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Intensity of LinkedIn Usage by “Truly Small” Firms to Promote Business-to-Professional Interactions

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Abstract  
LinkedIn is the largest business-oriented collaborative tool enabling Professional-to-Professional (P2P) and Business-to-Professional (B2P) connections. Regardless of organizational type, there are distinct advantages for firms to utilize LinkedIn. This research builds on previous work examining the intensity of LinkedIn usage by organizational type -- Fortune 200, INC 200, Fortune 200 Non-profits – by focusing on truly small businesses and small non-profits with revenues between $500K to $2M revenue. The study of approximately 1000 organizations finds that truly small non-profits and small businesses utilize the B2P features of LinkedIn significantly less than all three types of larger organizations. This paper applies a previous utilized eleven-factor intensity model and analyses public factors available for usage.

INTRODUCTION  
In our previous work analyzing how firms utilize LinkedIn, we examined the intensity of firm usage of LinkedIn across 3 business types: Fortune 200, Fortune 200 non-profits and INC 200 (Author’s names hidden, 2013). We built an 11-factor model measuring intensity of usage among the 600 firms mentioned above. We discovered in our research that large (for profit) firms were the best at maximizing LinkedIn capabilities for businesses. Small firms (INC 200) were strong users of LinkedIn, but were not as intensive users when it came to many LinkedIn features including features that aid in: seeking talent, increasing brand loyalty, or deepening existing relationships. Non-profits (Fortune 200 non-profits) were found to be strong users of LinkedIn to seek for talent but tended to not use LinkedIn inbound marketing tools with the intensity of for-profit large and small businesses.

We came to realize that to fully understand entities usage of LinkedIn, we needed to examine truly small organizations. Even the INC200 list of small business represents firms whose earnings are in the multiple millions, some as great as $100 million. According to the Small Business Administration (2012), small businesses comprise 99 percent of U.S. employers and employ 49 percent of the U.S. workforce. While small businesses can be quite large as the INC200 demonstrate, 52 percent of small businesses are home-based and 78 percent have no employees. As such, we saw that truly small organizations might be different and believed that we needed to test to determine if small organizations used LinkedIn with the intensity of larger
entities. Indeed, it is clear from the material on the LinkedIn website that LinkedIn stresses the benefits to small firms and small non-profits. The assumption is that with the LinkedIn promotional videos, white papers and instructions, small entities should be big users of LinkedIn services.

With this in mind, we studied 200 small businesses with revenues between $500,000 and $2 million and 200 small non-profits with revenues between $500,000 and $2 million. Inclusion of these smaller organizations provides a complete spectrum of the use of LinkedIn tools designed for a company or non-profit to portray themselves to individuals and other businesses.

In the current information-oriented world, B2B business must make available, to current and potential customers, information about the firm and their employees who may interact with customers. LinkedIn is the largest business-oriented collaborative tool enabling Professional-to-Professional (P2P) and Business-to-Professional (B2P) connections. LinkedIn enables business professionals to: stay in contact; explore, recommend, and advertise individual work; facilitate B2P connections to jobs and products; and provide information on the firm to facilitate better B2B employee interaction. Regardless of the firm type, there are distinct advantages for firms to use LinkedIn. This social network can allow professionals to review facts about both the firm and individuals they interact and establish common ground or shared understandings; simply put, it allows them to better know the person(s) and firms they are dealing with. LinkedIn enables firms to identify potential client firms and contact individuals within those firms. This means that businesses – and non-profits – can use LinkedIn as a tool to expand their work and improve customer interactions.

Entities of all types - large, small and medium business (SMB), and non-profits - need to use B2P business tools such as LinkedIn to support entity objectives. Previous research found that SMBs surpassed non-profits and Fortune 200 firms in LinkedIn usage (Authors, 2012). This current research greatly expands the depth of previous LinkedIn studies. This paper applies an eleven-factor weighted model that was used to assess intensity of company LinkedIn usage by entity type across small, medium and large businesses. This paper, however, stresses the intensity with which truly small organizations utilize the capabilities of LinkedIn for promoting the company.

WHY STUDY LINKEDIN

Given there are over 160 million business people who are users of LinkedIn (LinkedIn Form 10-Q, 2nd Q 2012) and given the host of practitioner-oriented books and online articles available, it is surprising to note how few academic articles have been written to analyze the LinkedIn B2P phenomenon. Launched in 2003 and with a successful IPO conducted in 2011 (LinkedIn, 2012), LinkedIn is used by business professionals to enhance their careers and businesses, and as a platform to enable business/professional networking. Womack (2011) finds LinkedIn has 33.9 million unique monthly visitors and is the second largest social networking site. With this magnitude of business-applied usage, the dearth of academic quantitative studies on LinkedIn is unique. Indeed, even Barnes and Mattson (2010) ignored LinkedIn in their study of different types of social media usage by different types of organizations (businesses, universities, and non-profits).

Skeels and Grudin (2009) studied how (Microsoft) professional individuals use LinkedIn, as a B2P tool, in terms of frequency of use, fully developing their profile, and reviewing the content of other people’s profiles. The results of their work show that LinkedIn is used by individuals for
recruiting-related purposes, to learn about someone they have or are about to meet, to assess consultants, or find and assess vendors. Archambault & Grudin (2012) updated the Skeels and Grudin (2009) study and made it longitudinal. This study found a massive increase in individuals using LinkedIn (as well as Facebook and Twitter). Specifically, they found that 81 percent of Microsoft managers maintained a profile on LinkedIn, and 15 percent used it daily, with an average of four visits a day. The usage studied was for personal networking not for corporate entity use of social networking tools. Only Authors (2012) have examined LinkedIn business participation, finding that INC 200 businesses the most active in facilitating B2P LinkedIn interactions. This study expands the studied spectrum and applies an eleven factor model to evaluate how well small businesses and small non-profits compare to medium sized businesses, large businesses and large non-profits, in terms of using LinkedIn across all available service features and in terms of the intensity of LinkedIn usage.

LinkedIn aids businesses in fulfilling a number of business goals: advertising, building community (of constituents), prospecting and qualifying, recruiting, preparing for business meetings, finding investors and advisors, and developing business partnerships (Skeels & Grudin, 2009). This type of B2P tool should be understood by academics from the perspective of how it is used by different classes of organizations to fulfill their business objectives, as well as, the intensity of usage by firm type.

There have been practitioner-focused studies of LinkedIn, and some academic oriented studies. Such research has reviewed how accountants, finance managers, and engineers should use LinkedIn (Hensley, 2011; Marshall, 2011). Usage tips and analysis has been done for advising non-profits on LinkedIn usage (Stengel, 2012; Anonymous, Learn.LinkedIn.com/non-profits, 2012). Many studies have examined how small businesses can use LinkedIn (Allen, 2012; Evans, 2009; Laucho & Marinello, 2010). Additional studies have found businesses should use LinkedIn to: reconnect with old colleagues (Levin, Walter & Murnighan, 2012); make decisions and form opinions (Henry, 2011); meet customer expectations (Trubitt & Overholtzer, 2009); recruit employees and aid in HR decisions (Elmore, 2009; Dekay, 2009; Davison, Marist, & Bing, 2011); present and establish a brand image (Papacharissi, 2009, Harris & Rae, 2011); advertise and market an organization (Lacho & Marinello, 2010; Schmidt & Ralph, 2011); prospect for, collaborate and partner with, and elicit funding from other businesses (Lacho & Marinello, 2010); and pursue open innovation (Anonymous, 2011).

CONCEPTUAL DEVELOPMENT OF B2P INTERACTIVITY

Starting with the fundamental premise that it is becoming more important knowing where information can be found, rather than knowing the information (Sparrow, Liu, and Wegner, 2011), this study has constructed a model with 11 capabilities, each assigned a specific weight in accordance with its relevance to B2P networking. The assigned weights – high (3x), medium (2x) and low (1x) – are grounded in a wide variety of research that demonstrates relative degrees of importance. The first capability – being present on LinkedIn – is weighted 1x as the bare minimum for participating in LinkedIn (Authors, 2012). The second factor – number of job postings divided by the number of company employees – also is weighted 1x, as the actual number of job postings indicate an level of usage by the firm (Herbold & Douma, 2013). The next set of capabilities in the model – those weighted 2x – is tied to studies that demonstrate the degree to which the organization embraces LinkedIn for reaching professionals. A CEO’s
LinkedIn profile (Authors, 2012) and company information on its products and services or other background (Hands, 2012; Marshall, 2011; McCorkle & McCorkle, 2012) are important for connecting with job seekers and conveying authenticity and commitment, hence rating a 2x weight. The organization’s establishment of an alumni group and the total number of participants in that group (divided by the total number of employees to level the playing field) demonstrate recognition of the importance of broad networking and referrals (Adler and Kwon, 2002). And while alumni are important, they are not as critical the company’s larger social network as current employees.

For the last category of capabilities – those weighted 3x – Rodriguez, Peterson, and Krishnan (2012) demonstrate the importance of managing social media to build value with customers. As such, this study weighs most heavily those activities by followers of an firm– both employees and non-employees – and the organization’s commitment to LinkedIn as demonstrated by posting the LinkedIn logo on the company’s website and posting job openings on LinkedIn. This last set of capabilities shows greater long-term commitment, a higher level of energy to engage with professionals, and a belief that the social networking site will provide growth and value to the company over the long-term (Albrecht, 2011; McCorkle & McCorkle, 2012; Osborn & LoFrisco, 2012; Rodriguez, Peterson, and Krishnan, 2012).

APPLYING THE MODEL ACROSS FIRM TYPE

Having established the importance of social media for reaching professionals, this study reviews 400 very small organizations in specific geographic locations. As in our previous study, we sought to understand inbound directional entity usage of LinkedIn, based on the 11 features available for inbound corporate display usage: thus, data detectable by a person going to the entity’s LinkedIn site. As in our previous study, this study does not measure the entity’s employee use. Rather this model studies statistics that one may view about an entity on an inbound basis. Thus, this study examines what an entity projects through LinkedIn to individuals that come to look at the entity’s LinkedIn page and the intensity that these entities utilize LinkedIn as an inbound tool.

This study examines entity intensity of use, via 11 LinkedIn capabilities, as published previously (Authors, 2013). The model provides three weights to quantify intensity of use, as explained earlier. Each capability demonstrates the value that the entity places on that capability provided by using that LinkedIn capability. The use of features also demonstrates the entity’s intensity of belief in the value of LinkedIn as a tool.

Table 1. Framework for Determining Intensity of LinkedIn Usage

<table>
<thead>
<tr>
<th>LinkedIn Capability</th>
<th>Weight</th>
<th>Reasoning for Inclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has a LinkedIn Page</td>
<td>1x</td>
<td>Minimum level of entry to service</td>
</tr>
<tr>
<td>Number of job postings divided by the number of company employees</td>
<td>1x</td>
<td>The number of postings demonstrates a greater intensity or lesser intensity of belief in the value of LinkedIn for attracting talent. Number divided by the number of employees to moderate for firm size.</td>
</tr>
<tr>
<td>Activity Description</td>
<td>Weight</td>
<td></td>
</tr>
<tr>
<td>------------------------------------------------------------------------------------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>Has an Alumni group</td>
<td>2x</td>
<td></td>
</tr>
<tr>
<td>Demonstrates the entity seeks to utilize LinkedIn's networking capabilities for all who have associated with the entity in the past. A strong alumni group increases an entity’s networking ability to reach potential employees and customers and alumni networked to the entity is a referral endorsement of the entity.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number in Alumni Group divided by the total number of company employees</td>
<td>2x</td>
<td></td>
</tr>
<tr>
<td>The greater percentage of employees and ex-employees who openly link to the entity's LinkedIn site, demonstrates the entity and previous employee value of the entity's LinkedIn site.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products/Services discussed</td>
<td>2x</td>
<td></td>
</tr>
<tr>
<td>If an entity uses LinkedIn to portray its products and services it demonstrates it believes potential customers and potential employees will go to LinkedIn to find out about the entity's products and services.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other company info</td>
<td>2x</td>
<td></td>
</tr>
<tr>
<td>If an entity uses LinkedIn to publicize it demonstrates a belief in LinkedIn's ability to support the entity's PR efforts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lead executive has a LinkedIn site</td>
<td>2x</td>
<td></td>
</tr>
<tr>
<td>If the lead executive of the entity has a personal LinkedIn profile and it is associated with the entity's site, the entity’s leader is expressing belief in LinkedIn as a tool.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of followers on LinkedIn divided by the number of employees</td>
<td>3x</td>
<td></td>
</tr>
<tr>
<td>Entities often seek through marketing efforts to gain followers. Having more followers shows more intense belief in the value of LinkedIn. It also allows the entity's LinkedIn page to reach more people. Number of followers is divided by the number of employees to moderate for entity size.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of employees associated with the entity’s LinkedIn page divided by the total number of company employees</td>
<td>3x</td>
<td></td>
</tr>
<tr>
<td>The greater percentage of employees who openly link to the entity's LinkedIn site demonstrates entity and employee value of the entity's LinkedIn site. Employees are self-identifying with the entity demonstrating they value their association with the firm and this broader network enhances the reach of the entity’s LinkedIn site.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LinkedIn Logo on website</td>
<td>3x</td>
<td></td>
</tr>
<tr>
<td>If the entity uses the LinkedIn logo on its website it is seeking people to visit its LinkedIn site.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Post jobs at LinkedIn site</td>
<td>3x</td>
<td></td>
</tr>
<tr>
<td>If an entity uses LinkedIn to post jobs it demonstrates the entity believes LinkedIn is a valuable tool for them to attract talent.</td>
<td></td>
<td></td>
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</tbody>
</table>

**WHICH ENTITY TYPES ARE INTENSE USERS OF LINKEDIN**
Our previous research demonstrated that small businesses have a significantly higher LinkedIn adoption rates (Authors, 2012). Therefore, it seems likely that when comparing truly small businesses with small non-profits this trend would continue and small businesses also would have the higher intensity rates as demonstrated by the application of the model, than do small non-profits. Thus, we propose:

H1 Truly small businesses will be more intense about LinkedIn usage than truly small non-profits.

Previous research demonstrated bigger small businesses (INC 200) have a significantly higher LinkedIn adoption rates (Author, et.al., 2012). However, very small businesses have limited resources and tend to have little time to do “extra” work to promote their firm. Therefore, it seems unlikely that small entities would have the highest intensity rates as demonstrated by the application of the model. Thus, we propose:

H2 Small businesses will be less intense about utilizing their LinkedIn capabilities than larger non-profits, large for-profit firms or larger SMB firms.

Given that our previous work demonstrated that large non-profits did not utilize LinkedIn capabilities more than for-profit entities and since very small non-profits have limited resources and tend to have little time to do “extra” work to promote their organization, we propose:

H3 Small non-profits are less intense about utilizing their LinkedIn capabilities than larger organizations.

Model and Results
To compare the intensity of usage among the small entities, empirical data was collected to support the 11 variables listed in the model. First, lists of entities for both organizational type were assembled using Hoovers and the National Center for Charitable Statistics (NCCS). We broke this down further by focusing our efforts on four locations: Atlanta, GA; Denver, CO; Greenville, SC; and Missoula, MT. These locations represent two large cities of comparable size – one located in the southern United States and one located in the Rocky Mountain region. Two smaller (60,000-70,000 population) cities also were chosen from these same regions. Using Hoovers and the NCCS, we identified organizations with revenues between $.5 million and $2 million within each city. We then randomly selected 50 non-profits and 50 small businesses from each of the four cities. Thus, we had a total of 200 small business and 200 small non-profits that were controlled for both size and location. We then collected data on each of these firms usage of LinkedIn across our 11-factor model. We applied the same techniques as we did with our previous study of 600 larger firms (Authors, 2013). We then statistically examined the data across the locations, and across the entities to discover difference between small businesses and small non-profits by location and organizational type, with relation to the 11 factors. We then examined the intensity usage of these entities in comparison to our data set of 600 large firms. We broke down the attributes by categorical and continuous, and compared the two types of entities to detect if one type of organization used LinkedIn more than the other (Table Two). There was not a significant difference for the categorical attributes small business (M=1.77, SD=2.69) and nonprofits (M=2.08, SD=2.71); t (1)=-1.151, p=.251. The same holds true for continuous attributes for small businesses (M=9.38, SD=4.29) and nonprofits (M=93.21, SD=53.83); t(1)=-1.554, p=.122. Moreover, the data shows us that neither truly small businesses nor nonprofits are very active on LinkedIn and the intensity of usage varies greatly among the sampled entities.
Table 2. Comparison of Truly Small Businesses and Nonprofits Against Both Categorical and Continuous Attributes

<table>
<thead>
<tr>
<th>Categorical Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Type</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Small Business</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Non-profit</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Continuous Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Type</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Small Business</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Non-profit</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Value</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>t-statistic</td>
<td>-1.151</td>
<td>0.251</td>
</tr>
<tr>
<td>t-statistic</td>
<td>-1.554</td>
<td>0.122</td>
</tr>
</tbody>
</table>

When conducting an LDS multiple comparison test, we detected a significant difference based on entity type, F( 4, 1871) = 7169, p < .001 (Table Three).

Table 3. ANOVA Comparison Among the Five Entities

<table>
<thead>
<tr>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Entities</td>
<td>357458.8</td>
<td>4</td>
<td>7227.333</td>
<td>7169.9</td>
</tr>
<tr>
<td>Within Entities</td>
<td>12377.1</td>
<td>1871</td>
<td>343.405</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>195546.1</td>
<td>1873</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Based on the results of a Fisher LSD multiple comparisons test, we note that large corporations scored significantly higher than all other entities. SMBs scored second highest, followed by large non-profit entities. These were then followed by truly small entities, neither of which participates much at all in LinkedIn. The numbers for these small entities were almost insignificant in comparison to large entities and with huge variances among the entities.

DISCUSSION AND IMPLICATIONS

Truly small businesses and small non-profits use the business features of LinkedIn dramatically less than all larger types of entities. Despite the large focus on small business and small non-profits made by LinkedIn and by professional consultants recommending and advising these groups regarding how to use LinkedIn to their advantage, these small entities statistically utilize the capabilities of LinkedIn less than other entities by a factor of 2 to a factor of 10, depending upon the specific variable. Surprising, this is true when we compare attributes on which SMes
scored relatively high. For example, on Attribute 5, SME’s were significantly more like to include additional information about their businesses than either Fortune 200 or Fortune 200 non-profits, with 27 percent doing so. Only 8 percent of truly small businesses do so, and the percentage drops to 6 percent when we include small non-profits. On Attribute 7, which measures a CEO’s willingness to participate in LinkedIn, SMEs far outpaced their Fortune 200 and Fortune 200 non-profit counterparts with a 75 percent participation rate. And while truly small business scored relative high on this attribute at 35 percent, the number is significantly smaller than the larger SMEs.

**Truly Small Businesses versus Truly Small Non-profits**

Although overall there was not a significant difference between the usage of LinkedIn by either truly small businesses or non-profits, they did differ on specific attributes:

- Involvement of both small businesses and small non-profits was correlated to size of city. Those in larger cities were statistically more active than in smaller cities ($X^2 (1, N=400) = 4.105, p < .043$).
- Non-profits were more likely than small businesses have an alumni page ($X^2 (1, N=200) = 17.22, p < .000$) on attribute 3, and small entities in Greenville were more likely to have an alumni page than their counterparts in Missoula ($X^2 (1, N=400) = 16.611, p < .000$).
- Non-profits had better participation rates (#alumni/# employees – attribute 4) than did small firms ($t(1) = 2.07, p<.040$). This indicates that small non-profits build more employee loyalty and pride from having worked at the firm in the past, than do small for-profit firms.
- Regarding attribute 6, non-profits were more likely to include other information about the entity ($X^2 (1, N=800) = 4.50, p < .043$) and non-profits in large cities drove this finding ($X^2 (1, N=800) = 8.222, p < .004$).
- CEOs were likely to have a personal LinkedIn page if the firm had a LinkedIn page if they were located in a small city ($X^2 (1, N=400) = 4.74, p < .029$) or worked for a non-profit in Greenville ($X^2 (1, N=400) = 5.556, p < .018$) on attribute 7.
- Atlanta organizations had a significantly higher propensity to have higher rations of employees who had LinkedIn pages associated with their firms for attribute 8 ($t(1) = 2.205, p<.028$). This is largely driven by small business located in Atlanta ($t(1) = 2.515, p<.013$).
- Small organizations in large cities were more likely to have LinkedIn logos on their home website for attribute 10 ($X^2 (1, N=1200) = 5.58, p < .018$).
- Small businesses did not post jobs through LinkedIn but small non-profits never posted job listings. Still, the numbers were quite small, with only six businesses participating in this activity.

We reject Hypothesis 1, as Table 2 shows there is no significant difference between truly small businesses and non-profits. There are, however, some differences in usage patterns when compared on individual attributes and by geographic locations. Generally, small entities are less likely to have a corporate LinkedIn site, and if they do, they are less likely to: post jobs, have alumni groups, discuss products and services, have other company info, have many followers as a percentage of employees, have many employees associated with the firm or have a LinkedIn logo on their website. But, small entities do have a high propensity to have top executives have a LinkedIn page, even if the company does not have a LinkedIn page.
We see the implication is that small entities do not have resources to take the time to utilize LinkedIn capabilities. Thus, the Internet is not the great marketing equalizer if smaller entities do not have the time/resources to compete in this area with larger entities.

**Small Organizations versus Large Organizations**

In all cases, large organizations used LinkedIn tremendously more than small firms. Small firm usage was insignificant in comparison to larger firms. Thus, hypotheses two and three are found valid. The intensity with which usage patterns were so low for small firms surprised researchers. The amount of material found on the web to instruct and encourage small organizational adoption was so large that we assumed that although large firms would use features more, we assumed large percentages of small firm usage (21.5% of small business even have a LinkedIn page – 27% of small non-profits). Larger firms have vastly greater usage rates (Fortune 200-95%, Fortune 200 non-profit – 93%, INC 200 – 93%). We have come to believe that the early Internet benefit that the Internet levels the marketing playing field between large and small firms either was false or has become false due to: small firm time constraints, increasing knowledge requirements to effectively execute Internet marketing campaigns, and increasingly complicated Internet marketing systems that require greater and greater skills to employ techniques effectively. Larger corporations clearly see the value of using B2P social media networks such as LinkedIn as part of their inbound marketing strategy as evidenced by their presence and activities vis-à-vis their LinkedIn corporate pages. And, it appears that despite being a “free” good, LinkedIn is not viewed as a valuable tool for truly small businesses and nonprofits to connect with business professionals.

**CONCLUSIONS**

The framework and analysis of individual attributes shows that larger entities are more likely to see the B2P value of LinkedIn across LinkedIn capabilities and are more likely to take full advantage of any and all features available for LinkedIn supporting the organizational mission. LinkedIn has become an important B2P tool: both for individual networking and for large entities to utilize to improve entity awareness, promote entity news and offerings, as well as, to enhance employee communication, and to search for potential employees. In these capacities, LinkedIn can serve all five types of entities studied. But our study shows that both small non-profits and small businesses are not utilizing LinkedIn tools as they should. Indeed, LinkedIn’s actions set forth that it believes non-profits and SMBs have distinctive advantages by using LinkedIn. LinkedIn has special tools available both to teach non-profits and SMBs why they should, and how to use LinkedIn for their advantage. LinkedIn continues to develop special services and tools for these segments of their client base (Kanani, 2012; LinkedIn.com). Given the low cost of LinkedIn and the specific advantages LinkedIn offers to non-profits and SMBs, this study demonstrates that such entities are not taking full or intense advantage of inbound tools available to them.

Large firms, with their better resources, are using the capabilities of LinkedIn more than large SMBs and large non-profits but all three of these areas are significantly better attuned to using LinkedIn than small entities. It is possible that given the low resource demands for an entity to set up the capabilities, small firms should be using these capabilities to a greater extent. In fact, given the ease and cost of establishing the capabilities, we feel, small entities should be using these capabilities as much or more than large businesses. Thus, they are overlooking an easy and
inexpensive tool that could greatly aid their organizational success. But, we also have come to believe that the Internet is not the great marketing equalizer enabling small and large firms to compete using the same tools. The time required and the increasing complexity of Internet marketing tools is disabling small entities from participating.

**Limitations of Research**

Our previous study focused on the largest companies, the largest SMBs and the largest non-profits. It did not analyze firms that are large but smaller than the top 200 nor did it look at very small firms or very small non-profits. We believed that results could differ if smaller entities were selected. Indeed, this study finds that they do differ.

Our previous research did not segment usage according to location. This study did that for smaller entities, but still not for larger entities. Neither study segregated data by industry type except for non-profit as a distinct segment. Some types of entities — e.g., entities working in fields where privacy rights or other sensitivities may influence decisions regarding level of organizational exposure on social media — may be less present on LinkedIn because of organizational concerns or restrictions as dictated by entity’s industry. This study only looks at 4 distinct geographical locales.

This study does not examine inbound views of the entities by outside agents. Thus, it does not examine the effectiveness of entity’s efforts to utilize the capabilities studied in an outgoing basis. Information of this nature would be helpful for an entity to know the benefits gained from utilizing the capabilities of LinkedIn from an inbound perspective. This study does not examine usage of LinkedIn by individuals outside or inside any entity. This study is limited to examining how much a firm prepares for others to learn about the entity through the capabilities provided to it by LinkedIn. Although all 11 factors are distinct and represent different things, there is a very small amount of mathematical overlap due to interrelatedness for a few cross variables. For example, factor two is that the entity has an alumni group on LinkedIn, while factor three has the number of alumni divided by the number employees. It is the writer’s belief that both factors represent materially enough difference that both must be included for complete understanding. There is both impact from simply having an alumni group and impact from having a substantial alumni group in relation to the size of the entity. These overlaps are insignificant and the presence of these attributes aids in understanding of LinkedIn usage by firms.

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