

# **Cultivating Relationships with Customers: The Social Media Challenge**

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*Building relationships with customers is a worthy goal heartily supported by experts and practitioners. In the age of social media, this worthy goal seems to be easily attainable as social media create a rich and vibrant interactive scene that facilitates communication between organizations and customers. In this article, an argument is made that communication with customers and, consequently, the building of relationships with customers, is a process that requires careful and thoughtful cultivation. A further argument is made that communication theory provides the necessary theoretical foundation for organizational uses of social media in building and cultivating relationships with customers.*

## **INTRODUCTION**

Two-way communication and building relationships with customers is a worthy and desirable goal. Companies have realized that adopting principles of building reciprocal and long-lasting relationships with customers is an effective way of doing business (see, e.g., Denove & Powers, 2006; Deshpandé & Farley, 2002; Eiriz & Wilson, 2006; Ernst et al., 2011; Garcia de Madariaga & Valor, 2007; Kodish & Pettegrew, 2008; McKenzie, 2001; Varey & Ballantyne, 2005). Many authors stress the relevance of relationship building: some refer to the relationship building orientation as a paradigm shift (Grönroos, 1998; Sheth & Parvatiyar, 2002), whereas others view the 21<sup>st</sup> century organizational model as the relationship-oriented enterprise ( see Hutton & Mulhern, 2003; Johnson, 1998; McKenzie, 2001).

Over the past decade, advancements in social media technology and the soaring use and popularity of social media have created new possibilities and opportunities for communication and relationship building between organizations and customers. Thanks to technological advancements, communication channels are continually open, and opportunities for two-way communication between organizations and customers practically endless. New developments are increasingly drawing experts' attention.

Schultz, Schwepker, Jr., and Good (2012) write that social media have the potential to impact the process of interaction between sellers and customers due to the two way active nature of social media. Turri, Smith, and Kemp (2013) write that social media are an optimal forum for developing close relationships and connection with consumers. Walaski (2013) stresses the “collaborative nature” of social media and its role in sharing information and ideas that results in the creation of new meanings. Bradley and McDonald (2012) similarly note “mass collaboration” that is now made possible by social media. Bruhn, Schoenmueller, and Schäfer (2012) view social media as a mass phenomenon. Coleman, Chandler, and Jian (2013) write that social media enable engagement in real-time conversations between organizations and their customers. Billington and Billington (2012) address the implications of the “pervasive use and prevailing impact [that] social media have on society” (para. 2) for decision makers

and leaders and the potential of social media that is expressed through “viral growth, connectivity, ease of use, anonymity, global reach community, relevance, and a "smart" trend” (para. 2).

Social media provide a facile, simple, and relatively inexpensive means for organizations to communicate with numerous customers throughout the world. Since communication is central for building relationships (see Eisenberg, Goodall, Jr., & Threteway, 2010; Kaplan, 1994; Makau & Arnett, 1997; Matson & Montagu, 1967; Shotter, 2000), it can be surmised that social media also provide a facile, simple, and relatively inexpensive means for building relationships with customers. In reality, however, the situation is much more complex, and both communication and relationship building are often problematic. A number of organizations have been utilizing social media in a more or less successful manner (See Bradley & McDonald, 2011, 2012). Many organizations, however, are still wary of using social media. Coleman, Chandler, & Jian (2013) write that the rapidly growing customer engagement in social media and customer presence have not been followed by a comparable organizational response. Merchant (2012) stresses the fluidity that characterizes relationships and the poor response of organizations to the demands created by social media. The almost endless opportunities for communication and expression made possible by social media seem to be creating an unpredictable and potentially chaotic complexity that may look daunting to many organizations.

Two-way communication and building relationships with customers is sound business practice and a necessity in the present day marketplace (Barnes, 2001; Duncan & Caywood, 1996; Hutton, 1996; Hutton & Mulhern, 2003). Communication and building relationships are one of the central aspects of doing business and are, therefore, to be addressed and treated with utmost care. In this article, an argument is made that building relationships with one’s customers is a painstaking endeavor that requires much planning and effort and an underlying cultivation orientation. A further argument is made that communication theory provides the necessary knowledge and tools that can help organizations utilize social media in building and cultivating lasting and mutually beneficial relationships with their customers.

This article is organized in four sections. In order to provide a foundation for understanding the role and scope of social media, the history of social media is described with a specific focus on current organizational uses of social media. In the second section, examples of organizations that are successfully utilizing social media and overcoming the complexity and challenges of the social media universe are described. The third section provides an explanation of pertinent communication concepts and the specifics of applying communication theory to social media efforts. The final section contains concluding remarks.

## **THE HISTORY OF SOCIAL MEDIA**

A definition of social media is helpful in understanding both the meaning and reach of social media: “Social media are Internet sites where people interact freely, sharing and discussing information about each other and their lives, using a multimedia mix of personal words, pictures, videos and audio” (“The Brief History,” 2103). Social media is “any tool or service that uses the Internet to facilitate conversations” (Safko, 2011, p. 74). Social media, therefore, enable and promote interaction and communication among people by means of social networking sites. Some of the sites can be linked, which makes cross-posting possible and which, according to Hendricks (2013), adds an interpersonal touch and creates an interpersonal environment.

Social media take a variety of forms and are categorized in different ways. Parsons (2011), for example, lists “blogs, widgets, discussion boards, wikis, vlogs (video logs), consumer product rating sites, chat rooms, and social network sites” (p. 27) as different forms of social media. Walaski’s (2013) social media categories include blogs, microblogs, social networking sites, professional networks, video sharing, and content-driven communities. Furthermore, each category has a growing number of various sites, which adds to the diversity, reach, and impact of social media.

The history of social media, albeit rich and ever expanding, is chronologically rather short. It starts with CompuServe and Arpanet back in 1969 (see Dunn, 2013). A couple of years later, in 1971, the first e-mail was sent. These developments were revolutionary at the time, but now look like the distant past or

some sort of a social media stone age. The next stage in the development of social media starts in 1994 with Geocities – a website with a creative approach to placing web pages according to content. This stage is characterized by the burgeoning of websites and a widespread use of the Internet. In the late nineties, several important developments include the founding of Blackboard, chatting made available through the AOL Instant Messenger, and the commencing of blogging. At the beginning of the 21<sup>st</sup> century, Wikipedia was founded, followed by MySpace, Facebook, and Flickr. The “modern age” of social media is characterized by the launching of YouTube, Twitter, and Apple’s iPad.

Data for 2013 provide insights into the potential power of social media: Facebook has topped 1.11 billion users; Twitter has 500 million users; YouTube has 1 billion users per month, and 4 million daily users; there are 156 million blogs (“The Brief History,” 2013). People are increasingly turning to social media for information, and, interestingly, social media are more trusted than other forms of media (Bruhn, Schoenmueller, & Schäfer, 2012). What is even more surprising is that, in an age of diminishing trust and growing skepticism, trust in social media has continued to rise noticeably (“2013 Edelman Trust Barometer”).

Social media have become an integral part of the lives of a large number of people not only in the United States, but throughout the world. Information is exchanged in a facile and inexpensive manner, and communication and interaction are incessant. What is of special importance for the purpose of this article is the fact that social media have established new lines of communication and enabled two-way communication channels between organizations and customers, thus creating the conditions for building and maintaining relationships between organizations and customers.

Over the past several decades, the need for two-way communication and building relationships with customers has become a necessity (see, e.g., Barnes, 2001; Duncan & Caywood, 1996; Ernst et al., 201; Hutton, 1996; Hutton & Mulhern, 2003; Kodish & Pettegrew, 2008). The need to build relationships has been necessitated by changes in the marketplace – increased competition, increased demands and expertise of customers, and the changes in the overall climate of doing business. Under such conditions, timely and inexpensive communication with customers and potential customers, open channels of communication, and the establishing of two-way communication are crucial. In this respect, social media are a dream come true because they meet the needs of organizations for timely, facile, and relatively inexpensive two-way communication with customers. And yet, despite the fact that social media provide effective means for communicating with customers, they have not been embraced by organizations as much as could be expected. In the following paragraphs, problems with organizational uses of social media are addressed.

### **The Social Media Challenge**

Many authors note the changes brought about by social media. Bruhn, Schoenmueller, & Schäfer (2012) stress the fact that social media reduce the marketers’ control over brand management. Another area that has been affected by social media is WOM [word of mouth] marketing (See Coleman, Chandler, & Jian, 2012; Kosinets et al., 2010). Customers can now bypass companies and talk to each other, create product communities, and exchange information with literally thousands of other customers all over the world. Other authors write about the challenges organizations face when using social media.

Schultz, Schwepker, Jr., & Good (2012) note that not much is known about the importance or usage of social media. Parsons (2013) writes that extensive academic research on what organizations are actually doing in social media is lacking. Merchant (2013) believes that much time and energy are spent on platforms aimed at obtaining pluses and likes, rather than building relationships with customers. Billington & Billington (2012) state that easy access of organizations to social media has resulted in “chaos and sometimes major communication blunders” (para. 8).

Bradley & McDonald (2011, 2012) prepared probably the most extensive report on organizational uses of social media that provides insights into the reasons why the potential of social media has not been utilized. The results that they obtained indicate that many organizations have a fear of social media: “Most organizations . . . still view social media as a threat to productivity, intellectual capital, security, privacy, management authority, or regulatory compliance” (2012, p. 1). Furthermore, they note that “most

social media initiatives fail” (2011, p. 2). Let us now take a look at three examples of organizational uses of social media as an illustration of successful utilization of social media and the challenges that organizations face when using social media.

## **EXAMPLES OF ORGANIZATIONS UTILIZING SOCIAL MEDIA**

### **Lego User Communities**

The Lego Group, popularly known as Lego, is a company that is known worldwide for its toy building blocks. For decades, Lego followed the traditional philosophy of providing a high quality product and not including the input of customers. Antorini, Muñiz, Jr., and Askildsen (2012) describe Lego as an “extremely private company” with a tight grasp on products and intellectual property. A former Lego employee recalls in a presentation how Lego did not listen to their customers and continued to create products that Lego believed customers wanted (see O’Neill, 2010). Things began to change when, after decades of financial success, Lego went through several difficult years that prompted a new leadership and marketing strategy. Changes in leadership strategy resulted in a focus on major objectives rather than on diversification (see Henley, 2009), and changes in marketing included an online presence based on the philosophy of involving customers in the life of the brand (see, Antorini, Muñiz, Jr., & Askildsen, 2012).

Lego’s customers can now participate in the process of creating new products. Any customer with an innovative idea can post his or her idea at LegoCuuusoo where other customers can view the idea and cast their electronic votes. Once an idea gets 10,000 votes, it is examined and reviewed by Lego officials who determine if the idea will become a part of Lego offerings. If an idea is accepted and realized, its author will receive 1% of the total net sales. In February 2014, the three “runner-ups” on LegoCuuusoo were the following: Jules Verne Train with 9,357 votes; Invisible Hand with 7,429; and Lightsabers: Darth with 6,585 supporting votes. The extent of Lego’s involvement of customers in the creation and refinement of its products is exemplified by the Lego Mindstorms case.

The introduction of Lego Mindstorms, a set of programmable Lego bricks equipped with sensors, was followed by hacking. Savvy users of Lego products hacked the system in order to customize and use the bricks in the way that best suited them (“Open Innovation,” 2010). This type of hacking typically goes hand in hand with bragging, and soon the hackers were using online forums to discuss their feats. Lego had to make the right decision. One of the possibilities was to take legal action; another possibility was to cooperate with hackers and include them in Lego new product development. The decision was made to collaborate with the broader community that would also include the hackers (see Antorini, Muñiz, Jr., & Askildsen, 2012). This allowed Lego to benefit from crowdsourcing – “the ability to harness the creativity and intelligence of a large number of users” (“Open Innovation,” 2010).

### **The Ford Fiesta Movement**

Ford with its Ford Fiesta Movement has added a new meaning to the concept of the relationship-oriented enterprise. Ford seems to have taken the boldest and most adventurous step into the sparsely charted territory of social media with its Ford Fiesta Movement.

The Ford Fiesta Movement was organized as a two-phase social media campaign. The first stage of the campaign started in May 2009 and lasted 6 months. In this phase, 100 participants or agents, or what Edelstein (2013) refers to as “social media barons” were selected and given brand new Fiestas to drive for six months. Agents were selected based on their advanced social skills, or, in the words of Scott Monty, the campaign director, on “online social vibrancy” (see Collier, 2013). Another factor of relevance was geographical dispersion. Ford ensured that individuals following agents’ adventures on social media could browse through the list of agents to find those who were nearby. Each agent had to complete a different mission every month using his or her Fiesta. The missions included, for example; delivering Meals on Wheels; taking Harry and David treats to the National Guard; wrestling alligators; using the Fiesta to elope. Missions and adventures were documented on social media. The effects of the campaign were sensational, according to McCracken (2010):

- 6.5 million YouTube views of Fiesta
- 50,000 requests for information about the car from people who did not own a Ford
- 10,000 units sold in the first six days of sales
- relatively low cost - a fraction of a typical national TV campaign

Success of the first stage of the campaign prompted Ford to make plans for stage two, which was announced shortly after the completion of stage one. In stage two, teams of agents were to complete missions and challenges that would “immerse them in cultural movements, allowing them to ignite passion into their communities through social media while opening the discussion about Fiesta” (“Ford Builds on Success,” 2009). Ford also announced that after completing the missions, agents would create “stories,” and that viewers would have the opportunity to vote for the best content.

The second stage of the Ford Fiesta Movement was launched in February 2013. This stage, like the first one, involved agents, who, similarly to agents in stage one, were competitively selected. The selection process in stage two was additionally demanding. Agents had to be “socially vibrant individuals . . . part-thinkers, part-social butterflies” . . . and able to “create content that taps into the unique cultures in each city” (“Ford Builds on Success,” 2009). The Ford Fiesta website hints at the relevance of creativity: “100 of the most creative people on the web [will] introduce the new 2014 Ford Fiesta . . . these agents are ready to take on more than 1,000 missions across the country – all in a new Fiesta” (“Fiesta Movement,” 2013).

The Ford Fiesta agents were given a lot of freedom in creating stories: they created stories “for their own sakes, to feed their own networks, to build their own profiles . . . and in the process to contribute to the project of augmenting Fiesta's brand” (McCracken, 2010). Jim Farley, Ford's executive vice president of global marketing, sales and service explains that the Fiesta “truly has its own personality. That personality will come through in the stories and experiences of real people” (“2014 Ford Fiesta,” 2013). Agents’ stories in stage two, for example, describe hang-gliding in California; a skills faceoff with a mutt by the name of Venus; the Kentucky derby in Louisville; a charity run; an attempt to reach the stratosphere in order to tweet; a review of truck stop fashion; a re-creation of scenes from “Dumb and Dumber;” an “awesome road trip;” and many other adventures with plenty of fun and excitement.

Ford’s use of social media was aimed at building relationships with customers. Jim Farley, Ford’s Chief Communication Officer states: “social media is not a selling tool; it is a relationship tool for us” (“Ford’s Fiesta,” 2010). Marketers typically use the unidirectional and linear *funnel model* when placing their goods and services (Merchant, 2012). Basically, companies provide information about a product, thus creating awareness among the customers who then follow by considering the product or service. The next step on that path is purchase, and, finally, purchase can be built into loyalty. Merchant believes that the funnel model is outdated and calls for marketing that is “more conversational, more relationship oriented” (Merchant, 2012). The Ford Fiesta Movement is an example of marketing that is more conversational and more relationship oriented.

### **Starbucks’s Social Media Platform**

In March 2008, Starbucks created the [MystarbucksIdea.com](http://MystarbucksIdea.com) platform where customers could post their ideas how to improve food, service, or comment on others’ ideas. The text on Starbucks’s website encourages visitors and patrons to participate:

“You know better than anyone else what you want from Starbucks. So tell us. What's your Starbucks Idea? Revolutionary or simple – we want to hear it. Share your ideas, tell us what you think of other people's ideas and join the discussion. We're here, and we're ready to make ideas happen. Let's get started.” ([MystarbucksIdea.com](http://MystarbucksIdea.com))

Customers’ ideas are evaluated and the best ideas are implemented. So far, a large number of suggestions – over 150 thousand – have been submitted. Some of the customers’ ideas that are now enjoyed by Starbucks’s patrons include splash sticks, which prevent coffee from pouring out through the

small drinking hole; new coffee flavors; digital rewards for regular customers; making ice cubes out of coffee rather than water so that iced coffee does not get diluted by frozen water. Alex Wheeler, VP of global digital marketing for Starbucks summarized the experience in a press release:

“For five years, our passionate customers and partners have been sharing their ideas with us on My Starbucks Idea, and we have listened and acted upon many amazing innovations that we have received from this online community . . . We don’t know what the next big idea from our customers may be, but we’re thrilled to keep listening, engaging and making adjustments to improve the Starbucks experience for fans everywhere.” (“Starbucks Celebrates,” 2013)

The Mystarbucksidea.com initiative has also had a number of online critics, which, like many online critics, remained anonymous or semi-anonymous. Critics refer to the Mystarbucks.com idea as “shallow promises,” “incremental improvements,” “a gimmick,” and find other ways to criticize the site and its underlying idea. For example, critics write that listening and acting are not the same thing; that it’s probably employees who are posting most of the comments; some question the authenticity of ideas; one critic mentions “fatal flaws” in the idea. Some comments express doubt that customers’ participation can work. In short, Starbucks’s initiative resulted in an interesting array of voices and opinions criticizing the platform.

The three examples described above have a strong commonality. In all three examples, companies are using social media to communicate with customers on a two-way basis with the aim of establishing long-lasting relationships. Another common trait is that all three companies have used social media purposefully and strategically. Furthermore, all three companies attempted to create an online culture – a trait that is necessary for successful social media campaigns (see Dubois, 2013). The major difference is that Lego Group and Ford, respectively, do not presently have critics as Mystarbucksidea.com does. That, however, might easily change as criticism in the social media is very common and is to be expected. Customers’ negative and unpredictable comments add to the complexity and the challenges that organizations face when venturing into the social media universe. The question now is, How can communication theory help organizations navigate the turbulent and unpredictable waters of social media? In the section that follows, we start by describing the basic communication model and then we juxtapose it with a model that reflects the complexity of the communication process. In doing so, we expand on the insights initially developed by Kodish & Pettegrew (2008) in their article about the role of communication in Relationship Marketing. Let us now start with a description of the basic model of communication – the Shannon-Weaver model.

## COMMUNICATION THEORY

The Shannon-Weaver model of communication serves a useful purpose in describing the components of the communication process. The model is simple and precise: there is a sender whose responsibility is to create a “perfect” message and transfer it to the receiver; there is also a channel with, hopefully, not much noise, that allows the message to travel from the sender to the receiver. Communication in this model is perceived as a relatively simple unidirectional flow of information through a specific channel. Major responsibility lies with the sender who is to craft the message and send it to the receiving party.

The Shannon-Weaver model is a helpful model that explains communication in a logical and understandable manner. The model, however, has its limitations. Developments in the field of communication and other disciplines revealed that communication is much more complex and dynamic than the Shannon-Weaver model suggests and that rather than being a more or less mechanistic exchange of messages, communication is a *process* (see Eisenberg, Goodall, Jr., & Trethewey, 2010). As a process, communication is “dynamic, on-going, ever-changing, continuous” (Berlo, 1960, p. 24). According to Berlo, communication is a relational and interdependent process that envelops over time and requires active participation of all those involved in the communication event or series of communication events.

The difference between the Shannon-Weaver model and the communication-as-a-process model is a qualitative one. The former is unidirectional and linear, whereas the latter reflects the two-way, dynamic, and interchangeable process of communication. The difference between the two models can be best understood by means of Reddy's (1979) juxtaposition of the conduit metaphor and the toolmakers paradigm.

### **The Conduit Metaphor vs. the Toolmakers Paradigm**

Reddy (1979) uses the model he named "the conduit metaphor" to describe communication as a means of transferring human thoughts, ideas, and feelings. The sender of the message puts together a message in which he or she encapsulates his or her thoughts, ideas, and feelings and sends the message to a specific recipient who then interprets it with the aim of understanding its meaning. Similarities and parallels between the Shannon-Weaver model of communication and the conduit metaphor are high. In both models, there is a sender, a message, a channel, and a receiver. In both models, responsibility rests with the sender who is to create a message that is to be sent through a channel to the receiver. The only difference between the two models can be seen in the implications of the two respective models.

Shannon and Weaver created their model in the late forties of the 20<sup>th</sup> century for the purpose of understanding human-to-machine communication, and, understandably, they do not address the implications of viewing communication as a relatively simple unidirectional event. Reddy, on the other hand, who developed his model in the late seventies, within the communication-as-a-process paradigm, addresses the implications of communication understood in terms of his conduit metaphor. He writes that the logic behind this seemingly facile communication process centered around an active sender and a passive receiver is inherently flawed (Reddy, 1979). The model "objectifies meaning, as if thoughts were similar to tangible objects that have an external reality. It also simplifies communication as an almost effortless system" (Kodish & Pettegrew, 2008, p. 159). The result is the mistaken belief that "the more signals we can create, and the more signals we can preserve, the more ideas we "transfer" and "store" (Reddy, 1979, p. 188). According to Reddy, applying such a model in practice results in less effective communication. Furthermore, Reddy states that this limited view of how communication works is the reason for basically no advancements in communication. He also proposes a solution to the faulty view of communication in the form of a model that he refers to as the toolmakers paradigm. In the toolmakers paradigm, both the sender and the receiver are perceived as active participants in the process of communication, which is characterized both by complexity and high levels of responsibility from all those involved. In the following paragraphs, the toolmakers paradigm is described in more detail.

Reddy's explanation of the toolmakers paradigm starts with his use of mathematical information theory to explain that communication is a complex system that includes several necessary elements: there must be a set of alternatives; both the sender and the receiver must have a set of alternatives available; there must also exist a code that links the set of alternatives to physical signals. What makes communication possible is the preexisting context that the sender and the receiver share. According to Reddy, the message is a sequence of alternatives, selected at the transmitting end and related in the form of signals by using the shared code. The message is recreated at the receiving end if interference levels are low or nonexistent. It is important to note that both the transmitting and the receiving end, respectively, must possess a copy of the original set of alternatives. This allows for the same selections to be made at both ends. The signals, which are in the form of words – whether written or spoken – are used to recreate the original message.

Communication viewed through the toolmakers paradigm lens does not imply a simple transfer of messages, as the conduit metaphor suggests, but, rather, an intricate process that requires effort on the part of all participants. Reddy aptly named the model that describes such a painstaking process – the toolmakers paradigm. Each party in the communication process has to become skilled in using the set of alternatives, the code, and the signals, both as a sender and as a receiver. Each party also needs to be able to understand the context. An additional responsibility includes efforts aimed at achieving necessary levels of organization.

High levels of organization must be present in order for communication to be successful. “Successful human communication involves an increase in organization, which cannot happen spontaneously or of its own accord” writes Reddy (1979, p. 175). Reddy had stepped outside the realm of communication earlier when he used mathematical information theory as a starting point in developing his toolmakers paradigm. Reddy steps outside the boundaries of communication again when he explains the relevance of high levels of organization. This time, he ventures into physics and, specifically, into the second law of thermodynamics and the principle of entropy. According to the second law of thermodynamics, every organized system upon reaching equilibrium will begin to disintegrate unless there is an intervention that will keep the system functioning (see, e.g., Loewenstein, 2000). For Reddy, intervention should be in the form of higher levels of organization.

Two conclusions stem from the toolmakers paradigm. First, the paradigm reflects the complexity and the dynamics of communication. Communication is a process that presupposes active participation of both the sender and the receiver. It also presupposes responsibility of all those involved in the communication event. Second, the communication process is prone to entropy, which means that it is in need of an infusion of new input aimed at maintaining and raising the levels of organization. The question now is, How can the toolmakers paradigm assist organizations in communicating with customers and in building and maintaining relationships with their customers?

Communication viewed as a toolmakers model requires significant effort on the part of all participants. In today’s social media space, we see various expressions of effort both on the part of organizations and on the part of customers. Organizational efforts are varied in scope and strategy. For some organizations, mere social media presence is sufficient; other organizations, such as Ford, Lego, and Starbucks exert organized and far-reaching efforts. Customers on their part are forthcoming with questions and suggestions, and also with criticism and various, more or less benevolent comments. Their input tends to be cacophonous and dispersed and with a varied sense of responsibility. This poses a special challenge for organizations. The challenge is further exacerbated by what seems to be an imbalance of power in the social media arena.

Reddy’s toolmakers model suggests a dialectic power balance between the sender and receiver. Developments in the social media space, on the other hand, indicate that the power balance has changed. Denning (2012) writes: “Increasingly, the informed customer is in charge, as a result of epochal shift of power in the marketplace from seller to buyer” (p. 8). Coleman, Chandler, & Jian (2012) note that social media have brought about a revolutionary change in that the “influential marketer” now is the customer rather than the organization. Merchant (2012) argues that few organizations have accepted “the fact that power has shifted. The passive, obedient consumer and paternal, in-control organization have given way to a vocal, informed consumer and an organization struggling to comprehend what this all means to their consumer” (“Does social have to be chaotic,” para. 3). Bruhn, Schoenmueller, & Schäfer (2012) reiterate the often expressed concern that the marketers’ control of brand management has been diminished.

The shift of power from organizations to consumers creates a special challenge for organizations. As Bradley and McDonald (2011) note, the use of social media is not a matter of technology, but rather a managerial and leadership challenge. Reddy’s model posits communication as an effortful and painstaking endeavor that requires input from all those involved in the process of communication. The model also calls for heightened levels of organization rather than heightened levels of information. According to the model, all participants in the communication process need to work on increasing the levels of organization. Diverse and dispersed customers have been inputting higher levels of information, but not organization. Many organizations have also been contributing input primarily in the form of information. The likelihood of dispersed and varied customers moving to a higher level of organization on their own is not likely. It is organizations that need to meet the challenge brought about by social media and develop communication efforts that will lead to higher levels of organization and, consequently, to more meaningful communication and to the building and maintaining of relationships with customers.

The three examples of organizations using social media, which were described earlier in the article, exemplify an effortful approach to communication with customers and heightened levels of organization. Starbucks, Ford, and Lego, respectively, in their own unique way, applied the principles described in

Reddy's toolmakers paradigm. The present-day marketplace may be difficult, unpredictable, and daunting. Nevertheless, an *effortful* and *strategic* approach that includes significant levels of organization has shown positive results.

## CONCLUDING THOUGHTS

In the age of the relationship-oriented enterprise, necessitated by changes in the marketplace, establishing two-way communication and maintaining open lines of communication with customers is a worthy goal. Technological advancements and the development of social media make such a goal attainable. In terms of facilitating two-way communication and keeping communication lines open, social media can be considered a dream come true. It is to be expected, therefore, that organizations are utilizing social media in communicating with customers and building relationships with customers – a prudent and highly recommended business endeavor. In reality, many organizations are wary of using social media due to the complexity and uncertainty that characterize the social media universe.

In this article, an argument is made that communication with customers and, consequently, the building of relationships with customers, is a process that requires careful and thoughtful cultivation. Both communication and relationship building are effortful and painstaking endeavors that necessitate much planning, hard work, and attention. A further argument is made that communication theory provides an in-depth understanding of the communication process and that it can aid organizational efforts aimed at communicating with customers and building relationships with customers. Specifically in this article, Reddy's (1979) toolmakers paradigm was described and implications for organizations in the complex and challenging world of social media addressed. When communication is understood in simplistic terms, as a more or less mechanistic transfer of messages from the sender to the receiver and when the receiver is perceived as a passive recipient of messages, the likelihood of the creation of a shared meaning is diminished and, consequently, building relationships with customers can be undermined. On the other hand, when both the sender and the receiver are actively involved in the communication exchange and when communication is understood as a vibrant and dynamic process, as posited by the toolmakers model, meaningful communication can ensue. Reddy's toolmakers model also brings to light another very important aspect of communication – levels of organization. Left to its own devices, the communication process, writes Reddy (1979), will begin to deteriorate because communication, like any other system, is subject to the second law of thermodynamics and to the principle of entropy. Under the conditions of an empowered customer, this suggests that organizations need to continually impact the communication process by adding input in the form of higher levels of organization. Adding more input in the form of information, as is common practice, is not likely to have any long-lasting positive effects. Reddy's toolmakers model is invaluable in this respect because it provides an insightful explanation of the communication process and the systemic nature of communication and because it can serve as a theoretical foundation for organizational uses of social media.

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