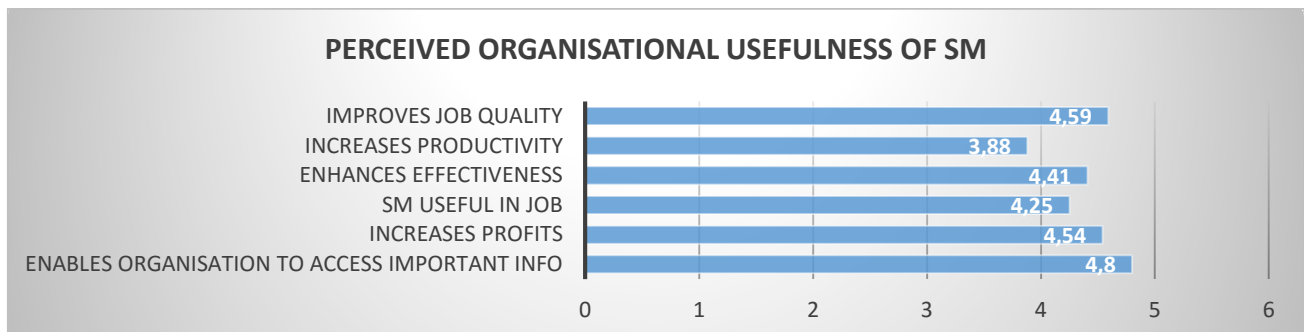

Figure 1: Perceived Usefulness

4.2.2 Perceived ease of use of Social Media

The overall mean for ease of use resulted to 4.59, thereby indicating a strong positive attitude towards the ease of using SM. Respondents indicated that they can use SM in their organisations without expert help, thus indicating SM being a tool that it not too complex for Generation X employees. A positive perception on the ease of use of SM and how it can benefit corporate strategy is prominent as this indicates that SM will not pose a challenge when it comes to employees becoming skillful in using it (mean = 4.75). The confidence in the use of such a tool provides many benefits for an organisation, as the company can now get SM to work for it in a strategic manner.

Respondents indicated that they would only develop favourable attitudes toward SM if SM tools were easy to use. This indicates that perceived ease of use is of significant importance to Generation X employees. On the contrary, it is important to keep in mind that SM would be rejected by Generation X employees if there was a lack of perceived usefulness, even if the technology was easy to use. Therefore the acceptance of SM is mainly reliant on employee perception of both its perceived ease of use and usefulness.
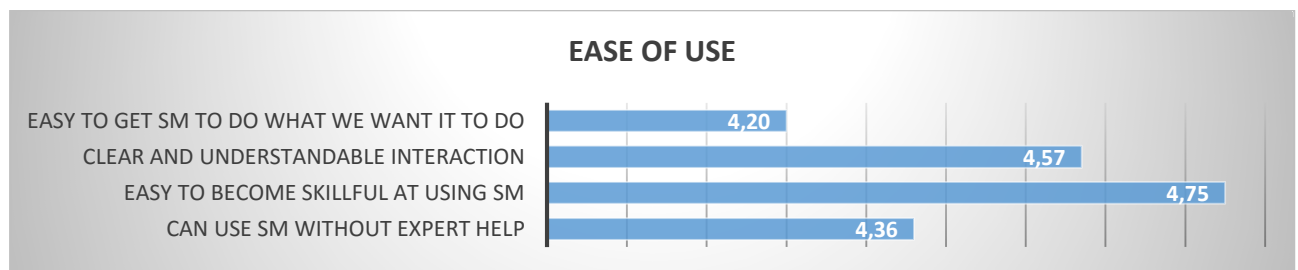

Figure 2: Perceived Ease of Use

4.2.3 Intention and actual use of Social Media

Respondents highlighted various elements of SM that are the reason for it's existence in the workplace. A strong agreement is prevalent that SM will increase an organisation's ability to compete and that it provides useful information for strategic decisions. SM is also felt to improve communication within an organisation. It should also be highlighted that respondents feel that SM should be used to attain corporate strategy. Respondents feel strongly about recommending SM as a tool to others and will continue to use it in the future, indicated by an overall mean of 4.16.
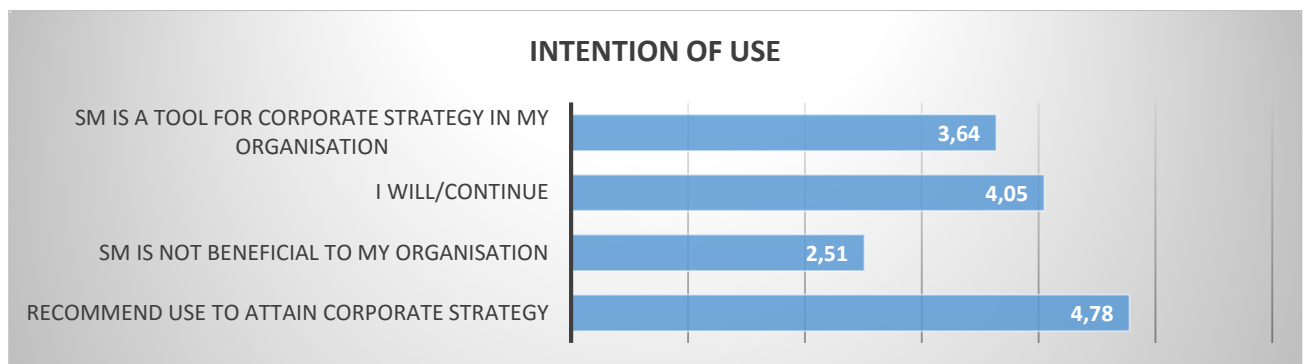

Figure 3: Intention of Use

Results indicate that perceived usefulness of SM within the organisation is high, however the majority of respondents use SM outside of the workplace, with only 40% of Generation X employees using SM in their daily functions. This finding could indicate an organisation's ineffectiveness in the implementation of SM and the lack an established relationship between CS and SM. Findings further indicate that the sampled Generation X cohort clearly understand, have used and benefited from SM in their personal lives, but do not carry this use over into the workplace as it is not expected or structured correctly.

4.2.4   Corporate Strategy & Social Media

Respondents in the two organisations perceive the information gained from SM differently. This could be attributed due to differing internal SM strategies. Both organisations find the information provided by SM as beneficial in attaining CS. SM is perceived as a strong tool to analyse competitors and is regarded as more trusted than traditional media.
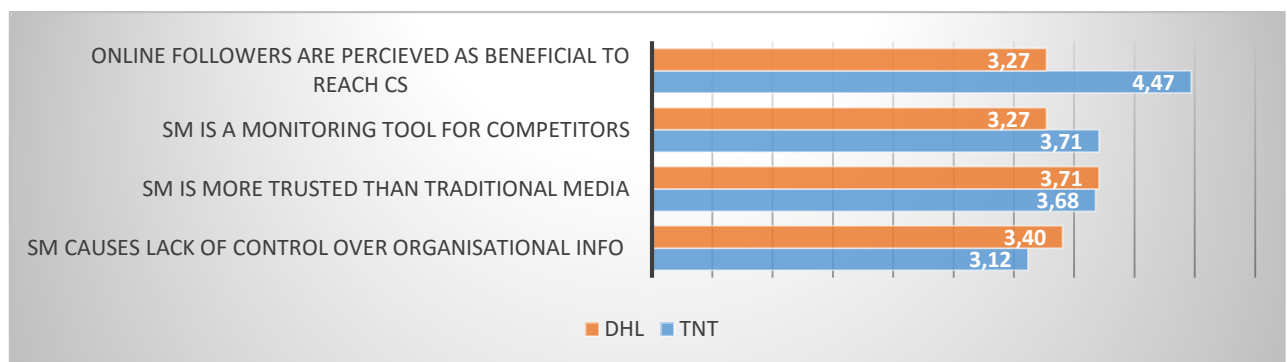

Figure 4: Information generated from Social Media usage

Respondents indicated a strong understanding of what their organisation's CS entails. There is however a much lower level of knowledge of the company's SM strategy, which seems not to be incorporated into the organisation's vision and mission statement. Figure 4 indicates that SM is perceived as a differentiator in the industry, there however exists a failure to link SM to corporate strategy. As depicted in Figure 5, the sampled organisations strongly indicated their lack of integration and use of SM in their daily functions (mean of 2.7), thereby indicating that these areas are treated as stand-alone subjects. Respondents further indicated that an organisation could make use of SM more in its daily functions, as indicated by the mean of 4.56.
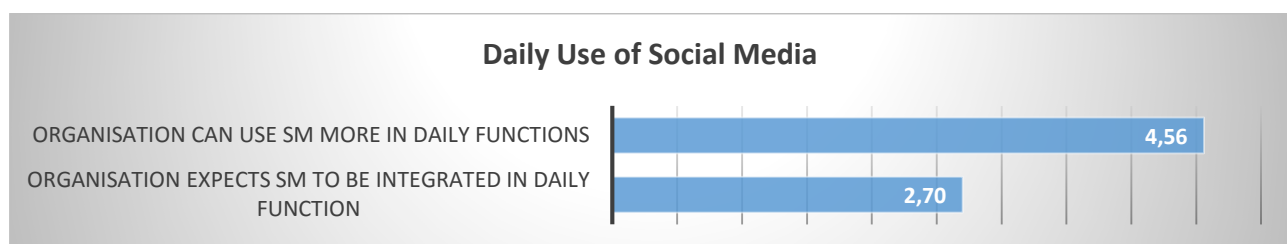

Figure 5: Social Media daily use

Results further indicate that few of the Generation X respondents feel that the activities related to the execution of a corporate strategy are yet to be integrated with the SM strategy. Results further indicated a lack of organisational policy towards the effective use of SM in the workplace. Respondents were furthermore not aware of SM contingency plans. There seems to exist a lack of interest or information within an organisation that sees the potential value of the implementation of SM to enhance the corporate strategy. This points to a mismatch in the sampled organisations.

5   CONCLUSIONS & RECOMMENDATIONS

SM provides organisations with the opportunity to interact with its target market by means of two-way communication. This can reveal not only important consumer sentiment, but also valuable market information. Furthermore, through SM consumers have the ability to interact, review products and services and provide recommendations to others. The effective management of SM gives organisations the ability to spread positive word of mouth and thereby the ability to manage brand perceptions. This study therefore aimed to determine the influence SM has on the behaviour and attitude of Generation X towards corporate strategy. It should however be noted that as the study utilised a multiple case-study approach, that results can not necessarily be generalised for the entire logistics industry and are therefore context-bound.

Findings indicated a generally positive perception of SM, its ease of use and its usefulness amongst the respondents. Further, respondents indicated that their top management can implement SM as a strategic differentiator. However, respondents indicated that SM should be better integrated into daily operations. Also, there seems to be a lack of awareness around SM within organisations, particularly with regards to strategic integration. This finding is especially troubling as the benefits of SM seem apparent to respondents.

Executives in the logistics industry can therefore better integrate SM into their strategy by providing employees with knowledge around SM and extracting the benefits SM holds. Also, awareness around SM and its benefits needs to be created by organisational managers. As Generation X employees see value in SM and find it easy to use, executives may hold an advantage when furthering the role SM plays in organisations. Managers in the logistics industry should view SM as an opportunity to gather information and draw conclusions and insights from SM interactions. Managers should also encourage and ensure that Generation X has access to SM for work purposes, as respondents reported a higher usage of SM outside of the workplace. This could be attributed to organisations preventing access to SM during working hours, due to data confidentiality concerns, which could defeat the objective of furthering the internal adoption of SM. Managers could also provide SM training and institute a SM campaign to highlight the appropriate and effective use of SM in the workplace. The same effort, if not more, needs to be channelled into the professional use of SM to empower the organisation.

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