

SOCIAL MEDIA MARKETING: A TOOL OF SMALL SCALE ENTREPRENEURS

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ABSTRACT

The world of marketing has undergone unimaginable changes in the last century. The growing popularity of social media compelled marketers to think about this media along with traditional functional areas of marketing. Social media is based primarily on the internet or cellular phone-based applications and tools to share information among people. The number of social media users is more than some countries' population today. The level of transformation marketing practices, tools, and techniques have undergone, is beyond one's wildest imagination. In a traditional economy, a market was only confined to a physical place with many limitations of place, time, and utility. In this study, the researcher has analyzed social media marketing, a its toll of small-scale entrepreneurs.

Keywords: Social Media Marketing, Level of Awareness, Challenges.

INTRODUCTION

Social marketing networking on social media websites involves using the internet to connect users with their friends, family and acquaintances. Social media websites are not necessarily about meeting new people online, although this does happen. Instead, they are primarily about connecting with friends, family and acquaintances already have in real life. Social media marketing encompasses many different mediums, including display advertising, content marketing and social media promotions. The objective of all social media marketing is to get consumers to interact with the brand, engaging them in a way that increases awareness and correlates to sales. In today's competitive world, every company has to study consumer purchasing power and behaviours prior to developing marketing plan for their product. This enables the marketer to understand who participate in and influences the buying process, and how, when and where consumer buy. But such knowledge is critical for marketers since having a strong understanding of buyer behaviour will help shed light on what is important to the customer and also suggest the important influences on customer decision-making. Using this information, marketers can create marketing programs that they believe will be of interest to customers. Buyer behavior is deeply rooted in psychology with dashes of sociology thrown in just to make things more interesting. Since every person in the world is different, it is impossible to have simple rules that explain how buying decisions are made. Contemporary

approaches to business emphasize the importance of adopting a consumer focus. Marketing, in particular, begins and ends with the consumer from determining his or her needs to ensure post-purchase satisfaction.

Review of Literature

Honkaniemi (2019) has examined the possibility of strategic social media marketing in order to develop entrepreneurship. The study provides insights into the marketing theories that are prevalent for growth on social media. Based on the findings from a case study of a photography company in Tampere, the study highlights the importance of strategic social media development planning. Customer engagement is highest in return for valuable content and information.

Sharma et al., (2020) have questioned the readiness of small-scaled firms in the travel sector towards the adoption of digital marketing. The perceived feasibility of this approach is seen through the eyes of managers and owners of this agency. The managers and owners of 25 small scaled travel enterprises from India were surveyed to collect data required for this study. The digital marketing approach poses challenges such as high-risk factors, technical issues, excessive information bombarding, and a strong market competition.

Statement of the Problem

In the last decade, social media received a great boost with an advent of many social networking sites such as Wikipedia, Face book, Twitter, Yahoo 360, MySpace, LinkedIn, YouTube and many more. This enhanced and metamorphosed the ways individuals interacted and shared common interests in music, education, sports, and friendship. The car companies are looking for taking advantage of increasing trend of customers relying on social media for their purchases. For social-savvy businesses in India, paid ads on the networks are becoming standard practice. One survey found 48 companies in the country that have robust social presences and found that 83 percent of respondents used social media advertising this year. The car companies used around 42percent of advertisement to promote an online campaign or contest. The next most common use of social ads was general brand building. Social media is also taking a notable slice of the overall marketing budget at these companies. The greatest percentage (42%) reported devoting between 1 percent and 5 percent to social, but another 37 percent said their social spend was between 6 percent and 10 percent. And nearly 22 percent of companies reported spending more than 10 percent of the marketing budget on social media. Online bookings and online purchase are the current wave in Indian car industry. Social media is gradually hitting the core of every industry including the car industry. It

creates a greater awareness of the vehicle and influences the buyer to purchase. Social media is believed to have a greater impact on the sales process and will definitely give higher level of sales satisfaction.

Objectives of the study

1. To highlight various benefits and challenges in the adoption and use of social media sample respondents.
2. To identify various factors of awareness level of social media tools among small-scale entrepreneurs.

RESEARCH METHODOLOGY

Research Design

The present study is descriptive-cum-exploratory in nature. It describes the characteristics and features of social media tools with respect to influence of social media platforms for small-scale enterprises. Based on the review of literature, then questions will be framed to explore what further information can be retrieved from the experts in the field and what is their perspective of the influence of social media on small-scale enterprises.

Sample Size

The sample size came out to be 457, which was rounded off to 460. Hence, total 460 small-scale enterprises were surveyed during the current study out of which only 416 responses were found to be completely filled and used for analysis purposes.

Challenges to Social Media Marketing

Social media is used as the useful marketing tool by the enterprises for being dynamic, interactive, and collaborative as well as aligned with the various business strategies. Internet and online advertising that serve business purposes depicts the direct connection between the potential and the existing consumers of a particular product or service. Social media marketing has been developed only during the last decade by focusing mainly on consumer behaviour. But many small and budding businesses fold up due to their inability to cope up with the day-today challenges encountered by them, which pose a threat to their existence in the market. The various challenges encountered by small business setups while using social media marketing are discussed below:

Difficulty in ascertaining the marketing outcomes: The virtual world is very wide and unpredictable. There is the provision of free entry and exit of the entrepreneurs. Every time an entrepreneur joins the virtual world he or she comes up with a new innovative idea that strikes in the mind of users. The users have the ability to go with the flow. Social media

marketing also involves ascertaining the market outcomes in terms of trends and preferences of the consumers, which is highly unpredictable. Every time an entrepreneur joins the virtual world, an innovative idea floats. It poses a challenge before the others to update their product and services as per the changing demands of the targeted audience.

Short Life Cycle of the Products and Services: The continuous introduction of new products does not provide the customers with a wide variety of products and services; but it also shortens the life cycle of innovative products. The business enterprises constantly keep on developing the new products to meet the marketing demands of these products. The constant efforts go in vain if the consumers do not accept the products wholeheartedly. The short span of products and services leads to a pile of wastage of resources, which poses a threat to the environment in terms of pollution.

Usage Barriers: Consumers sometimes continue to resist many of the innovations today. It poses a big challenge for the enterprises. The users, who have never used social media, need to understand the way to use it right from the beginning. There are users who stick to their constant routine habits they have been following for years. They often show negation, as they have to learn the usage of social media right from the scratch.

Investment of time: The Biggest challenge of social media marketing is the investment of time. It often demands spending time to analyze the market trends, woo the customers and detect the concrete outcomes. The firms with the fewer human resources find it difficult to who would be vested with the responsibility to interact with the customers through these social media platforms. Moreover, it is sometimes complicated and requires utmost dedication to examine and reach the final outcomes in context to the resultant turnover and profitability in the stiff business environment.

Company's Passive Approach towards the Social Media Platforms: The attitude of the company is another foremost factor that influences the adoption of social media marketing practices. If the company has the potential to adopt the transformations taking place around it with open hands, then they use the social media platforms actively to strengthen their relationships with their potential and new customers. Moreover, if the company wants to confine itself to increase the profits and sales volume, then it hardly pays any heed to engross in active participation of consumers and take their feedback about the product services. On the other hand, if the company has a clear vision about retaining customers for long, then they engage themselves in finding active measures to better understand their psychology.

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Data Analysis and interpretation

Table 1: Profile of the Social Media Market user

	Category	Number of Respondents	Percentage of Respondents
Age	Below 25	70	16.8
	25-35	106	25.5
	35-45	114	27.4
	45-55	107	25.7
	Above 55	19	4.6
	Total	416	100 %
Gender	Male	320	76.9
	Female	96	23.1
	Total	416	100 %
Marital Status	Married	213	51.2
	Single	87	20.9
	Others	116	27.9
	Total	416	100 %
Education	Secondary level	229	55.0
	Graduate	90	21.6
	Post Graduate	57	13.7
	Professional	40	9.6
	Total	416	100 %
Monthly income	Less than 20000	177	42.5
	20000 to 50000	130	31.3
	50000 to 100000	81	19.5
	Above 100000	28	6.7

	Total	416	100 %
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Source: Primary Data

Interpretation

Table- 1 presents the age of respondents. 27.4 percent of the social media marketing users were from the age group of 35 to 45, followed by owners from 45 to 55 years. The least percentage of owners from marketing was from the age group of above 55 years. 16.8 percent of the respondents were from the age group of fewer than 25 years. Presents the gender of respondents.76.9 percent of the media marketing was male and 23.1 percent of the owners were female. Hence, the majority of the are by male owners. Presents the marital status of respondents. 51.2 percent of the SSEs owners were married, 20.9 percent of the owners were single and 27.9 percent of the owners were either divorced or widowed. Hence, the majorities of the SSEs owners were married and had responsibility for family life as well. Presents the education of respondents. 55 percent of the social media owners were educated up to secondary level, followed by 21.6 percent owners who were graduates. The least percentage of owners from social media was professionals or diploma holders. 13.7percent of owners were post-graduates. Hence, the majority of the SSEs owners were less educated and not even done their college education.

Table-2 Rotated Component Matrix

	Component			
	Pricing	Customer Services	Promotion	Products
Special discounts or coupons are easy to give through social media	.886			
Using social media allows premium pricing for business	.873			
Payment process is easy through social media	.869			
There is low price competition on social media	.868			
The price of same product is different on different social media platforms	.832			
Using social media helps in identifying target consumers	.805			
Social media platforms offer a wide variety of feedback		.911		
There is relevant and constructive feedback on social media		.907		
Customer complaints are easier to handle on social media		.850		
The feedback on social media business failures more than its		.847		

achievements				
Social media provides easy feedback mechanism for customers		.842		
Only products with good design and looks can be sold through social media			.908	
Social media can help in spreading awareness about launch of a product			.907	
It is cheaper to promote individual or specific products on social media networks			.848	
Social media promotion cannot be done without offering free product samples			.830	
Social media provides easy marketing options			.760	
I use social media to discover new ideas and trends				.936
Social media helps to find a business niche				.931
Social media platforms make it easier to understand what customers want				.895
Social media helps in reaching in my target audience/ consumer market				.893

Source : Primary Data

Interpretation:

Table 2 shows the Rotated Component Matrix. The rotated solution matrix, showed the statements along with the factor loadings for each of the four factors. The statement will be considered to be loaded on a particular factor based on the highest loading value. Rotated matrix given here is sorted by factor loadings size, and all the statements here are shown by default based on factor loadings. Four factors extracted from the exploratory factor analysis namely; product, promotion, pricing, and customer services. The perceived impacts of social media by SSEs can be categorized into four factors. First is how social media impacts the product, secondly how social media affects the pricing factor, thirdly how social media affects the promotion, and impact of social media on customer services factor. The perceived impact of social media over the different aspects of SSEs is related to impact of social media on product, promotion, pricing, and customer services. Pricing factor related to the Special discounts or coupons, premium pricing for business, easy Payment process, low price competition, price of the same product is different on different social media platforms, and social media helps in

identifying target consumers. Product related impacts can be to discover new trends and ideas related to products, to find business niche, to understand customer’s needs, and to the target audience/ consumer market. Promotion factor depicts the impact of social media on products with good design and looks, Social media can help in spreading awareness about launch of a product or service, cheaper to promote individual or specific products on social media networks, Social media promotion cannot be done without offering free product samples or service demos, and Social media provides easy marketing options. Customer services factor reflects the impact of social media on wide variety of feedback measures like polls, comments, relevant and constructive feedback on social media networks, Customer complaints are easier to handle on social media, the feedback on social media platforms amplifies business failures more than its achievements, and Social media provides easy feedback mechanism for customers

Table-3 Social Media marketer Profile and Awareness Level

Researcher has tried to understand how the characteristics of the Social Media marketer affect the awareness level of owners of Social Media marketer towards social media marketing. This section will reveal the answer to the question of why the different owners of Social Media marketer have different levels of awareness towards social media marketing, using one-way ANOVA test.

Null Hypothesis: Social Media marketer features do not affect the awareness level of business owners towards social media.

Awareness level and nature of small-scale enterprises

	SSEs	Mean	Variance	SE	Average (95% Confidence Interval)		Lowest	Highest
Self-made Art/ Craft	56	2.4257	.29792	.03981	2.340	2.5055	1.60	3.14
Consultancy service	52	3.2900	.64234	.08908	3.111	3.4688	1.89	4.54
Tutoring/ Coaching	65	2.9051	.30399	.03771	2.829	2.9804	2.10	3.64
Fashion/ Lifestyle	32	2.8479	.27742	.04904	2.747	2.9479	2.28	3.33
Food/ bakery	88	2.3680	.44003	.04691	2.274	2.4612	1.45	3.59
E-Retailing	72	3.2748	.51072	.06019	3.154	3.3948	2.19	4.60
Technical/ Digital	51	3.3939	.58825	.08237	3.228	3.5593	2.08	4.30

Total	41 6	2.8946	.61101	.02996	2.835	2.9535	1.45	4.60
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Source: Primary Data

Table-3 shows the relationship between awareness level and nature of small-scale enterprises. SSEs involved in technical or digital services, e-retailing and consultancy services were found highly aware about social media and its use for their business growth and expansion. While, the SSEs involved in the business of food/Bakery and self-made art and crafts were found least aware about the social media and its use for their business growth and expansion. Hence, higher the orientation of the business towards technology, in terms of use of technology, customers, markets, or products, the higher will be the awareness level of SSEs towards the social media for their business growth.

Conclusion

The study started with the aim to analyze the social media marketing related to digital marketing. Based on the discussion it has been found that in the case of digital marketing the most important aspect is to connect with the users. The ladder of engagement has shown the approaches to attach to the customers. The study has also revealed that to utilize digital marketing effectively, the companies are required to design an effective platform. With the example of Interest, the effectiveness of a social media platform has been discussed. The current trends in digital marketing have also been discussed in the study.

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