CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

Executing a Social Media Marketing Plan to Increase Sales for a Catering Restaurant

A graduate project submitted in partial fulfillment of the requirements
Master of Science in Recreation Management
Tourism, Hospitality, and Travel Management

By
Henry Thaddeus Zenger

May 2015
The graduate project of Henry T Zenger is approved:

___________________________________________             ______________________
Professor Babette Shade                                                            Date

___________________________________________             ______________________
Dr. Jimmy Xie                                                                           Date

___________________________________________             ______________________
Dr. Joong-won Lee, Chair                                                             Date

California State University, Northridge
ACKNOWLEDGEMENTS

I sincerely thank my project committee members, Professor Babette Shade and Dr. Jimmy Xie, my committee chair, Dr. Joon-Won Lee, and my graduate coordinator, Dr. Mechelle Best for their support and valuable guidance. Without their professional and unconditional support, I would undoubtedly fail to achieve the success that I have accomplished in this graduate project to date. I would also like to thank my parents and friends for their love, encouragement and inspiration.
TABLE OF CONTENTS

SIGNATURE PAGE .............................................................................................................................. ii
ACKNOWLEDGEMENTS ....................................................................................................................... iii
LIST OF TABLES ................................................................................................................................. v
ABSTRACT ........................................................................................................................................ vi

CHAPTER 1: INTRODUCTION ........................................................................................................ 1
  1.1 Background .......................................................................................................................... 1
  1.2 Statement of Purpose ......................................................................................................... 2
  1.3 Project Research Questions ............................................................................................... 2
  1.4 Significance of This Project ............................................................................................... 2
  1.5 Definitions .......................................................................................................................... 3
  1.6 Chapter Summary .............................................................................................................. 4

CHAPTER 2: LITERATURE REVIEW .......................................................................................... 6
  2.1 Off-Premise Catering ....................................................................................................... 7
  2.2 Conventional Marketing Strategies of Off-Premise Catering Businesses ....................... 8
  2.3 Social Media Marketing Challenges .............................................................................. 8
  2.4 Best Practices in Social Media Marketing ..................................................................... 9
  2.5 Variations of Social Media Marketing Platforms .......................................................... 11
  2.6 Chapter Summary ........................................................................................................... 14

CHAPTER 3: FRAMEWORK AND METHODOLOGY .............................................................. 15
  3.1 Project Strategy ............................................................................................................... 15
  3.2 Data Collection ............................................................................................................... 16
  3.3 Data Collection ............................................................................................................... 17
  3.4 Chapter Summary ........................................................................................................... 17

CHAPTER 4: RESULTS ............................................................................................................... 18
  4.1 Interview Questions ....................................................................................................... 18
  4.2 Conducting the Interview ............................................................................................... 19
  4.3 Data Analysis ................................................................................................................... 19
  4.4 Chapter Summary ........................................................................................................... 21

CHAPTER 5: DISCUSSION .......................................................................................................... 23
  5.1 Limitations ..................................................................................................................... 23
  5.2 Discussion and Recommendations ............................................................................... 24
  5.3 Implications ..................................................................................................................... 25

REFERENCES .................................................................................................................................. 27
LIST OF TABLES

Table 2-1 Comparison of Various Social Media Platforms ..................................14
Table 4-1 Existing Customers and Online Reviews..........................................20
Table 4-2 Answers from Interviewees.............................................................21
ABSTRACT

Executing a Social Media Marketing Plan to Increase Sales for a Catering Restaurant

By

Henry T Zenger

Master of Science in Recreation Management
Tourism, Hospitality, and Travel Management

Due to its capability and flexibility of targeted mass communication, social media marketing has a growing role in the marketing sectors across various industries today (Srinivasan, 2014). Businesses no longer rely on newspapers, magazines, billboards or televisions; in fact, many of the businesses are shifting focus to low-cost social media marketing (Akhtar, 2011). In today’s fast-paced marketplace, most businesses today have online presences on social media platforms such as Facebook fan page, Yelp review site, YouTube video channel, etc. Owing to limited resources, however, small businesses face challenge of choosing the suitable and effective social media strategy and platforms (Small Business Trends, 2011). This project aims to identify the suitable social media platforms and examine the effects of social media marketing on small off-premise catering businesses’ brand awareness, sales revenue and market share. This empirical project executes social media marketing campaign of a real small off-premise catering business and analyzes the results of the social media marketing campaign in relations to the changes in brand awareness, sales revenue and market share of the business.

Keywords: Social Media Marketing, catering business, brand awareness, sales revenue, market share
CHAPTER 1: INTRODUCTION

This chapter introduces the purpose, scope and significance of this graduate project. Additionally, definitions of key terms as well as the limitations of the project are also provided.

1.1 Background

The birth of Internet has provided revolutionary benefits to businesses’ marketing activities in the fast-paced world today (Cook, 2014). Through the social media platforms, large and small businesses are capable of promoting their services and products much quicker and cheaper today than when they were using yellow pages and billboards (Burkett, 2015). The challenge for small business is that they tend to have less labor and financial resources than large corporations; thus small businesses are more likely to struggle with finding an effective and suitable social media marketing strategy (Hassan, Nadzim & Shiratuddin, 2015). This project uses a real –life small off-premise catering business as an empirical study. For the purpose of confidentiality, the catering business’s name is not disclosed in this paper. Rather, the business is to be addressed as The Catering Company throughout the paper. At the conclusion of the project, the researcher aims to answer how small off-premise catering businesses can utilize the suitable social media platforms for their marketing strategy and to what extent does social media marketing effects have on brand awareness, sales revenue and market share.
1.2 Statement of Purpose

The objectives of this graduate project are to examine what social media strategies are suitable for a small off-premise catering business and identify the effects of social media marketing with respect to brand awareness, sales revenue and market share.

Through an empirical planning and execution of social media marketing plan on a real life off-premise catering business, this project examines and analyzes the outcome in order to identify the aforementioned effects. The findings of this project may benefit other small off-premise catering businesses that deal with challenges in social media marketing.

1.3 Project Research Questions

This qualitative research project aims to answer the questions: Which social media platforms are suitable for small off-premise catering businesses and what effects does social media marketing have on brand awareness, sales revenue and market share?

1.4 Significance of This Project

Unlike large hotel catering services or established independent caterers, small catering businesses have fewer resources in areas such as marketing budgets, labor resources, time allocated for marketing, etc. In fact, Deluxe Corporation, a company that provides marketing services and products, found that 49% of small business owners reported their biggest challenge is to effectively market their businesses with limited resources (Small Business Trends, 2011). Therefore, it behooves small businesses to seek alternative marketing approaches that are cost-effective, wide reaching and less resource-
intensive. As an alternative marketing strategy, social media marketing is an effective use of time and resources and provides businesses better communication avenues with consumers than traditional marketing strategies (Jackson, 2011). However, small businesses struggle to utilize social media as a marketing approach due to their lack of basic understanding and marketing tactics (Cox, 2012). This project utilizes an empirical case study to identify suitable social media platforms for a small off-premise catering business and examine the effects applied to social media marketing, brand awareness, sales revenue and market share. The findings gained from this project provide recommendations for other small off-premise catering companies that wish to engage social media as a marketing approach.

1.5 Definitions

Social Media:

“A group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user generated content.” (Kaplan & Haenlein, 2010, p.61).

Social Media Marketing:

Social Media Marketing is a marketing strategy that utilizes the Web 2.0 based Social Media platforms to create business content and attract website traffic and attention (Trattner & Kappe, 2013).

Social Media Platforms:

Social Media platforms are mobile and web-based platforms that allow users to communicate, share collaborate and modify user-generated content (Power, 2014).
Web 2.0:

Web 2.0 is the version of Internet that allows interactivity among users (DiNucci, 1999).

Small Catering Business:

A catering business having $7.5 million or less in average annual receipts (SBA, 2015).

Off-Premise Catering:

“Off-premise catering is serving food at a location away from the caterer’s food production facility” (Abbott, 1996, p. 1).

Search Engine Optimization (SEO):

“SEO stands for ‘Search Engine Optimization.’ It is the process of getting traffic from the ‘free,’ ‘organic,’ ‘editorial’ or ‘natural’ search results on search engines. All major search engines such as Google, Bing and Yahoo have primary search results, where web pages and other content such as videos or local listings are shown and ranked based on what the search engine considers most relevant to users. Payment isn’t involved, as it is with paid search ads” (Search Engine Land, 2015, p.1).

1.6 Chapter Summary

This chapter introduces the background of the project in addition to providing the purpose, research questions, significance of the project, limitations and definitions of key terms. The objectives of the research are defined under the “purpose” section. The
motivation behind this project comes from the need to identify the effects of social media marketing on sales revenue, brand loyalty and market share of a small off-premise catering company.
CHAPTER 2: LITERATURE REVIEW

Social Media has brought a revolutionary change to the marketplace (Cook, 2014). It changes the way how consumers receive and disseminate information with respect to speed, scale and style. Social Media empowers consumers in searching, choosing and purchasing goods and services (Albors, Ramos & Hervas, 2008). This consumer empowerment in turn requires marketing strategists to shift away from traditional mass-marketing tactics (Constantinides, 2014). Moreover, the trend to shift from traditional marketing tactics increases the competitive pressure among marketers and results in more businesses investing in Social Media presence (Styler, 2010). More importantly, this trend is growing at an exponential speed; according to Stelzner (2014), 97% of the businesses that they surveyed have use Social Media Marketing. Part of the reason why more businesses begin to invest in Social Media owes to its ability to communicate to a large scale audience; additionally this new marketing tool allows businesses to be more effective at a lower cost. According to Stelzner (2009), 81% of the companies surveyed in their study indicate increased market exposure, 45% reported lower marketing expenses and 61% reported increase in new business partnerships. Stelzner’s study explains the importance of Social Media Marketing for businesses.

Akhatar (2011) identifies the main benefits of social media marketing as real-time business-to-customers and customers-to-customers interaction and can easily sustain lower costs. Moreover, Erdoğmuş, and Çiçek (2012) found that advantages of social media campaigns are the most significant drivers for brand loyalty. Moreover, Social
Media platforms that are designed for customers to review products and services have substantial effect on customer buying power due to unsolicited reviews. Nowadays, customers are sophisticated and would investigate through reading other customer-generated reviews before purchasing services and products (Chen & Xie, 2008). This has both advantages and disadvantages to businesses. If the reviews are positive about a product or service, in turn, this would greatly help the business product or service. However, if the review is negative, then the business would hurt as consumers are less likely to make the purchase after reading the negative reviews. Nevertheless, it is imperative for the company to re-engage their product or service in order to remain competitive within their industry (Bennett, 2014).

Finally, according to Ogoing (2013), a B2B (Business-to-Business) social networking company, “most businesses are spending more than one hour a day on social media marketing. Businesses generate more than 100% of web traffic if they have 51 to 100 followers on Twitter than those with 25 or less. Businesses nearly doubled their online traffic after they passed 1,000 Facebook likes”.

2.1 Off-Premise Catering

Excluding hotels, there are approximately 53,000 caterers in the United States and the U.S. catering market is at approximately $43.4 billion; consumer catering accounts for $27.5 billion and business-to-business accounts for $15.9 billion (Washington & Miller, 2014). Off-premise catering can be classified into four categories: 1) takeout/pickup, 2) drop off/delivered, 3) food truck, 4) third party and full service (Kelso, 2014). Off-premise catering is much more challenging than on-premise catering,
according to Abbott (1996), “On a “degree of difficulty” scale from one to ten—one meaning “easy” and ten meaning “most challenging”—on-premise catering is a two, and off-premise would rank a ten!” (p. 1).

2.2 Conventional Marketing Strategies of Off-Premise Catering Businesses

Off-catering companies generate a great amount of free word-of-mouth advertising through existing customers since they can “produce future business without the necessity of advertising” when satisfied guests pass along positive comments about the businesses (Abbott, 1996, p. 401). Additionally, approximately 53,000 caterers use local Yellow Pages for their marketing strategy (Gordon Food Service, 2013). However, Leap Clixx, a Saint Louis online marketing firm, conducted a survey and found that Yellow Pages “is highly ineffective when compared to online advertising (Weber & Kiel, 2012, p. 1).

2.3 Social Media Marketing Challenges

Small businesses are wasting their time and resources if they chose the wrong social media platforms to market their services and products (Woltman, 2013). For small off-premise caterers, choosing the right social media platforms not only will save them time, but will also lower their marketing costs since social media marketing have little to no costs (Akhatar, 2011). Social Media Examiner conducted a survey and found that more than 62% of business marketers spend over six hours weekly on social media marketing (Patel, 2014). Therefore, small off-premise caterers must choose carefully when deciding what social media platforms to use for their online marketing campaign.
Many businesses are not comfortable with marketing their service and products on social media platforms and view it as a threat rather than embrace the criticism and improve upon it. This is because consumers can communicate freely with each other (Kaplan & Haenlein, 2010). Free communication in the form of online comments and word-of-mouth reviews are strongly linked to businesses’ increasing concern of their online reputation (Stenger, 2014). To maintain good online reputation, businesses need to allocate labor resource to online customer relations management. This becomes a real challenge to small off-premise catering businesses since most of them tend to have limited talents and time for social media management (Stenger, 2014). Additionally, ethical issues associated with online reviews presents risks to small off-premise catering businesses; some reviewers, “identified as opinion leaders, are being paid” to covert actions on social media platforms (Stenger, 2014, p. 50).

2.4 Best Practices in Social Media Marketing

Constantinides and Geurts (2005) explain that it is crucially important that businesses have their own independent websites due to the reason that consumers are likely to investigate online to confirm the reliability and quality of the services and products. Moreover, an independent website can establish icons that link all social media platforms and thus allow online customers to have an overview of the business. This in turn contributes high brand awareness for catering company.

Photographs also play a huge role in social media marketing. Tucker (2013) argues that businesses should not underestimate the power of images because incorporating them into social media marketing attracts customers to read the marketing messages and encourages them to engage in online word-of-mouth sharing. Social media
marketing managers needs to ensure usage of good images that emphasize on brand personality in order to optimize social media presence (King, 2014).

Schulze, Scholer, and Skiera (2015) argue that there is no one-size fits all social media marketing strategy; companies must design their social media marketing campaigns based on whether the campaign should be targeted towards friends or second-degree contacts. Targeting friends (i.e. using Facebook) helps with quickly achieving the goal of establishing online brand awareness due to the already established trust between friends. On the other hand, targeting second-degree contacts helps to establish the perception of unbiased reviews on social media platforms such as Yelp and Instagram. When second-degree contacts and strangers perceive that the reviews are unbiased, trust is being established between the potential customer and the catering companies (Schulze, Scholer & Skiera, 2015).

Another marketing tactic highly recommended by industry experts is Search Engine Optimization (SEO). SEO is process of getting traffic from the ‘free,’ ‘organic,’ ‘editorial’ or ‘natural’ search results on search engines (Search Engine Land, 2015). When consumers search for their interested topics, top ranked businesses show up on the first page. It is an effective marketing tool to gain web site popularity and synchronize social media networking sites by interlinking businesses’ web sites to social media platforms (Singh & Maini, 2013). When Search Engine Optimization is effectively utilized, catering businesses can show up on the first page of the search result. This is significant because in a survey conducted by Leap Clixx, 97% of respondents reported that they only click on the results on the top half of the first page (Weber & Kiel, 2012).
2.5 Variations of Social Media Marketing Platforms

Facebook:
Facebook was founded in 2004 and has reached more than 1 billion active users since 2012 (Facebook, 2015). It is a free social media platform and its mission is to “give people power to share and make the world more open and connected with friends and family, to discover what’s going on in the world, and to share and express what matters to them” (Facebook, 2015).

Foursquare:
Foursquare is a web based social media platform that recommends restaurants and entertainment places to its users. It has more than 1.9 million businesses registered and connected with customers and more than 55 million members (Foursquare, 2015).

Google Plus:
Google Plus or Google + is a social network that was launched in 2011. It builds allows Google email users to share media information within their circles (Wagoner, 2014). Moreover, Google Plus is effectively used by marketers to grow their SEO ranking and increase online visibility (OGoing, 2013). Google Plus has over 300 million monthly active users (Smith, 2015).

Instagram:
Instagram is a mobile phone based application that was launched in 2010. The application shares photos with friends and family in a fast, beautiful and fun way (Instagram, 2015). Currently, there are 300 million
monthly active users and a total of 30 billion photos have been shared through Instagram.

LinkedIn:

LinkedIn is the world’s largest professional network with over 300 million members and its mission is to “connect the world’s professionals to make them more productive and successful” (LinkedIn, 2015).

Pinterest:

Pinterest is a social media network that has about 50 million users; this platform allows its users to discover ideas for their projects and interests through other users’ posts (Pinterest, 2015).

Snapchat

Snapchat is a popular mobile phone based social media platform that allows instantaneous sharing of photos and videos. It has over 100 million active users and among all smartphone owners, 12% uses Snapchat (Duggan, 2013).

TripAdvisor

TripAdvisor is the world’s largest social network that enables travelers to review and share photos of hotels, restaurants and other scenic attractions; moreover, it has over 70 million members and 200 million reviews (TripAdvisor, 2015).

Tumblr

Tumblr is a blogging platform that skews toward the urban and educated users; its users account for 6% of Internet users (Desilver, 2013).
Twitter

Twitter is a social media platform that allows its 288 million monthly active users to share ideas and information instantly; approximately 500 million Tweets are shared each day and 80% of its active users are on mobile (Twitter, 2015).

Yelp

Founded in 2004, Yelp is a social media platform that has a monthly average of 139 million users and it allows users to write and read reviews of restaurants and businesses (Smith, 2015).

YouTube

YouTube is a social media platform that provides users to share videos. It has more than 1 billion users and 300 hours of video are uploaded and shared on YouTube every minute (YouTube, 2015).
Table 2-1 below provides an overview of the aforementioned platforms with respect to the easiness to attract online traffic, the level of interactions among users and customers, the total number of active users and the general usages of these social media platforms.

<table>
<thead>
<tr>
<th>Social Media Platforms</th>
<th>Easy to Attract Online Traffic</th>
<th>Level of Interaction</th>
<th>Number of Users</th>
<th>Types of Usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>Yes</td>
<td>Medium</td>
<td>1 BN</td>
<td>Friends</td>
</tr>
<tr>
<td>Foursquare</td>
<td>Yes</td>
<td>Low</td>
<td>55M</td>
<td>Friends</td>
</tr>
<tr>
<td>Google Plus</td>
<td>Yes</td>
<td>Low</td>
<td>300M</td>
<td>Reviews</td>
</tr>
<tr>
<td>Instagram</td>
<td>Yes</td>
<td>Medium</td>
<td>300M</td>
<td>Photos</td>
</tr>
<tr>
<td>LinkedIn</td>
<td>No</td>
<td>Low</td>
<td>300M</td>
<td>Professionals</td>
</tr>
<tr>
<td>Pinterest</td>
<td>No</td>
<td>Medium</td>
<td>50M</td>
<td>Idea sharing</td>
</tr>
<tr>
<td>Snapchat</td>
<td>No</td>
<td>High</td>
<td>100M</td>
<td>Photos</td>
</tr>
<tr>
<td>TripAdvisor</td>
<td>No</td>
<td>Medium</td>
<td>70M</td>
<td>Reviews</td>
</tr>
<tr>
<td>Tumblr</td>
<td>No</td>
<td>Medium</td>
<td>50M</td>
<td>Bloggers</td>
</tr>
<tr>
<td>Twitter</td>
<td>Yes</td>
<td>High</td>
<td>288M</td>
<td>Fans/followers</td>
</tr>
<tr>
<td>Yelp</td>
<td>No</td>
<td>Low</td>
<td>139M</td>
<td>Reviews</td>
</tr>
<tr>
<td>YouTube</td>
<td>No</td>
<td>High</td>
<td>1 BN</td>
<td>Video Watcher</td>
</tr>
</tbody>
</table>

Table 2-1. Comparison of Various Social media Platforms

2.6 Chapter Summary

This chapter provided an overview of off-premise catering business as well as the past conventional marketing strategies employed in the industry. More importantly, this chapter defined the main challenges small catering companies face in social media marketing. The second half of the chapter provided related research in best practice of social media marketing campaigns and a list of current social media platforms that are popular in social media marketing.
CHAPTER 3: FRAMEWORK AND METHODOLOGY

Small off-premise catering businesses encounter challenges of finding the effective social media marketing strategy and platforms. This qualitative research aims to answer how small off-premise catering companies can utilize social media marketing by choosing the right platforms and strategy. Additionally, the research aims to find the effects of social media marketing on sales revenue, brand loyalty and market share of small off-premise catering businesses.

3.1 Project Strategy

The project began as a case study through planning and executing a social media marketing campaign for a real life small off-premise catering company. Therefore, a case study methodology was chosen for this research project. As stated earlier, the small off-premise catering company is to be addressed as The Catering Company throughout this paper. At the end of time-constrained social media marketing campaign, two sources of evidential data were collected: 1) online reviews on selected social media platforms and 2) interview. These two sources of evidence support the accuracy of findings as Serkaran and Bougie (2009) suggest that accuracy of case studies require multiple sources of evidence.

Based on the best practices of social media marketing available on social media experts’ journals and blogs, the researcher selected Facebook, Yelp and Instagram as the three social media platforms for the social media marketing campaign. Additionally, the researcher designed background and header images for The Catering Company to
jumpstart the marketing campaign. Next, the researcher attended various off-premise catering events of *The Catering Company* and examines the existing customers’ behaviors and reactions to the social media marketing campaign. Two marketing strategies were implemented during the campaign. The first strategy was using posters to solicit existing customers to write reviews and post photos on social media platforms. The second strategy was to give existing customers take home gifts without openly soliciting them to write online reviews. Both strategies were implemented for the social media marketing campaign non-concurrently in order to better examine the differences in final results.

At the end of the campaign, the researcher analyzed the reviews posted on Facebook, Yelp and Instagram in addition to the answers from interviewing the new customers who found *The Catering Company* as a result of the marketing campaign. The reviews on selected social media platforms are used to determine strategies that worked and those that did not work as well as which platform outperformed the others. The data collected from interviews were also used to determine which platform was more effective for small off-premise catering businesses. Based on the financial information of *The Catering Company*, the researcher was able to determine the effect of social media marketing on sales revenue, online brand awareness and market share. This case study strategy assumed that *The Catering Company* is a representative case for average small off-premise catering businesses.

3.2 Data Collection

Two sources of data were collected for this case study. The first source was the openly available reviews posted on selected social media platforms on Facebook, Yelp
and Instagram. The other source was from the answers collected from interviewing new customers who found *The Catering Company* as a result of the marketing campaign.

### 3.3 Data Analysis Method

Two types of data analysis methods were employed for this case study. The first method was thematic analysis, which is “a systematic approach to the analysis of qualitative data that involves identifying themes or patterns of cultural meaning and interpreting the resulting thematic structures by seeking commonalities, relationships, overarching patterns, theoretical constructs, or explanatory principles” (Mills, Eurepos & Wiebe, 2010, p. 1). The other method was the content analysis, specifically the summative content analysis, which involves counting and comparisons, followed by the analysis and interpretation of the underlying context (Hsieh & Shannon, 2005).

### 3.4 Chapter Summary

This chapter provided an overview of the case and case strategy. The researcher again clearly defined the objectives of this case study and explained the procedures of data collection and analysis. The two methods of analysis that are used for this case study are content analysis and thematic analysis.
CHAPTER 4: RESULTS

The results are to be analyzed and interpreted using qualitative thematic and content analysis in order to answer the objectives of this case study: Which social media platforms are suitable for small off-premise catering businesses and what effects does social media marketing have on brand awareness, sales revenue and market share?

4.1 Interview Questions

The interview questions below were designed to ask new customers who found *The Catering Company* through online social media platforms. The new customers or potential customers who inquire information about *The Catering Company* through email or phone calls were asked the following three questions:

1. How did you hear about our business? Instagram, Yelp, Facebook or a combination of the three?
2. Will you likely book catering service from *The Catering Company* again in the future?
3. Will you likely review our business on Yelp? Will you tag us on Facebook or Instagram?
4.2 Conducting the Interview

The only customers who were interviewed for this case study were the new customers who never had heard of *The Catering Company*, but found the business through the Internet. As stated earlier in this paper, *The Catering Company* never had any Internet presence; therefore, any inquiry through the social media platforms has to be a result of social media marketing. When online or phone inquiries are made from new customers, they are immediately asked of the three aforementioned questions.

4.3 Data Analysis

During the marketing campaign under the first strategy, posters of *The Catering Company* and its social media platform were presented to existing customers at various catering functions. A total of 752 existing customers were exposed to the posters and verbal solicitation and invitation to write online reviews or “like” the Facebook fan page. Only 13 out of 752 or less than 2% of customers actually reviewed on Yelp or liked the Facebook fan page.

The second strategy was significantly more successful. Instead of solicitation, existing customers were presented small gifts that have *The Catering Company* logo and social media icons on them. Only 378 existing customers were given the take-home gifts and 57 or 15% of them either reviewed on Yelp, liked the Facebook fan page or posted photos on Instagram. The following table illustrates an overview of the result.
### Strategy #1 (Soliciting with Social Media Posters):

<table>
<thead>
<tr>
<th>Existing Customers Exposed to Social Media Campaign</th>
<th>752</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Existing Customers Reviewed Online</td>
<td>13</td>
</tr>
</tbody>
</table>

### Strategy #2 (Non-soliciting with take-home gifts):

<table>
<thead>
<tr>
<th>Existing Customers Exposed to Social Media Campaign</th>
<th>378</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Existing Customers Reviewed Online</td>
<td>57</td>
</tr>
</tbody>
</table>

Table 4-1. Existing Customers and Online Reviews

During the campaign, three new business inquiries were made via email or phone call. New business inquiry is defined as a potential new customer who has never done business with *The Catering Company* before prior catering experience. Two of the three inquiries actualized purchases of catering service. Therefore, the two new customers were asked three questions under section 4.1; whereas the first inquirer was only asked the first question under section 4.1. The table below provides an overview of the interview answers.
<table>
<thead>
<tr>
<th>Inquiry #1:</th>
<th>Question #1</th>
<th>Question #2</th>
<th>Question #3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yelp</td>
<td>Does Not Apply</td>
<td>Does Not Apply</td>
<td></td>
</tr>
<tr>
<td>(Did not purchase any catering service)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Inquiry #2:</th>
<th>Question #1</th>
<th>Question #2</th>
<th>Question #3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yelp &amp; Facebook</td>
<td>Yes</td>
<td>Undecided</td>
<td></td>
</tr>
<tr>
<td>(Actualized purchase of catering service)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Inquiry #3:</th>
<th>Question #1</th>
<th>Question #2</th>
<th>Question #3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yelp &amp; Facebook</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>(Actualized purchase of catering service)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4-2. Answers from Interviewees.

The overarching theme from comparing the data of the two strategies is that the second strategy was more effective with respect to the ratio of return on exposure. The ratio of return on exposures is defined as the number of existing customers who reviewed *The Catering Company* online versus the number of existing customers who were exposed to the social media marketing posters. The second strategy has a return on exposure ratio of 15.08%, which is significantly higher than the ratio from the first strategy, 1.73%.

The answers of interviewees demonstrate that Yelp and Facebook are the more effective social media platforms than Instagram in producing positive impact on sales revenue, brand awareness and market share.

4.4 Chapter Summary

This chapter provided the overall results from the qualitative case study. Additionally, this chapter presented both thematic and content analysis of the data. The
findings are that gift-giving strategy was more effective than the soliciting strategy; given a significantly higher ratio of return of online reviews on existing customer exposures. Lastly, the social media platforms Yelp and Facebook are more effective in having positive effects on sales revenue, brand awareness and market share than Instagram.
CHAPTER 5: CONCLUSION

The objectives of this case study are to identify the suitable social media platforms for small off-premise catering businesses and examine the effects of social media marketing on sales revenue, brand awareness and market share. In the previous chapter, results interpreted were from the interviews suggested numerous implications of how other small off-premise catering businesses may incorporate social media marketing strategies. The implications are to be discussed in this chapter in addition to recommended social media platforms and future applications.

5.1 Limitations

This project has numerous limitations. First, the time frame of approximately four months is not enough time to monitor the full spectrum of effects the social media marketing campaign brings to The Catering Company.

Additionally, the resources provided were not enough to bring the marketing campaign to the fruition; for instance, The Catering Company could have expanded its online presence through Yelp and Facebook had the owner invested more time and money in the project. The limited labor resource resulted in limited social media platforms that could have been operated concurrently. This resulted in a substantial amount of opportunity costs that relate to the unused social media platforms such as Google Plus, YouTube, Pinterest, etc. In fact, Meyer (2014) suggested that in conjunction with Yelp, Google Plus should also be incorporated in caterers’ social media marketing campaigns because the vast majority of Internet surfers use Google as a search engine.
Lastly, *The Catering Company* did not have the funding for its own web page. Although having its own web page can incur high maintenance costs, an independent web page can serve as the host that links to many other social media platforms.

### 5.2 Discussion and Recommendations

Social media marketing is a necessary toolkit that businesses need to take advantage of in this era. Scholarly papers on how to develop successful social media strategies are widely available. However, when applying these theories to practice, there is no absolute strategy that guarantees success (Schulze, Scholer, & Skiera, 2015). This is due to the fact that every business and product is different from each other. Therefore, marketing managers need to understand who their target audience is and what their psychological preferences are for the types of social media platforms. For instance, if the target audience is weddings and birthday party planners, then *The Catering Company* needs to design the social media platforms tailored specifically for wedding and birthday parties. For the project, Facebook was chosen as one of the three platforms because of its effectiveness in e-WOM marketing. Yelp was chosen as one of the other two platforms due to its predominant popularity among restaurant reviewers. Instagram was chosen due to its instant photo-sharing and hash-tag features that allow catering customers to interact with each other. The results of the project imply that the choices of these social media platforms were effective.

Moreover, directly soliciting customers to write online reviews or become fans of businesses’ Facebook page is ineffective in comparison to subtle and passive-aggressive marketing strategies. Face-to-face solicitation for this project is not only ineffective, but may also damage the overall impressive of the business. Based on the analysis of the
success of 751 social media marketing campaigns, when a business is marketing useful products, a pull is recommended over a push strategy (Schulze, Scholer, & Skiera, 2015). The pull strategy is referred to marketing strategies that are unsolicited, i.e. a voluntary word-of-mouth marketing. Therefore, since catering services produce useful products, a pull strategy is more effective than a push strategy. This passive approach utilizes the Social Media public domain as potential source of customer voice (Parise, Guinan, & Weinberg, 2008).

Constantinides (2014) explains that the passive approach’s marketing objective is to provide marketers with information about market needs, customer experiences, competitive movements and trends rather than utilizing the Social Media as tools direct sales in active aggressive approach. The two strategies of this project demonstrated the different degrees of effectiveness between pull and push approach. Under push approach, customers saw solicitations as aggressive marketing approach and only 1.73% of total encountered customers went on the social media platforms to write reviews. On the other hand, under the pull approach, customers were given a small token of appreciation to bring home. Customers perceived this approach as more passive and friendly; 15.08% of the encountered customers went online and wrote genuine reviews for the off-premise catering business.

5.3 Implications

A few key considerations are crucial before choosing the suitable social media platforms and developing online presence. First, marketing managers of small off-premise catering businesses need to take a good amount of time to conduct thorough research on different types of social media platforms before making decisions on which
direction the marketing campaign is going. For this case study, Facebook and Yelp are found to be more effective than Instagram. However, the limitation is that the duration of marketing campaign was only four months. Second, managers need to thoroughly examine the competitors’ products and pay particular attention to what they are doing on social media. Moreover, for catering businesses, soliciting customers to write online reviews is less effective than designing a passive-aggressive strategy to acquire customers’ voluntary reviews. Lastly, effective social media marketing campaigns incur low costs, have positive effects on sales revenue, brand awareness and market share and are business critical to future success as social media becomes the norm.
REFERENCES


