

**THE MANAGERIAL VIEW OF SOCIAL MEDIA USAGE IN BANKING INDUSTRY:
CASE STUDY FOR ROMANIAN BANKING SYSTEM**

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ABSTRACT

New technologies based on the Internet and World Wide Web have changed the business world in 20th century. The Internet has emerged as the world's major distribution channel for goods and services, the easiest and cheapest way for communication and interaction. It has influenced all business areas by making them to be drastically transformed, requiring new challenges, communication approaches and creative behavior in the "dot com upheaval". It has affected banking industry and made it to deal with drastically new challenges. Here managers need to establish new ways to transform and adjust their organizations to the new changes, to communicate to customers, which best can be done via Social Media.

Social media has become a part of human life. It has entered consumers' day to day lives and has impacted today's business world. The rapid progresses in technology seem to have more impact on changes in the banking industry than any other. Actually, today banking industry is extensively debating, discussing and thinking on Social Media usage in financial world. Banks have begun to catch that social media is a new challenge for them and it can become a crucial constituent of banking strategy.

This article is focused on social media usage in banking industry and its managerial view. Based on theoretical researches we set hypotheses and for testing them we did research in Romanian banking system. Thus social media in banking industry is a discussion topic of this article which than comes up its managerial view in Romanian banking industry.

KEYWORDS:*banking industry, social media, social media challenges, social media barriers, social media benefits*

JEL CLASSIFICATION:*G210*

1. INTRODUCTION

Social media is almost an endless source and an important tool for communication. It has radically impacted today business world. And today's customers have proved this fact. Social media is influencing customers' financial decisions, their opinion, needs. The traditional word of mouth has been changed in social media world of mouth which has much more power and can be spread incredibly rapidly. Thus banking management needs to identify ways to make profitable use of social media. By developing presence in social media platforms banks will be closer to customers.

We believe that social media and networking are the most rapid way to grow a business entity.

The objective of this article is to study social media usage in banking industry and research its managerial view concerning benefits, barriers, challenges etc. Social media is studied a lot from customers' point of view but there are not many studies of social media from managerial

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point of view. This article shows the look from inside the bank, how is managers' attitude toward social media usage.

Based on statistics and researches in social media area, we present a set of hypotheses and test them in Romanian banks by doing survey among managers, directors and social media representatives. We selected the questions that allow us to validate our hypotheses. We studied our samples by using statistical tools for frequencies, crosstabs and correlation.

2. SOCIAL MEDIA DEFINITION AND ITS CLASSIFICATION

Social media seems to be a new tendency, but if we go deeper we will see that to be a social is a part of human being which has impact on all human activities.

Our point of view is that social media is a manifestation, development and transformation of human's most impressive characters: communication and interaction, which nowadays are done throughout the new channels.

Human is a social being. The word "social" refers to "a characteristic of living organisms as applied to populations of humans and other animals. It always refers to the interaction of organisms with other organisms and to their collective co-existence, irrespective of whether they are aware of it or not, and irrespective of whether the interaction is voluntary or involuntary." (<http://en.wikipedia.org/wiki/Social>)

Peter Aceto (2010) mentioned that social media is nothing new; it is a dialogue and a form of engagement. From his perspective it is "a community of individuals who are interested in a common cause of removing barriers and adding value." (<http://blog.ingdirect.ca/2010/11/15/im-a-ceo-and-i-tweet/>)

Mayfield (2007) defines social media as: "to be a group of new kinds of online media, which share most or all of the following characteristics: participation, openness, conversation, community, and connectedness. A good way to think about Social Media is that all of this is actually just about being human beings sharing ideas, cooperating and collaborating to create, art, thinking and commerce, vigorous debate and discourse, finding people who might be good friends, allies and lovers".

Carton (2009) mentioned that "Throughout much of human history, we've developed technologies that make it easier for us to communicate with each other".

Ahlqvist et al. (2008) define social media as the means of interactions among people in which they create, share, and exchange information and ideas in virtual communities and networks.

Smith, et al. (2008) suggest a sociological change initiated by technological change: "users are shifting from just consuming information published by professional editors to contributing blog posts and twitter messages, updating their profiles on Facebook and MySpace, asking and answering questions on Yahoo! Answers. From a sociological perspective, social media can be described as 'collective goods produced through a computer mediated collective action'".

All above mentioned definitions have the same idea as we, that social media is all about communication and interaction, which is nothing new for humanity.

The roots for social media come from 1970s and the beginning of 2000 can be considered as the growth of social media.

The rapid growth of social media makes us to think what was the reason for such success? Agichtein et al. (2008) mentioned that social media differentiates from traditional/industrial media in many **aspects** such as quality. Morgan et al. (2012) added that not only the quality is differentiation but as well reach, frequency, usability, immediacy and permanence. There are many effects that stem from internet usage. Nowadays internet users continue to spend more time with social media sites than any other type of site.

“It can be said that social media is the set of Web based broadcast technologies that enable the democratization of content, giving people the ability to emerge from consumers of content to publishers” (Scott&Jacka (2011).

Kaplan &Haenlein (2010) had classified Social Media, by social presence/media richness and self-presentation/self-disclosure, into six different types, which is shown in the Table 1. It shows that the applications such as collaborative projects (e.g., Wikipedia) and blogs score lowest, as they are often text-based and therefore allow for a comparatively simple exchange. On the next level are content communities (e.g., YouTube) and social networking sites (e.g., Facebook) which, in addition to text-based communication, give an opportunity to share of pictures, videos, and other forms of media. On the highest level are virtual game and social worlds (e.g., World of Warcraft, Second Life), which try to replicate all dimensions of face-to-face interactions in a virtual environment. Regarding to the classification, blogs usually score higher than collaborative projects, as the latter generally tend to be focused on specific content domains. Similarly, social networking sites allow for more self-disclosure than content communities. After all, virtual social worlds require a higher level of self-disclosure than virtual game worlds, as the latter are dominated by strict guidelines that force users to behave in a certain way.

Table 1. Classification of Social Media by social presence/media richness and self-presentation/self-disclosure

		Social presence/ Media richness		
		Low	Medium	High
Self-presentation/ Self-disclosure	High	Blogs	Social networking sites (e.g., Facebook)	Virtual social worlds (e.g., Second Life)
	Low	Collaborative projects (e.g., Wikipedia)	Content communities (e.g., YouTube)	Virtual game worlds (e.g., World of Warcraft)

Source: adapted from Kaplan &l Haenlein (2010)

Banking management should take into consideration the challenges and opportunities of social media. Banks need to integrate all type of social media into online banking and websites.

“*Collaborative projects* enable the joint and simultaneous creation of content by many end-users and are, in this sense, probably the most democratic manifestation of User Generated Content (UGC).” (Kaplan &Haenlein, 2010) They are websites (Wikipedia) where users are able to add, remove, and change text-based content and social bookmarking applications (Delicious) where users are able to rate Internet links or media content.

E-Banking management should be aware that nowadays collaborative projects are trending to become the main source of information for many consumers. Some companies made use of collaborative projects. For example, finish handset manufacturer Nokia, for instance, uses internal wikis to update employees on project status and to trade ideas, which are used by about 20% of its 68,000 staff members.

Blogs are the Social Media equivalent of personal web pages where individual or group of users’ record opinions, information, etc. Blogs are usually managed by one person only, but there are the possibility of interact with others through the addition of comments.

Banking management may use to update employees, customers on developments they count to be important. But at the same time, they should be aware of the risks that blogs contain. Displeased customers may make protests, complains in blogs, which will lead to failure on line information. This can do as well as employees. A good example is Microsoft’s former “technical

evangelist” Robert Scoble, who having an intention to leave a company, was brutally criticizing the products of his employer.

In *content communities* users share media contents such as text (e.g., BookCrossing, via which 750,000+ people from over 130 countries share books), photos (e.g., Flickr), videos (e.g., YouTube), and PowerPoint presentations (e.g., Slideshare). It is not places to create a personal profile page; if they do these pages usually only contain basic information, such as the date they joined the community and the number of videos shared.

Many businesses use content communities and there are successful ones. For example, in 2007, Procter & Gamble organized a contest for its over-the-counter drug Pepto-Bismol, whereby users were encouraged to upload to YouTube 1-minute videos of themselves singing about the ailments Pepto-Bismol counteracts, including heartburn and nausea.

Oxford dictionaries define *social networking* as “the use of dedicated websites and applications to interact with other users, or to find people with similar interests to one’s own.” These sites (Facebook, Twitter, LinkedIn, Google Plus+ etc.) enable users to connect by creating personal information including photos, video, audio files, profiles, inviting friends and colleagues to have access to those profiles, and sending e-mails and instant messages between each other.

Nowadays lots of businesses use social networking sites for marketing researches, marketing promotions, brand creation and enhancement and even as a distribution channel. They have become important source of banking information.

Banking statistics for 2012 show the real fact concerning to social network usage in e-banking. “Globally, 44% of customers use social networking sites as sources of information on banking products and services. Customers in emerging markets are particularly likely to use social media to interact with their banks. Worldwide, seeking information remains the primary banking function that customers perform via social networks, but in some markets significant numbers of customers are also conducting transactions this way.

Worldwide, almost one-third of customers who use social networking sites to interact with their bank also use them to comment on the service they have received and to pass on news about good offers. Given the vital role that advocacy plays in customers’ product and relationship decisions, this is a significant finding.” (Ernst & Young, 2012)

Social Networking sites have shown explosive growth in the last couple of years. In 2012, the total number of worldwide social networking accounts is over 2.7 billion. This figure is expected to grow to from about 3.2 billion accounts in 2013 to over 4.8 billion accounts by the end of 2017 which is shown in the Table 2. The majority of social networking accounts still come from the Consumer space; however, business-oriented Enterprise Social Networks are also showing strong adoption. (Email Statistics Report, 2012-2016, 2013-2017)

Table 2. Worldwide Social Networking Accounts and User Forecast (M), 2013-2017

	2013	2014	2015	2016	2017
<i>Worldwide Social Networking Accounts (M)</i>	3,190	3,615	4,078	4,459	4,861
<i>Growth (%)</i>		13%	13%	9%	9%
<i>Worldwide Social Networking Users (M)</i>	1,091	1,202	1,319	1,443	1,573
<i>Growth (%)</i>		10%	10%	9%	9%
<i>Average Accounts Per User</i>	2.9	3.0	3.1	3.1	3.1

Source: Email Statistics Report, 2013-2017 (<http://www.radicati.com>)

“*Virtual worlds* are platforms that replicate a three-dimensional environment in which users can appear in the form of personalized avatars and interact with each other as they would in real life.” (Kaplan & Haenlein, 2010) They are likely the ultimate manifestation of Social Media,

because they provide the highest level of social presence and media richness of all applications discussed thus far. They have two forms: virtual game worlds and virtual social worlds.

Virtual game worlds require the users to behave according to strict rules in the context of a massively multiplayer online role-playing game. A good examples for virtual game world is "World of Warcraft," which counts around 8.5 million subscribers.

Virtual social worlds (Second Life application) allow the users to choose their behavior more freely and generally live a virtual life similar to their real life. According to Kaplan and Haenlein (2009) this is a place where users express their self-presentation strategies, and it has been shown that with increasing usage intensity and consumption experience, users of virtual social worlds show behavior that more and more closely mirrors the one observed in real life settings.

"Virtual worlds are becoming part of a global communication mix" (Langlois, 2011). He stressed that Virtual worlds give the chance to the organizations to test new product ideas and new environments. The company may get real time analysis from members and study their behavior as well as collect feedback.

Virtual worlds can be used by business unites for advertising, communication, sales of e-product and services, marketing research etc. A good example is Japanese automotive giant Toyota which used pictures and mechanics from "the World of Warcraft" in its Tundra commercial to reach the 2.5 million players in the U.S. alone. Kaplan & Haenlein (2010) mentioned that virtual worlds it can be used even for human resource and internal process management.

2. ADDED VALUE OF SOCIAL MEDIA FOR BANKING INDUSTRY IN GLOBAL ECONOMY

Social media is a result of the changes in communicative manners it has a crucial influence on today's business world.

Here is presented the theoretical research concerning our topic.

As we know, the last two decades have seen multiple visions for "banking in the future" (Gates, 1995) that comprehended banking from a customer perspective. Alt & Puschmann (2012) supposed that four drivers have become fairly spread causing a stronger transformation in the forthcoming years: the financial crises, the changing behavior of banking customers, the pace of diffusing innovative downstream IT-solutions, and the emergence of non-banks. All these have direct or indirect connection with social media phenomenon. Indeed in few years social media showed an explosive growth and established itself as "the media of choice all across the world". (Hun, 2010).

Ernst & Young (2012) in "Global banking outlook: 2013-14" based on their global research advises that banks need to develop new business models and implement new operating models, because customers "disturbing the status quo — they continue to need banking services but are starting to look beyond banks to alternative providers". "A major overhaul of the organization will be needed to adapt to the new environment".

The rapid success of social media has left corporations "in the dust" as they seek to promote their products on these platforms, develop strategies and policies, and fill newly created social media-related positions with qualified individuals (Kelly, 2010).

King (Bank 3, 2013) told that there has never been a new media type that has such a deep impact on business messaging and dialogue in such a short period of time – ever. When we put it in that light, there are many banks that should have been taking social media far more seriously for quite some time already. But perhaps those banks are waiting for the crash, the dot-bomb of social media.

Jenkins (2006) described the contemporary media landscape as being innovative, convergent, every day, appropriative, networked, global, generational and unequal. Gharibi (2013) pointed out that a crucial element to ensure social media success is to have executive level support

for enabling and encouraging experimenting and learning. This makes it easier to “stick with it” since it takes substantial commitment, time, and resources to be successful in social media. Murdough (2009) emphasized that firms try to realize their aims through social media. Steinman & Hawkins (2010) added that the viral feature of social media makes it fantastic for business environment. Kirakosyan&Dănăiață (2013) showed the link between communication, customers’ satisfaction and customers’ loyalty/retention. Which means that e-Communication is not only a crucial variable on customer satisfaction but also on their loyalty/retention

Tapscott& Williams (2006) developed an idea of “wikinomics” and explained the use of mass collaboration in a business environment. They mentioned that leaders must think differently to compete and be profitable, and “embrace a new art and science of collaboration”.

Financial sectors, especially the heart of it: banks, have to harness the power of social media. “Perhaps akin to the development of websites in the latter part of the 20th century, organizations today sense that social media is—and will remain—an important fabric of commerce, and that they must get on board”. (Weinberg &Pehlivan, 2011)

Edosomwan (et al 2011) underscored that “Social media helps conversations to reach a wider audience leveraging the “long tail” concept, which means conversations that can be conveyed to different forums”. Paridon&Carraher (2009) stressed that “Social media is a cost-effective method for marketing activities”. Merrill (et al 2011) emphasized that “via Social networking sites banks should be focused on deeper relation between customers, which will grow to “know, like, and trust”. And for each kind of businesses they mentioned “But the opportunity to interact with anyone, anywhere, anytime is too world-changing to ignore”. Brown (2010) mentioned “It is well-established that people feel more connected with a company when they have direct communication on an ongoing basis and opportunities to express their opinions.” Nadkarni (2013) wrote “But the benefits of engaging with customers on these channels outweigh the cons, primarily, because engagement via social media keeps an organization on its toes and ensures customer grievances are addressed immediately.” Vaynerchuk (2009) emphasized that social media gives businesses an unprecedented opportunity for interacting with their customers and communicating their messages. Catherine Zhou pointed out that businesses have been talking for many years about how customers are empowered by information. And now, more and more customers are seeking that information via social media, and it is being filtered by their peers. (Ernst & Young, 2012)

Gallup’s Retail Banking Industry survey finds that social media and written materials are by far the most likely to lead to a sales conversion. And if we compare the social media costs (some social media channels are free by the way) with other sources like calls from customer service representative, we will see that social media is the challenge that worth to undertake (Leonard &Youra, 2013).It showed as well that the first place where customers look for bank information is social media.

Samuel (2013) mentioned that social media demanded attention. It needs to be put into the rotation, but that doesn’t mean we take something off our calendars to accommodate it, we should just add it to our teams’ tasks, challenging them to figure it out until they could make a business case for hiring full-time social media staffers. “If social media is worth doing, than it’s worth making time for”.

Some banks have special departments for CRM implementation. Via social media channels it is very easy and cheap to manage customer relationship. Thomas (2010) mentioned that social media is “CRM for millennia” but not a just simple marketing tool and its form may be different direct in the future but it’s not going away. But statistics show that businesses don’t use social media for CRM purposes extensively as they should. Particularly Social Media Marketing report for 2012 released by Awareness (Brown, 2012) presented that the social CRM issue continues to be one that’s lacking in uptake, with only 16% of businesses currently using a social CRM system. While 21% are planning to, 17% don’t know what a social CRM system is and why businesses need it.

Hensel & Deis (2010) stated the connection between social media and cross-selling. They mentioned that in social media platform on-line groups communicating with each provide cross-selling opportunities for businesses.

Pearson (2013) mentioned about another benefit. He pointed out that social media can play a role in business process management. Some leading companies are already using the power of social media to shape their business process management (BPM) agendas.

Jiang et al. (2012) in their research paper showed that via social media stock market performance can be predicted. This connection was a research topic for many researchers. Das & Chen (2007) pointed out that online social media such as firm-related web forums are valuable sources in explaining subsequent stock behavior. Tetlock (2008) et al. showed that there are three main sources of information for stock prediction: analysts' forecasts, accounting variables in financial statements, and information appearing in news and social media.

3. SOCIAL MEDIA USAGE IN ROMANIA

Global Digital Statistics 2014 done by We are social's snapshot of key indicators, presented the worldwide internet and social media usage. According to it, total world population is 7,095,476,818, from which 2,484,915,152 are internet users. Approximately 35% of worldwide population are using internet and from this over 1,856,680,860 are active social network users. Which means approximately 26% of worldwide population is in social networks. Only Facebook had more than 1 million active users for January 2014. (Global Digital Statistics, 2014)

According to Mundi index the population in Romania for 2013 is 21,790,479. (http://www.indexmundi.com/romania/demographics_profile.html). From which 10,924,479 are internet users (Global Digital Statistics, 2014). If we take into consideration that about 14,7 % are in the age of 0-14 and 15,1 % are in the of 65 years and over (Mundi index), we can surely say that in Romania more than 50% of population are internet users and more than 33 % (7,200,000) are Facebook users (www.webbuzz.ro).

The average time spent on social media in Romania is depends on users age, in fact younger people spend much more time on social networks. Table 3 presents time spent on social media in Romania for 2013.

Table3 :Times spent on social media in Romania

<i>14-25 years old</i>	<i>> 120 minutes</i>
26-30 years old	91-120 minutes
31-35 years old	61-90 minutes
36-40 years old	31-60 minutes
41-45 years old	< 30 minutes

Source: Social media usage in Romania 2013 (www.webbuzz.ro)

Facebook leads the list of most used social networks in Romania with 82% result. The most popular social media platforms for Romanian internet users are presented in Figure 1.

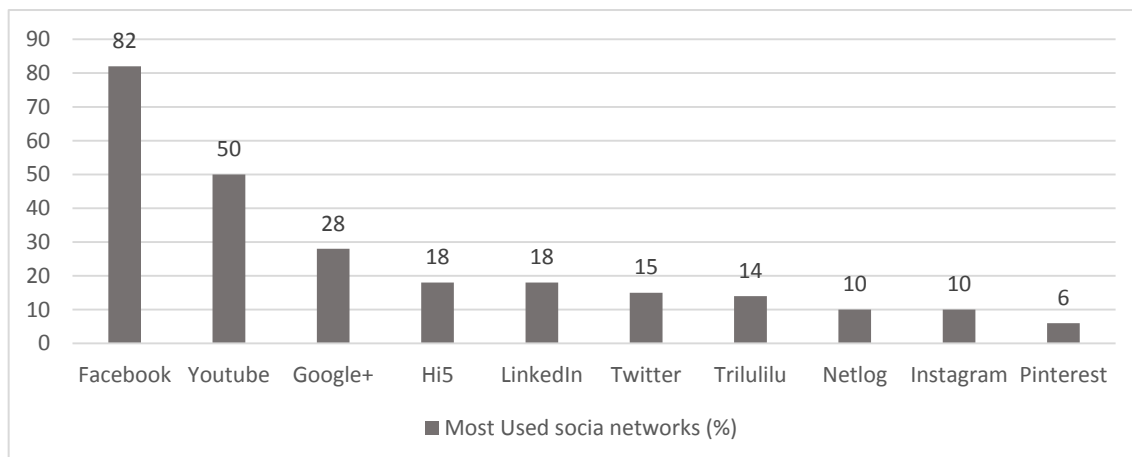


Figure 1. The most popular social media platforms
 Source: Social media usage in Romania 2013,(www.webbuzz.ro)

Social media has become the place where customers look for information, promotions, products, and last but not least, are influenced to make purchase. Globally 4 in 10 social media users have purchased an item or in-store after sharing it or making it as a Favorite on Twitter, Facebook or Pinterest (Invesp, 2014). Moreover, consumers are 71% more likely to make a purchase based on social media referrals (Hubspot, 2012). Out of 53% of consumers who said they use Twitter to recommend companies or products in their Tweets, 48% bought that product or service (SproutSocial, 2011). 74% of consumers rely on social networks to guide purchase decisions (SproutSocial, 2011). 58% of Facebook users expect offers, events or promotions when they become fans (Hubspot, 2012). 79% of consumers like a Facebook company page because it offers discounts and incentives (Forbes, 2012)

Romanian customers indicated their cycle of interest concerning to information on Facebook brand pages, and we can see that the list leads news about promotions having 78% then comes price catalog with 76%. In average Romanian internet users are looking more information about prices, products than entertainment. Figure 2 presents that list.

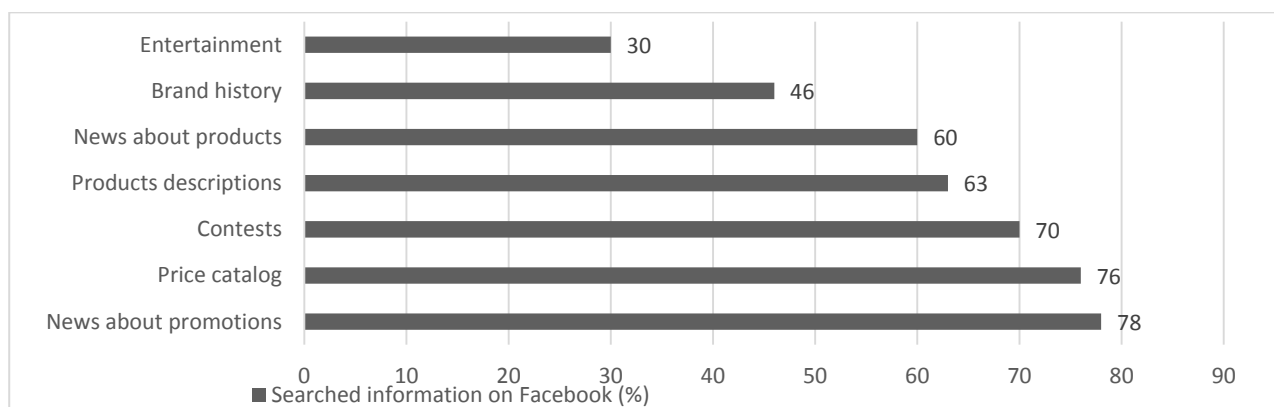


Figure 2. The most relevant information that Romanian users want to find on Facebook brand pages
 Source: Social media usage in Romania 2013(www.webbuzz.ro)

4. THE MANAGERIAL VIEW OF SOCIAL MEDIA USAGE IN ROMANIAN BANKS

Romania's banking system is a two-tier system, including the National Bank of Romania (BNR) and commercial banks. According to TheBanks.EU Romania has 41 banks. Based on statistics and findings about social media usage which were mentioned in this article, we set hypotheses and to testify them we have done survey among 11 Romanian banks. Because of respondents confidentiality we will not mention the name of those banks. We had interviewed banking managers, directors and social media responsible. We set questions that allow us to validate our hypotheses about social media barriers and challenges. We studied our samples using statistical tools for frequencies, crosstabs and correlations.

The hypotheses that we tested for the Romanian banking system are the following:

- H1:** *Romanian banking systems has a good social media presences.*
- H2:** *The banks in Romania consider that there are several barriers in social media adoption.*
- H3:** *Managers with different characteristics have different attitude toward barriers.*
- H4:** *Romanian banks consider that social media adoption brings a set of challenges for them.*
- H5:** *Managers with different characteristics have different attitude toward challenges.*
- H6:** *Social media is used among Romanian banks for various purposes.*
- H7:** *Social media has a strong impact on Romanian banks.*
- H8:** *Managers with different characteristics have different attitude toward benefits.*

H1: *The banks in Romania are present on most of the well-known social media platforms.*

The leading platforms for Romanian banks are Facebook and LinkedIn. (Figure 3).

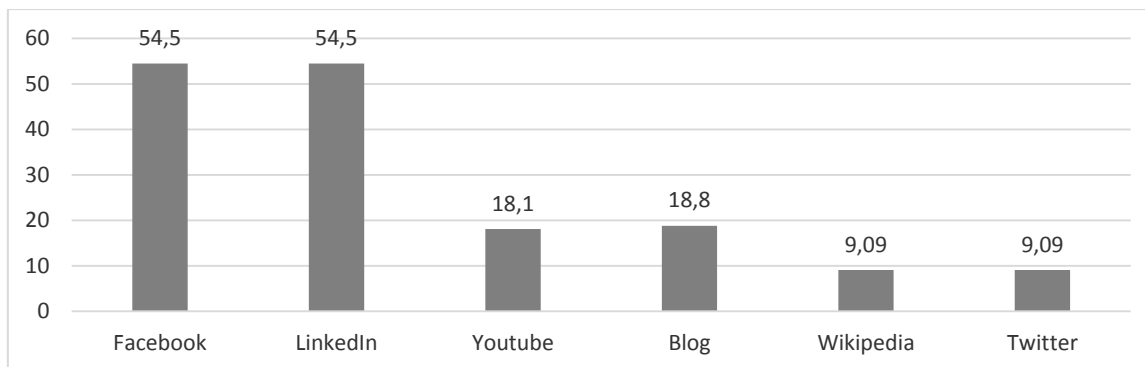


Figure 3. The main social media platforms in Romanian banks for 2014

H2: *The banks in Romania consider that there are several barriers in social media adoption.*

72.7% respondent think that one of the barriers is the lack of strategy around social media usage. (Table 4, Multiple-choice question whereby respondents selected all the categories that applied to them).

Table 4. Managerial view on Social media adoption barriers in Romanian banks, 2014

<i>Barriers</i>	<i>Degree</i>	<i>Strongly agree (%)</i>	<i>Agree (%)</i>	<i>Neutral (%)</i>	<i>Disagree (%)</i>	<i>Strongly disagree (%)</i>
Lack of senior management understanding		9.1	45.4	18.2	27.3	0.0
Lack of a dedicated Social Media manager		36.4	36.4	9.1	9.1	9.1
Lack of skills and competencies within banks		0.0	63.6	9.1	27.2	0.0
Lack of strategy around “usage” of Social Media		0.0	72.9	9.1	18.2	0.0

H3: Managers with different characteristics have different attitude toward barriers.

The age of our respondents have influence on how barriers for social media are perceived. Our respondents are within the ranges of 25-45 years and we divided them into 2 groups; under and over 35. **Managers over 35 years old give more importance to barriers than managers under 35.**

Lack of senior management understanding

- Under 35 - 36.4% is disagree or has neutral position,
- Over 35–54.5% is agree/strongly agree and 9.1% is disagree.

Lack of a dedicated Social Media manager

- Under 35 – 18.2% isstrongly agree and 18.2% is disagree/neutral position,
- Over 35 - 54.5% is agree/strongly agree and 9.1% is strongly disagree.

Lack of skills and competencies within banks

- Under 35 –9.1% is agree and 27.2% is disagree/neutral position,
- Over 35 - 54.5% is agree and 9.1% is disagree.

Lack of strategy around “usage” of Social Media

- Under 35 – 27.2 % is agree and 9.1% is disagree,
- Over 35 – 45.4 % is agree and 18.2% is disagree/neutral position.

The experience in banking area of our respondents have influence on how barriers for social media are perceived. We divided years of experience into 2 groups; less than 5 years and more than 5 years. **Managers having more experience in banking area give more importance to barriers than managers with less experience.**

Lack of senior management understanding

- Less than 5 years – 27.2% is agree,
- More than 5 years- 27.2% is agree/strongly agree and 45.4% is disagree/neutral position.

Lack of a dedicated Social Media manager

- Less than 5 years – 27.2% is agree,
- More than 5 years- 45.4% is agree/strongly agree and 27.2% is disagree/strongly disagree.

Lack of skills and competencies within banks

- Less than 5 years - 18.2% is agree 9.1% is disagree,
- More than 5 years- 45.4% is agree and 27.2% is disagree/neutral position.

Lack of strategy around “usage” of Social Media

- Less than 5 years – 27.2 % isagree,
- More than 5 years– 45.4 % is agree and 27.2% is disagree/neutral position.

By studying barriers in correlation with age and experience, we can assert that age and experience are factors that influence how barriers are perceived. In average 13.6% of managers under 35 and 52.2% managers over 35 as well as 24.9% of managers having less than 5 year experience and 40.9% of managers having more than 5 year experience agreed to the barriers.

H4: The banks in Romania consider that social media adoption brings a set of challenges for the banks.

90.9% agreed that social media is an innovative method for marketing. (Table 5, Multiple-choice question whereby respondents selected all the categories that applied to them).

Table 5. Managerial view on social media challenges in Romanian banks, 2014

Challenges	Degree	Strongly agree (%)	Agree (%)	Neutral (%)	Disagree (%)	Strongly disagree (%)
Potential customer attainability in easy and fast way.		27.2	45.4	27.2	0.0	0.0
Innovative method for marketing activities.		45.4	45.4	9.1	0.0	0.0
Advanced way for crowdsourcing.		18.2	54.5	27.2	0.0	0.0
Fast way for the new competitors' and market's tracking.		36.4	45.4	18.2	0.0	0.0
Customer care improvement.		36.4	36.4	27.2	0.0	0.0
Customers' demand and behavior recognition.		27.2	54.5	9.1	9.1	0.0

H5: Managers with different characteristics have different attitude toward challenges.

The age of our respondents have influence on how challenges for social media are perceived. *Managers over 35 years old give more importance to challenges than managers under 35.*

Potential customer attainability in easy and fast way.

- Under 35 - 18.2% is agree 18.2% has neutral position,
- Over 35 –54.5% is agree/strongly agree and only 9/1% has neutral position.

Innovative method for marketing activities.

- Under 35 – 27.2% is agree and 9/1% has neutral position,
- Over 35- 63.6% is agree/strongly agree.

Advanced way for crowdsourcing.

- Under 35 –27.2% is agree/strongly agree and 9.1% has neutral position,
- Over 35 –45.4% is agree/strongly agree and 18.2% has neutral position.

Fast way for the new competitors' and market's tracking.

- Under 35 – 18.2 % is agree/strongly agree and 18.2% has neutral position,
- Over 35 – 63.6 % is agree/strongly agree.

Customer care improvement.

- Under 35 – 27.2 % is agree/strongly agree and 9.1% has neutral position,
- Over 35 – 45.4 % is agree/strongly agree and 18.2% has neutral position.

Customers' demand and behavior recognition.

- Under 35 – 27.2 % is agree/strongly agree and 9.1% is disagree,
- Over 35 – 54.5 % is agree/strongly agree and 9.1 % has neutral position.

The experience in banking area of our respondents have influence on how challenges for social media are perceived. **Managers having more experience in banking area give more importance to challenges than managers with less experience.**

Potential customer attainability in easy and fast way.

- Less than 5 years – 27.2 % is agree/strongly agree,
- More than 5 years– 45.4% is agree/strongly agree and 27.2% has neutral position.

Innovative method for marketing activities.

- Less than 5 years – 27.2% is agree/strongly agree,
- More than 5 years- 63.6% is agree/strongly agree and 9.1% has neutral position.

Advanced way for crowdsourcing.

- Less than 5 years – 27.2% is agree,
- More than 5 years– 45.4% is agree/strongly agree and 27.2% has neutral position.

Fast way for the new competitors' and market's tracking.

- Less than 5 years – 27.2 % is agree/strongly agree,
- More than 5 years– 54.5 % is agree/strongly agree and 18.2% has neutral position.

Customer care improvement.

- Less than 5 years – 18.2 % is agree/strongly agree and 9.1% has neutral position,
- More than 5 years– 54.5 % is agree/strongly agree and 18.2% has neutral position.

Customers' demand and behavior recognition.

- Less than 5 years – 27.2 % is agree/strongly,
- More than 5 years– 54.5 % is agree/strongly agree and 18.2%is strongly disagree/neutral position.

By studying challenges in correlation with age and experience, we can assert that age and experience are factors that influence how challenges are perceived. In average 24.2% of managers under 35 and 54.5% managers over 35 as well as 25.7% of managers having less than 5 year experience and 53% of managers having more than 5 year experience agreed to the challenges.

H6: Social media is used among Romanian banks for various purposes.

The managerial view for social media usage in banking industry shows that 42.4 % respondents do strongly agree that social media is a tool for brand strengthening. Table 6 presents the managerial view concerning to the purposes of social media usage in banking (Multiple-choice question whereby respondents selected all the categories that applied to them by rating scale).

Table 6. Social media usage purposes for Romanian banks, 2014

Purposes	Degree	Strongly	Agree	Neutral	Disagre	Strongly	N/A
		agree	(%)	(%)	e (%)	disagree	(%)
		(%)				(%)	
For conversation with audience		0.0	63.6	18.2	18.2	0.0	0.0
To build relation with existing and potential customers		18.2	45.4	27.2	9.1	0.0	0.0
To reach banking transparency/visibility		18.2	63.6	18.2	0.0	0.0	0.0
For Customer loyalty / retention programs		9.1	54.5	27.2	0.0	9.1	0.0
To monitor public awareness		18.2	54.5	27.2	0.0	0.0	0.0
For information distribution		36.4	36.4	27.2	0.0	0.0	0.0

Purposes	Degree	<i>Strongly agree</i> (%)	<i>Agree</i> (%)	<i>Neutral</i> (%)	<i>Disagree</i> (%)	<i>Strongly disagree</i> (%)	<i>N/A</i> (%)
For brand strengthening		90.9	9.1	9.1	0.0	0.0	0.0
For Customer Relationship Management		18.2	45.4	18.2	9.1	9.1	0.0
For cross-selling		9.1	54.5	27.2	9.1	0.0	0.0
To reduce advertisement expenses		18.2	18.2	54.5	0.0	0.0	9.1
For HR purposes		9.1	45.4	27.2	0.0	0.0	18.2

H7: Banks in Romania consider that they do benefit from social media usage.

More than 80 % agree that via social media the bank can increase banking recognition. Table 7 presents the managerial view on benefits from social media adoption (Multiple-choice question whereby respondents selected all the categories that applied to them by rating scale).

Table 7. Managerial view on Benefits from Social Media adoption for Romanian banks, 2014

	<i>Strongly agree</i> (%)	<i>Agree</i> (%)	<i>Neutral</i> (%)	<i>Disagree</i> (%)	<i>Strongly disagree</i> (%)	<i>N/A</i> (%)
Social media reduces workload in the branches.	18.2	18.2	27.2	27.2	9.1	0.0
Social media reduces call workload.	9.1	54.5	9.1	18.2	9.1	0.0
Social media increases banking recognition.	27.2	54.5	18.2	0.0	0.0	0.0
Social media effects banking reputation.	36.4	45.4	18.2	0.0	0.0	0.0
Via Social media the bank can restore trust among stakeholders.	0.0	45.4	45.4	9.1	0.0	0.0

H8: Managers with different characteristics have different attitude toward benefits.

The age of our respondents has influence on how benefits for social media are perceived. **Managers over 35 years old give more importance to benefits than managers under 35.**

Social media reduces workload in the branches.

- Under 35–9.1% is strongly agree 27.2% is disagree/strongly disagree,
- Over 35 - 27.2% is agree/ strongly agree and only 36.4% is disagree/neutral position.

Social media reduces call workload.

- Under 35 – 18.2% is agree and 18.2% has neutral position or disagree,
- Over 35- 45.4% is agree/strongly agree and 18.2% is disagree/neutral position.

Social media increases banking recognition

- Under 35 – 36.4% is agree/strongly agree,
- Over 35 – 45.4% is agree/strongly agree and 18.2% has neutral position.

Social media effects banking reputation.

- Under 35 – 27.2 % is agree/strongly agree and 9.1% has neutral position,
- Over 35 – 54.5 % is agree/strongly agree and 9.1% has neutral position.

Via Social media the bank can restore trust among stakeholders.

- Under 35 – 9.1 % is agree and 27.2% disagree/neutral position,
- Over 35 – 36.4 % is agree/strongly agree and 27.2% has neutral position.

The experience in banking area of our respondents has influence on how benefits for social media are perceived. *Managers having more experience in banking area give more importance to benefits than managers less experience.*

Social media reduces workload in the branches.

- Less than 5 years – 9.1 % is agree and 18.2% is disagree/neutral position,
- More than 5 years – 27.2% is agree/ strongly agree and 45.4% is disagree/strongly disagree or has neutral position.

Social media reduces call workload.

- Less than 5 years – 9.1 % is agree and 18.2% is disagree/neutral position,
- More than 5 years- 54.5% is agree/strongly agree and 9.1% is strongly disagree.

Social media increases banking recognition

- Less than 5 years – 27.2% is agree/strongly agree,
- More than 5 years– 54.5% is agree/strongly agree and 18.2% has neutral position.

Social media effects banking reputation.

- Less than 5 years – 27.2 % is agree/strongly agree,
- More than 5 years– 54.5 % is agree/strongly agree and 18.2% has neutral position.

Via Social media the bank can restore trust among stakeholders.

- Less than 5 years – 27.2 % is agree,
- More than 5 years– 18.2 % is agree and 54.5% has neutral position.

By studying benefits in correlation with age and experience, we can assert that age and experience are factors that influence how benefits are perceived. In average 20% of managers under 35 and 41.8% managers over 35 as well as 20% of managers having less than 5 year experience and 41.8% of managers having more than 5 year experience agreed to the benefits.

A synthesis of the final results is presented in Table 8.

Table 8. The hypotheses test

H1	Accepted	50% of the respondents said their bank have presence in social media platforms.
H2	Accepted	More than 60% of our respondents agree with our barriers.
H3	Accepted	Managers with different characteristics have different attitude toward barriers.
H4	Accepted	Over 70% of our respondents agreed with the chosen set of challenges.
H5	Accepted	Managers with different characteristics have different attitude toward challenges.
H6	Accepted	Banks use intensively or moderately all of the mentioned purposes and activities.
H7	Accepted	Strong influence of social media on banking recognition, bank reputation.
H8	Accepted	Managers with different characteristics have different attitude toward benefits.

5. CONCLUSIONS

The most important stakeholders for banks are customers. And this factor forces banks to change the way they interact with them and put attention on relationship and communication which can't be done without using all modern online communication channels. From which the most popular and powerful one is social media.

Romanian banking system has a good presence in social media platforms by using it for different purposes. In general the managers do recognize the power of social media. The more experience they have the stronger they see social media barriers, challenges, benefits. As well managers with more ages give more signification to social media usage than managers with less ages. This means that experienced managers do distinguish that social media can be very useful if used duly and very dangerous if improperly.

By taking into consideration that Social Media has a big impact on today's business world, banking management needs to identify ways to make profitable use of social media.

Social Media is a powerful tool for gaining customer and for communicating with potential and existing ones. It allows banks to reach end-consumers at comparably low cost and higher level of efficiency than can be achieved with more traditional communication tools. Though being a new way of communication it is not an easy task for its usage. It requires new methods, new ways of thinking. And the results can be not always satisfying, because there are no well-known or well-researched methods and tools for Social Media involvement.

The key factor for the success of social media is conversation, communication and interaction first, then product and service marketing.

Banks needs to be there where present and potential customers are talking, blogging, complaining, expressing their pleasure or dissatisfaction about their products and services.

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