

**IMPROVING CUSTOMER RELATIONS THROUGH SOCIAL MEDIA  
MARKETING: THE CASE OF NADEE ONE ENTERPRISE**

**By**

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## ABSTRAK

Media sosial memainkan peranan yang semakin penting dalam pemasaran kontemporari. Oleh itu, ia adalah penting bagi perusahaan kecil dan sederhana (PKS) memahami dan menggunakan Facebook, Twitter dan laman web rangkaian sosial yang lain. Kepentingan media sosial juga telah mempengaruhi perkembangan perniagaan, di mana penggunaan media sosial akan dapat membantu untuk mengukuhkan pemasaran perniagaan. Oleh itu, usahawan pada masa kini perlu menguasai dan memahami penggunaan media sosial terutamanya untuk tujuan pemasaran. Ini kerana melalui media sosial, sesebuah perniagaan boleh meningkatkan permintaan produk atau perkhidmatan mereka dan juga boleh mengukuhkan hubungan dengan pelanggan mereka. Untuk tujuan itu, sesebuah perniagaan mesti mempunyai strategi dalam menggunakan media sosial sebagai medium pemasaran, terutamanya untuk meningkatkan hubungan dengan pelanggan dan mengembangkan perniagaan mereka. Malangnya, ramai PKS tidak mempunyai strategi yang betul apabila mula menggunakan media sosial dan keadaan ini akan memberi kesan kepada perniagaan dan perhubungan pelanggan. Tujuan kajian ini adalah untuk memahami bagaimana usahawan menggunakan media sosial dengan kaedah yang sesuai yang boleh meningkatkan hubungan dengan pelanggan mereka. Satu kajian kes di Nadee One Enterprise, salah satu syarikat di bawah agensi MARA akan dibentangkan, diikuti dengan mendalam temubual berkaitan dengan strategi yang diguna pakai oleh Nadee One Enterprise dalam pemasaran media sosial untuk meningkatkan hubungan mereka dengan pelanggan menjadi lebih baik. Keputusan kajian kes akan mendedahkan strategi yang berbeza digunakan oleh Nadee One Enterprise untuk membina dan mengekalkan hubungan dengan pelanggan mereka yang boleh membantu meningkatkan permintaan pelanggan pada produk mereka.

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**ABSTRACT**

Social media plays an increasingly important role in contemporary marketing. Therefore, it is important that small and medium enterprises (SMEs) to understand and use Facebook, Twitter and social networking site to another. The importance of social media has also influenced the development of the business, where the utilization of social media marketing will help to strengthen the business in the market. Therefore, entrepreneurs nowadays have to master and understand the use of social media primarily for marketing purposes. This is because through social media, businesses can increase demand for their products or services and can also strengthen relationships with their customers. For this purpose, apply to a business must have a strategy for using social media as a marketing medium, particularly to improve customer relationships and grow their business. Unfortunately, many SMEs do not have the right strategy when they start using social media and this will affect the business and customer relationships. The aim of this study was to understand how entrepreneurs use social media in an appropriate manner that can enhance relationships with their customers. A case study in Nadee One Enterprise, one of the company under MARA will be presented, followed by in-depth interviews in relation to the strategy adopted by Nadee One Enterprise in social media marketing to make their relationship with the customer. The results of case studies will reveal the different strategies used by Nadee One Enterprise to build and maintain relationships with their customers, which can help increase customer demand for their products.

# **CHAPTER 1**

## **INTRODUCTION**

### **1.0 Introduction**

Social networks help make companies more transparent, gaining trust and building credibility through communication with customers. At this age, before making a purchase, customers will find the necessary information about products using the search engine or social network. They get information not only about current offers, but also about the experience of other customers who have used a particular product.

Presence in social media is also important because it enables closer relationships with customers. The task of the experts is to create an environment that is hard to resist, which will attract people who are potential customers / users, depending on their thoughts and actions. If companies decide to venture into social media, it is important to know its advantages, and also risks that need to be faced. First of all, the most basic is to determine the direction in determining the marketing strategy further. This chapter provides a brief overview of the research will be carried out. This chapter will also focus on the background of the study, problem statement, research objective, research question and case issues.

## **1.1 Background to the study**

In a business, one important aspect is the marketing. It is because they have a major impact on business improvement. In the past, marketing has traditionally been done by giving focus to the broadcast press, radio, television, magazines and direct mail for a business to communicate directly with customers. However, changes in technology have given the evolution of new marketing methods to provide various forms of marketing methods more effectively to customers. One of the most popular method used today is marketing using social media. The use of social media can positively impact the business and also to increase the relationship between business and customer. Most businesses nowadays choose to use social media because it is easier and faster to reach customers. All the products advertised on social media will quickly grow because it spreads easily and can connect customers faster.

Social media has become a major factor in influencing various aspects of consumer behaviour, including awareness, access to information, opinions, attitudes, purchase behavior, and communication after purchase and evaluation (Mangold & Faulds, 2009). Business transactions conducted over the Internet can open up markets around the world, it can be easier to develop a business relationship on an ongoing basis. For example, if a business is in Malaysia, you probably will not have the opportunity to meet face-to-face with customers in other countries. While technologies such as video conferencing allows entrepreneurs to see the customer through a computer screen, it still does not have a personal touch to meet someone face to face. Marketing through social media played a very important role in creating a relationship between the company and customers.

The importance of marketing through social media has led many companies, especially Small and Medium entrepreneurs (SMEs) to use social media as a marketing tool, but there are many SMEs using social media strategy that is not appropriate and a lack of understanding on the use of social media as a marketing tool. Therefore, without a basic understanding of the advantages of social media and how to use it to engage customers led the company to lose important opportunities which can help entrepreneurs develop the business.

Nadee One Enterprise is a company that is doing business in the field of women's clothing and accessories. The company was founded on 18 April 2011 and operates in Seri Iskandar, Perak. In order to ensure that their products are always well received by customers, Nadee One Enterprise has always conduct marketing activities continued. In the early years, this companies were very active in marketing programs such as participating in the carnival and sales expo organized by various agencies, while they are also using their conventional approaches in marketing such as distributing leaflets, brochures and even advertise their products in local newspapers to ensure that the demand for their products increases.

The use of this method has been shown to increase demand for their products from consumers in the Iskandar Series only. To ensure their products known outside of Seri Iskandar, Nadee One Enterprise started using contemporary methods in their marketing strategies using social media as a marketing tool to market their products. This is because through the use of social media, they will be able to market their products more and not only focus on the market in Seri Iskandar. Nadee One Enterprise

began to actively use social media to market their products in mid-2012 to advertise their products using Facebook and Twitter. These methods have shown positive changes when many users from outside the Seri Iskandar aware of its existence. However, despite the well-known social media, the demand for their products do not show a positive increase. They received many inquiries from consumers about their products nationwide through Facebook and Twitter, but the number of consumers who buy their products did not increase and the situation did not cause the business performance showed high growth. The aim of this study was to identify the strategies used by Nadee One Enterprise when marketing a product or service through social media and also to create a social media platform as a way to interact with customers to obtain feedback on the product or service being offered. SME survey conducted by the Malaysian Communications and Multimedia Commission (MCMC) found that 49 per cent of SME owners are using social media to promote their products and communicate with customers for feedback after the sale, while 51 percent use social media to share their life status and their businesses to customers. (SKMM, 2014)

## **1.2 Problem Statement**

Nadee One Enterprise using social media as a marketing tool for the business carried on by them, but these companies do not have the understanding and skills in the use of social media. An error occurred mostly due to the perception of a company using social media to promote a product or service without thinking that social media can also be used to increase the relationship between companies and their customers. The relationship established through social media will ensure Nadee One Enterprise customers have the confidence to be more than a business and make it easier for

companies to follow up on the product or service offered. Today an entrepreneur who really struggle to get the attention of consumers in order to create competition forced the company to ensure that entrepreneurs seek alternative message they want to deliver to customers more quickly (Walsh & Lipinski, 2009). Social media marketing allows Nadee One Enterprise to engage in relationships end users timely and directly with a lower cost and higher efficiency level varies with the use of traditional means of communication. This makes social media is not only relevant for firms to large multinational corporations, but it is also relevant for small companies and medium-sized businesses and non-profit agencies and government (Kaplan & Haenlein, 2010).

The unique role of social media is when a customer can use to communicate with each other. It allows Nadee One Enterprise to have a device that can deliver a message to five million people if they are not satisfied or happy. On one hand, the role of social media also allows customers to interact with each other better than using traditional methods of oral communication. Although the company cannot continue to control the message a user-to-user, they have the ability to influence one another conversation with the user (Mangold & Fauld, 2009). The problems faced by Nadee One Enterprise today, even using social media as a marketing tool but they do not exploit the use of social media to ensure constant communication with customers. Lack of customer relationships that lead Nadee One Enterprise difficult to get feedback on products supplied to its customers and this will affect the business when the customer does not return to businesses to buy the product again. This issue has been given to business performance Nadee One Enterprise, where customers demand for their products has not increased and affected the sales of their products.



### **1.3 Research Objectives**

1. To identify the current problem faced by Nadee One Enterprise when using social media as a marketing tool.
2. To analyse strategies used by Nadee One Enterprise when using social media marketing to increase customer demand and to interact with customer.
3. To provide recommendations for Nadee One Enterprise to further improve their ability to meet customer demand and increase relationship with customer through social media.

### **1.4 Research Questions**

1. What are the current problems faced by Nadee One Enterprise when using social media as a marketing tools?
2. How does Nadee One Enterprise use social media as a marketing tool to increase customer demand and to interact with customers?

### **1.5 Case Issue**

This study was conducted to investigate the SMEs using social media in the marketing of products or services offered to customers as well as how the company improve customer relationships. The goal is to use social media to get information about how a business engage with consumers. This study provides a set of techniques for SMEs using social media strategies, analysis techniques and teaching techniques that can benefit others as well as increase customer demand for the products offered.

Issues that will be examined in the case study is the strategy used by Nadee One Enterprise in using social media as a marketing tool to increase customer demand and increase customer relationships. This issue was chosen because it is very relevant to the problems faced by Nadee One Enterprise using social media marketing into their business. The main issue encountered is customer demand for their products is still low eventhough their customers know the products they advertise in social media. In addition, other issues to be studied are how the use of social media can help Nadee One Enterprise to enhance their relationships with existing customers to ensure their customers remain loyal to use products produced by Nadee One Enterprise.

## **1.6 Organisation of the remaining chapters**

Chapter 1 : provides the introduction on the background for this case study and follow by problem statement, research objectives, question and also case issues.

Chapter 2 : provide literature review marketing, definition of SME, social media, customer relationship management (CRM), social media marketing, strategy, customer demand, targeting the right people and acceptance social media marketing.

Chapter 3 : describes the overall background industry

Chapter 4 : provide data collection methodology and the analysing tools that applying in this case study

Chapter 5 : provide the case write up regarding Nadee One Enterprise ability on meet the customer demand and how their strategy to increase customer relationships.

Chapter 6 : provide the case analysis to Nadee One Enterprise using SWOT analysis and Ishikawa diagram.

Chapter 7 : concludes with the recommendation to this case study.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

The literature review is text scientific papers that have been made by researchers before, it includes knowledge during the substantive findings, as well as contributions to the theory and methodology of a particular subject. In this study, a literature review will focus on marketing, definition of SMEs, social media, customer relationship management, social media marketing, strategy, customer demand, targeting the right people and acceptance of social media marketing.

#### **2.1 Marketing**

Marketing is a management process of where individual or group of meeting the needs and requirements through the production and conversion products and value amongst them. Marketing is human activity to meet the needs and requirements through the conversion process. Marketing is not just depictions of sales, but it involves matters such as the review before the sale of product quality, pricing by the percentage of costs, packaging, etc. Marketing very important activity for the safety and success of the business. Businesses today have more opportunities than ever before marketing (Bresciani & Eppler, 2010).

In a small business, marketing relies heavily on word-of-mouth recommendations for customer acquisition (Stokes & Lomax, 2002). Economy today, distinguished by

relations, technology and networks, some of the nice features of SME (Walsh & Lipinski, 2009). Marketing activities allow individuals and groups obtain what they need and want in the creation and exchange of each other. It not only covers the sale and promotion of trade but also several other activities. According to Nik Rahimah (2010), marketing activities undertaken must begin with an understanding of the market to meet the needs and requirements of users in order to form the exchange rate. This is important because it will affect the success of marketing activities.

Marketing activities are carried out based on the needs and requirements of the market have a greater opportunity to succeed than not based on an understanding of the market. Basically, the main purpose of marketing is to help firms identify the issue needs and requirements of target users. Accordingly, firms need to design a strategy appropriate to the needs of the market to generate the correct output and to coincide with the needs of the user at a reasonable price (Miller, 2001)

## **2.2 Definition of SME**

Definition of SME vary according to country and/or industry. Therefore, there is no universally accepted definition of SMEs. Various methods have been tried to be used to define SMEs, using criteria such as number of employee, sales volume, and the value of the property. Many research study have adopted the European Commission's definition of SMEs, whereby SMEs employee less than 250 people (Gilmore et al., 1999). However, In Malaysia SMEs are defined as having fewer than 200 employees (SME Corp, 2014). Literature reviewed for this study uses the definition of SMEs and are often used interchangeably. For the purposes of this study, the SMEs definition by

SME Corp will be used, however, SMEs will be identified with its original source where appropriate.

The performance of SMEs in Malaysia to attain increased despite unfavorable business environment. In 2013, GDP growth of SMEs indicate 6.3 percent increase compared to 2012, which accounted for 6 percent. SME growth exceeded overall GDP growth of 4.7 percent. The higher SMEs growth was reflected across all major economic sectors, mainly supported by strong domestic demand, led by both consumption and investment activities. In 2014, the growth momentum of SMEs is expected to be sustained (SME Corp, 2014). Domestic demand will continue to be the key driver of growth led mainly by private sector activities. From the point of view of SME marketing is a way to inform customers about the company, its products or services and also create customer relationships and controlled the relationship (Reijonen, 2010). With a number of sources in the present show that SMEs have a lot of marketing opportunities to them.

Despite the fact that SMEs have greater potential to increase their efficiency and productivity with adoption of information and communication technology (ICT) tools, the survey conducted by SME Corporation Malaysia showed that in reality, usage of these tools was still relatively low among Malaysian SMEs. This was true across all economic sectors and size of firms. Majority of the respondents use computers/ laptops or smartphones (92.6 per cent) and Internet services (33.3 per cent) but for personal purposes and not for business operations. Consistent with these findings, the Survey also revealed that only 7.6 per cent of the respondents were involved in online transactions. Of those involved, 74.7 per cent cited that online business saves cost and

58.9 per cent stated that it helps in increasing their business efficiency (SME Corp, 2014).

### **2.3 Social Media**

Social media is growing so rapidly and almost everyone uses a variety of social media nowadays. At the beginning of appearances, social media is very popular with the younger generation. Students have access to the Internet and open social network to communicate with their friends. Soon, there is Facebook and Twitter which until now has been a social media the number of active users in the world. If companies use Social Media to promote the existing business, based mainly online, make sure include a link to sales website. It was a big mistake in the social media marketing if do not do that. The aim is to ensure that those found in social media, the opportunity to see all that offer on website (Reyneke, Pitt, & Berthon, 2011).

Changes in the evolution of communication after forty years of existence television is the emergence of the Internet (Severin and Tankard, 2001). In a variety of new media, the Internet has been considered as one would pose a danger to individuals and society as a whole (Kraut, Patterson, Lundmark, Kiesler, Mukopadhyay & Scherlis, 1998) However, the use of internet is very important in the context of the communication of the new millennium, because the Internet offers a wide range of applications that simplifies the process of delivering and receiving information faster.

Social media is a group of Internet-based applications that are built on a foundation of ideology and technology of Web 2.0, and that allow the creation and exchange of user-

generated content (Kaplan and Haenlein 2010). Web 2.0 technology is the social web into a two-way communication between the client to respond to get and hear about their products. (Fournier and Avery, 2011). Customers and companies realize the importance of using the web to share, discuss and collaborate (Jones, 2010). Social media allows companies to engage customers with the right approach and the right time to connect with each other using a higher level of efficiency with the low cost compared with traditional communication methods. This makes social media is not only suitable for large companies, but for small companies (Kaplan & Haenlein, 2010).

Customer engagement in social media sites like Facebook, Instagram and Twitter is need friends or followers to comment and ask questions about a product. With the use of social media sites, customers will be able to know and understand what it means as well as the product can connect with customers. (Reyneke, et al, 2011). Entrepreneurs also can create new businesses and to encourage customer participation in their social media sites which allow them to stay connected to receive information on the business carried out by SMEs. Customer engagement is also important in ensuring effective communication between companies and customers benefit with which the good relationship will enable customers to be loyal to the company. This proves that social media is an important tool in the marketing strategy of a business (Reyneke, et al, 2011).

According to Evans (2008), Social media is a widespread communication between customer and company. They will talk about other products or services offered, especially for a common interest. Social Media is the dominant ideology as a partnership and the customer experience with the company in business that can



generate an increase in their relationships. Furthermore, the rapidly changing social media influences customers to continue to actively use social media to conduct the business of a part of their lives. This is because, in line with the rapidly developing technology makes social media continues to be the customer's choice and also to create a network of relations that brings benefits as well as meet the requirements of the joint.

#### **2.4 Customer Relationship Management (CRM)**

Customer Relationship Management (CRM) was introduced to improve the organization and customer relationship thus meet customer needs and expectations are rising. CRM is a holistic approach to service management through effective communication and interaction between organizations and their customers (Christy, Richard, & Penn, 2001). This approach focuses on the delivery of services based on customer needs where the customer is considered as individuals and not as a component in the process of service delivery. Customer engagement is also taken into account in designing the service so that the service offered to meet the needs and satisfaction.

CRM is a strategy for understanding customers and their needs in maximizing the interaction between customer and company. This is because through the use of existing technology will increase stronger ties to existing customers and attracting new customers. for that purpose, companies need to evaluate the effectiveness of marketing which is used in customer service. CRM allows companies to manage their customer relationships in an organized and strategic customer for the purpose of promoting actively involved in relationships that are created customer relationships and the

company will become more meaningful when companies apply the use of technology in developing marketing operations that can meet the needs of customers (Dowling, 2002).

Wide CRM system that existed before the method is simple to complex methods to manage for improving customer relationships in a business carried on. CRM system will be optional for companies in managing relationships built between the customer and the company. By using appropriate software will further enhance the CRM system is used. To strengthen the company's systems must integrate company information, policies, and strategies that have been designed so as to affect the customers involved in the communication system to be realized. This will make an enhanced communication features when incorporated communication technologies can improve customer relations (Christy, Richard, & Penn, 2001).

## **2.5 Social Media Marketing**

Social media marketing is a very effective way of marketing for the companies when applied in the right way. Services 'microblogging' is one example of social media marketing. What is most important is that users should get as many 'followers' as possible. Therefore, firms should always post updates as often as possible and always find new followers. In this way, firms not only can get the followers but also can even strengthen a close relationship with them. Marketing using social media is a technique that is very helpful to entrepreneurs who wish to market their products more readily. Using social media as marketing activities, the company can get new potential customers easily and they will also be able to increase sales because more people will

know about their product. Not only for the local market, but also for the international market is available with this social media presence.

Social media marketing is a strategy, technique, or process of getting traffic (visitors) website or attention through social media information as Twitter, Facebook, YouTube, and so on. Social media marketing programs are usually focused on creating content (posts, text, images, video) that can be attracts more attention and encourages customer to share content using their social networks channel. In short, social media marketing is the business of the company's marketing or public relations agencies to make text, images, video, graphics, or posting on social media account institutions in order to promote products / services (Lubis, 2010).

Social media marketing has led to a significant change in the use of strategies and tools for companies to communicate with their customers. Social media combines the features of traditional marketing in the form of a highly magnified by word-of-mouth in which marketing managers no longer control content and frequency of such information (Mangold & Faulds 2009). There are a way, however that companies also can influence in the discussion in a manner consistent with the mission of the organisation (Mangold & Faulds, 2009). Social media marketing also allows companies to achieve a better understanding of their customer needs to build effective relationships with them.

Social media marketing strategy should be to focus more on the customer rather than the product alone (Carlsson, 2010). Through social media marketing, every product must be submitted to customer needs and customer requirements. what is important is

when a product is marketed through social media customers to comment and provide immediate response to the product. social media marketing so frightening to the company when customers are free to comment, whether good or bad, and any comments made will affect the marketing strategies and social media will affect the relationship with the customer. In social media, companies are quite difficult to control the marketing of issued and if there are control weaknesses, it will cause problems to the company as per the content published in social media will be more easily spread as the number of users of social media are constantly increasing access and more Easy. By sending messages via social media will affect many aspects of consumer behaviour, such as awareness, consideration, collecting information, opinions, attitudes, purchasing decisions and votes after the acquisition. This situation demonstrated the ability to influence people effectively is the key qualities needed in marketing (Evans, 2008)

## **2.6 Strategy**

Without a strategy or goal, one company can not determine whether or not they get anything by what they earn, or just a waste of time. Entrepreneurs engaged in business without the right strategy which also reported less satisfaction with social media's ability to generate new leads. (Siagian, 2004) states that the strategy is a series of fundamental decisions and actions made by the top management and implemented by all levels of an organisation in order to achieve these goals. Strategy is a method to determine the direction and scope of an organization in the long run. It covers organizational configuration in use of resources in the environment and also to emphasize the market needs.

A business should have a plan when they decide to make use of social media in marketing their business. This is because the use of social media requires a variety of methods and the right strategy. If the strategy is right, it will affect the relationship with the customer. The use of social media in marketing encompasses various methods including social media monitoring, communication, feedback, customer service, promotion and customer engagement. (Business.com, 2010). Through social media, communication strategies with clients has changed. Companies that use social media to create long-term relationships with their clients if they have the right strategy. The tools used in social media such as forums, blogs, or chat rooms will be able to create an interactive dialogue for the company to engage with customers. However, at the same time, customers can generate information about the company and educate consumers about products, brands, services, and more.

Not all social media is the same. Entrepreneurs need to wisely choose according to different objectives with methods and strategies to respond to social media users (Weinberg & Pehlivan, 2011). The person in charge in a company should ensure that the strategy adopted by the use of social media taking into account the nature and uses of social media in the decision to carry out their marketing activities. There are two factors that explain variations in social media half-life of information and depth information about the company's marketing objectives, this is a factor that can be used to guide decision-making (Weinberg & Pehlivan 2011).

## 2.7 Customer Demand

Demand is describe a consumer desire, interest and willing to pay a price of product and services they desire to buy (Investopedia, 2015). Customer demand is the key factor to determine success of the organization or firm. The firm or organization need to ensure the ability of manufacturing and service operation able to responds with the changes on customer demand (Inda, Abu Bakar, & Rohaizat 2012). The firm also need to understand the customer demand before the try to selling their product, create future demand and meet the level of desired customer satisfaction (Walter, 2008). Close relationship with the customers can ensure the firm to have better access for forecast the market demand compare to their competitor (Song & Jinliang, 2009).

To build up close relationship with customers, firm need to have demand and dynamic capabilities. Demand and dynamic capabilities are the abilities to response to the multiple customer delivery time requirement, improving service effectively, customer requirement in terms of repair, installation and maintenance of product (Song & Jinliang, 2009). In addition (Oscar F. Bustinza Glenn C. Parry FerranVendrell-Herrero, 2013) also address that firm need to develop different consumer groups categorized by their attitude and engagement with customers is effective when firm concern on demand-supply chain connection. In capturing the larger group potential customer, the firm need to build up of their capabilities and resources and need to focusing on generating knowledge of current and near future customer through interactions with customer ( Maria Anne Skaates Veikko Seppänen, 2005).

Accurate demand information can ensure the target demand can be achieved by the firm. Firms need access to accurate demand information which enable the firm to synchronize their production with end-customer demand (Juha-Matti Lehtonen, Johanna Smaros and Jan Holmstrom, 2005). The firms also need to assess when they should invest in gaining access to downstream demand information and to estimate the information sources start accurately on end customer data for new product. Besides that also customer demand can increase the cost of operation of the firm. Customer demand can be prohibitively increase the cost of firm inventory on creating the final product because of the high customization by firm.

## **2.8 Targeting the right people**

The importance for entrepreneurs to develop their business using social media. In doing so, companies should determine their exact market segment. This means, in sending a message through social media, needed to target the right people to be their customers. Companies need to set specific target groups according to the type of product or service offered. To ensure this happens, companies should focus on the customers who have the passion and interest to their products or services. Entrepreneurs should accordingly be wise to divide the market in order to focus on the target consumer really handy to be able to give their businesses. To determine targeting the right customers, companies need to analyse their customer's identity by looking at the potential client and customer needs. One method of targeting the right customers, the company must initiate communication with a group of social media users who share your interests and goals in common with the company's goals. The ability to

influence, inform and has the power to attract customers to engage with the company (Wright, 2010).

It is also important for entrepreneurs to understand and pay attention to those who have the ability to influence others (Wright, 2010). While customers are people who basically can absorb the information provided by the company, does not mean that all of the information provided in social media will be absorbed by the customer. but this situation may change as the company can consistently determine the target person to be served such information. Normally, customers always need the best services from companies that do business with them, and of course the customer will choose the company which understands and recognizes them as a whole. to do so, companies must differentiate types of potential customers and no potential. This is important so that companies are not made the wrong decision in sending information to customers. if the information sent to the potential customers, the possibility of demand for their products or services will increase, but if they send a message to customers that in the category not potential customers, the message sent will not get a response from the customers.

## **2.9 Acceptance of social media marketing**

Technological developments have shown an increase in the acceptance of ICT in today's business world. Beginning with the acceptance of the Internet, it began to look to the medium for a more focused and private nature of e-mail technology. Then, through a process of technological transformation, social media seen as acceptable for the purposes of business continuity (Gunelius, 2011; "Share data on the Internet",



2012). Now, the acceptance of social media in business can be seen through a medium like Facebook, Twitter, YouTube, LinkedIn and blogs (Au, 2010; Gunelius, 2011). Infrastructure facilities provided by the government today has resulted in online access to the Internet is faster, cheaper and easier. Once, the Internet can only be accessed through personal computers.

After going through several phases of technological innovation, the Internet can now be accessed by the user at any time and anywhere through various mediums such as laptops, tablet computers and smartphones. As a result of such developments, access to social media sites are also on the rise, not only in Malaysia but throughout the world. The study by (Jonscher, 2011) also found that many SMEs that offer products or services via social networking sites such as Facebook, Twitter and YouTube in their marketing. Accordingly, the findings of (Lee, 2011) on the effects of social networks on technology acceptance in show business social networking site Facebook is the most widely accepted in the promotion and marketing of the product, followed by Twitter and YouTube. The findings (Au, 2010) found social media adoption in the market depends on the size of business organizations. Large-sized businesses are more accepting than the technological development of SME business. Social media today has clarified its role as a new marketing medium business organizations and sources of information to consumers (Akehurst, 2009; Jonscher, 2011).

## **2.10 Summary**

This chapter provides an overview of the literature related to the focus of this study. Topics covered include marketing, social media, customer relationship management,

social media marketing, strategy, customer demand, targeting the right people and acceptance social media marketing. Literature review will provide an initial understanding of how Nadee One Enterprise using social media to engage customers

## **CHAPTER 3**

### **INDUSTRY ANALYSIS**

#### **3.0 Textile and Apparel Industry**

The growth of textile and garment industry in Malaysia was growing rapidly in the early 1970s when the country embarked on export-oriented industrialization. With an export value of RM10.6 billion, the industry is the seventh largest contributor to the total manufacturing exports in 2006. There are 645 licensed companies that operates with an investment of RM8.1 billion. The industry employs over 68,000 workers (Lembaga Kemajuan Industri Malaysia (MIDA), 2013). The industry currently has a wide range of integrated activities of polymerization, spinning, texturizing, dyeing and finishing of yarns for weaving, knitting, dyeing, stamping and finishing of fabrics, to create clothing and textiles manufactured goods such as carpets, bed and tablecloths and rope. This industry also includes the manufacture of non-woven fabrics for personal care products, clothing, furniture and bedding as well as construction and engineering applications.

The textiles and apparel industry consists into four segments, namely primary textiles (polymerization, spinning, weaving, knitting and wetprocessing), made-up textiles, textiles and clothing accessories, and made-up garments. A total of 662 major companies are involved in the four segments of the industry, while approximately 1,000 SMEs are mainly in made up garments manufacturing. In 2008, the production index of the textiles segment increased by 8.6 per cent to 102.8 from 94.7 in 2007, while the production of the apparel segment decreased by 9.5 per cent to 102.5 from