

Impact of Social Media Marketing on Small Scale Businesses

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ABSTRACT

This study is based on impact of use of social media tools, for marketing purpose by the small businesses in India. It was found that the awareness of social media is incredibly high among little businesses. It was found that almost seventieth of the respondents use social media for his or her business and to extend their visibility. Nearly half-hour of the respondents area unit still not exploit social media and thence, area unit missing out on an incredible chance to attach and have interaction with potential customers. Small businesses are slower to adopt social media marketing, principally as a result of they feel social media isn't vital for his or her sort of business. This paper highlights the significance of social media in effective marketing functions in today's highly competitive and dynamic technology world.

1. Introduction

Today social media plays very crucial role, it is promoting two way communications between the service providers and the consumers. Social media is that the interaction among individuals during which they produce, share or exchange data and concepts in virtual communities and networks. Social media is digital content and interaction that's created by and between individuals. Social media may be a shift in however we have a tendency to get our data. It wont to be that we might stay up for the paper boy to throw our news on the doorsill (or into the flowers) and we'd scan the paper, front to back, with our morning low before aiming to work. currently we have a tendency to get data, 24/7 and on the fly, from anyplace. within the a lot of ancient senses, online, on our phones, and thru the social platforms.

Social media is people's conversations and actions on-line that may be well-mined by advertisers for insights however not coerced to pass on promoting messages. Social media measure the web technologies and practices that individuals use to share content, opinions, insights, experiences, views, and media themselves. they're media for social interaction Social media is digital, content-based communications supported the interactions enabled by a superfluity of internet technologies.

Use of social websites to promote your product and connect with the audience or customers, such as Facebook, Twitter, LinkedIn, etc. The goal of social media marketing is to encourage the users to share their experiences and opinions which in turn will help the company in promotion of the product and brand exposure. Facebook has become a \$100 billion industry due to the rise in social media marketing. Companies pay a huge amount to advertise their product on social networking websites. Despite of having their own websites, most companies prefer to use social media to promote their products and reach potential customers. Now that social media has become easily accessible to people who use internet, a large number of businessmen are posting status updates, following new people and sharing content every day.

Engagements with the consumers is the main focus of social media marketing. The marketers noticed that the foremost powerful side of social media is that the chance to move and interact with people who ar act with our whole.

Engagement is additional necessary than developing an oversized fan base in the present atmosphere wherever audiences have become additional necessary, creating a reference to somebody who is directly curious about connecting with the whole is additional necessary than having an oversized fan following. we are going to study concerning engagement in social media

2. Review of Literature -

Social media is digital content and interaction that's created by and between individuals. Social media may be a shift in however we have a tendency to get our data, currently we have a tendency to get data, 24/7 and on the fly, from anyplace. within the a lot of ancient senses, online, on our phones, and thru the social platforms. All the normal media print, broadcast, search, then on offer platforms for delivery of ads close to and around relevant content. Social media measure platforms for interaction and relationships, not content and ads. The blast of online media marvel is as staggering as that and the movement at which it is developing is chafing. Worldwide organizations have perceived online media promoting as a potential showcasing stage, used them with developments to control their publicizing effort with web-based media advertising (Sisira Neti,2011)

Markets became conversations. Social media measure the web platforms and locations that offer the simplest way for individuals to participate in these conversations. Social media is people's conversations and actions on-line that may be well-mined by advertisers for insights however not coerced to pass on promoting messages.

It's the new variety of media that doesn't exist till it happens which can't be bought by advertisers to hold their messages. Social media is on-line text, pictures, videos and links, shared amongst individuals and organizations. Dave Kerpen – Likeable Media Social media is digital, content-based communications supported the interactions enabled by a superfluity of internet technologies.

What's small and micro businesses?

In accordance with the availability of small, tiny & Medium Enterprises Development (MSMED) Act, 2006 the small, tiny

and Medium Enterprises (MSME) measure classified in two classes:

a) Manufacturing Enterprises- The enterprises engaged within the manufacture or production of products touching on

any trade per the primary schedule to the Industries b) Service Enterprises: The enterprises engaged in providing or rendering of services and measure outlined in terms of investment in equipment.

Table 2.1 Micro Small and Medium Enterprise Act 2006

Manufacturing Sector	
Enterprises	Investment in plant & machinery
Micro Enterprises	Does not exceed twenty five lakh rupees
Small Enterprises	More than twenty five lakh rupees but does not exceed five crore rupees
Medium Enterprises	More than five crore rupees but does not exceed ten crore rupees
Service Sector	
Enterprises	Investment in equipment's
Micro Enterprises	Does not exceed ten lakh rupees:
Small Enterprises	More than ten lakh rupees but does not exceed two crore rupees
Medium Enterprises	More than two crore rupees but does not exceed five core rupees

Source: http://www.dcmsme.gov.in/ssiindia/defination_msme.htm

What's social media marketing?

Social media may be a assortment of on-line platforms and tools that folks use to share content, profiles, opinions, insights, experiences, views and media itself, facilitating conversations and interactions on-line between teams of individuals.

Social Media is one in all the simplest opportunities obtainable to a complete for connecting with the shoppers. it's the new approach for brands since early last year. Marketers measure finding several social media opportunities and implementing new social initiatives at a better rate than ever before. One cannot afford to not be gift on the social channels if the rival is increasing its product and services.

Is the online media marvel overhyped? Or over emphasized ?a developing chorale of voices says yes. Pundits contend there are no tenable approaches to gauge rate of profitability in web-based media.(G M Felisco, 2011) The Influence of Social Networking Sites on shopping for Behaviors of period(Sharon S. Pate, Adams) Social media sites became a crucial a part of Millennials lives. in keeping with the bench centre (2010), Millennials' reside their lives on the web. Social media are often connected to Associate in Nursing association that assists shoppers in creating choices concerning what product to shop for, once to shop for, and wherever to shop for (Weigand, 2009).

Social networking sites have become a platform where retailers can extend their marketing campaigns to a wider range of consumers. Businesses must know now how to communicate with customers using the new tools and techniques. This social media concept has emerged largely in the last decade and focused on defining its emergence using new terminology and concepts and exploring the impact of a company's integration of social media on its customers.

Essential Trends in Social Media marketing in 2014 (Evan Prokop, Mar 30th, 2014) The energy was sky high at Social Media marketing this year. Marketers, brands, consultants and business house owners from over forty totally different countries gathered along to find out regarding the newest

innovations in social media marketing, rub shoulders with social media rock stars, and luxuriate in unexampled networking opportunities. The gap keynote address from the conference organizer Michael Stelzner, had set the tone for the times to return, Michael mentioned the trends that he thinks are going to be creating the most important impact in social media marketing in 2014.

3. Research methodology

Purpose of the study

Social media was a brand new sort of media a number of years back. individuals were less alert to this new sort of media. the aim of this analysis is to review however small and little businesses benefit of social media to develop their markets, reach their customers and build personal and direct relationships with them.

Research Objectives

- To study the impact of assorted promotional activities on the complete visibility.
- To study the performance of small and little businesses mistreatment social media promoting.

Research Hypothesis

H1: There is a relationship between social media use and the type of organisation.

H2: There is an association between frequency of use of social media and benefit to the business.

H3: There is an association between online deal promotional activities and company benefit.

H4: There is no association between frequency of updates and increase in customer base.

Methods of information collection

The quantitative information assortment technique is employed so the results will be simply summarized, compared and generalized. information has been collected by mistreatment primary and secondary ways.

Primary information assortment technique

Online analysis questionnaires were ready for the survey, one for tiny businesses and different for the consumer, that were hosted by Google links. Secondary information technique assortment A lot of data was collected by concerning books, journals, newspapers, magazines, etc.

Research Instrument

Two structured questionnaires were ready with multiple-choice close-ended queries as they assist in shrewd applied mathematics information and percentages. except for closed-

ended queries, open-ended queries, Likert queries were additionally asked to gather information and deliver the goods the aim of the study.

Sampling technique

The study population covers all the customers mistreatment social media and small and little businesses, interact in social media for business. Snowball sampling technique was used, whereby one qualifies to participate was requested to suggest people who have the information regarding social media.

TABLE-1 SAMPLE SIZE

Sample Size	Consumers	Retailers	Total
Proposed	200	150	350
Collected	138	127	265
Less : Rejected	----	10	10
Net Collection	338	117	255

Data Analysis

Hypothesis testing is completed by using chi-square and frequency tables from SPSS, whereby associations are

outlined and hypothesis is tested. Also, frequency tables alongside pie charts were made ready for graphical representations of variables.

4. Data analysis and Results -

Table 2 Small Businesses using Social Media for Business

Small Businesses using Social Media for Business		Frequency	Percent	Valid Percent	Cumulative Percent
	No	35	35.4	35.4	35.4
Valid	Yes	64	64.6	64.6	100.0
	Total	99	100.0	100.0	

Source: Researchers Analysis

The above table indicates that out of 99 online respondents, 35 were not using social media for business and 64 were using social media. It means that, around 65 % small

businesses use social media for marketing purpose in the organizations

Types of business using the social media

Table 3 Type of business

Type of business		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	CustomerService	48	48.5	48.5	48.5
	Distribution	11	11.1	11.1	59.6
	Manufacturing	8	8.1	8.1	67.7
	Retailing	32	32.3	32.3	100.0
	Total	99	100.0	100.0	

Source: Researchers Analysis

The above table indicates that out of the 99 respondents, 48 pertained to customer service, 32 pertained to retailing and

so on which indicates the use of social media is maximum in-service industry and minimum in distribution.

Use of Engagement tools:

Table 4 Use of Engagement tools

Sr. no	Type of social media	Yes	No	Total
1	Facebook	60	4	64
2	Twitter	33	31	64
3	Youtube	20	44	64
4	Linkedin	31	33	64

5	Blog	20	44	64
6	Others	15	49	64

Source: Researchers Analysis

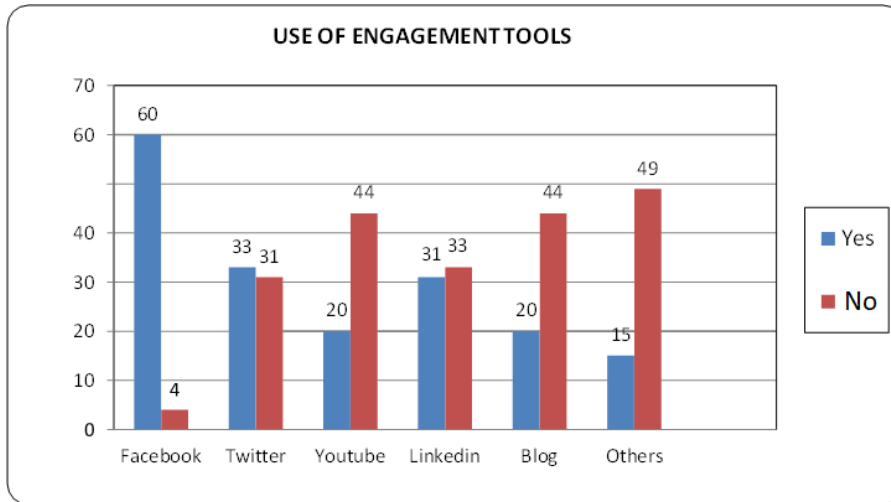


Figure 1-Use of Engagement Tools

Objective of Using Social Media

Table 5 Objective of Using Social Media

Objective of Using Social Media		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Build community	2	3.1	3.1	3.1
	Customer service	6	9.4	9.4	12.5
	Generate leads	7	10.9	10.9	23.4
	Platform to highlight brand	44	68.8	68.8	92.2
	Research	5	7.8	7.8	100.0
Total		64	100.0	100.0	

Source: Researchers Analysis

The above table shows that 44 respondents are using social media for highlighting brand and 7 respondents for generating leads which indicates the main purpose of using social media is highlighting all the information about their product or service and increase brand awareness and visibility.

Testing of Hypothesis

Hypothesis -1

H₀₁: There is no association between use of social media and type of business.

H₁₁: There is an association between use of social media and type of business.

To test above hypothesis, bivariate frequency table is obtained and presented as shown below.

Table no 6 Crosstab Count

Type of business	Use social media for business		Total
	No	Yes	
Customer service	18	30	48
Distribution	9	2	11
Manufacturing	3	5	8
Retailing	5	27	32
Total	35	64	99

Source: Researcher's Analysis

Results of chi-square test are as follows.

Chi-Square Tests

	Value	Df	p-value
Pearson Chi-Square	15.954 ^a	3	.001

Above table indicates that p -value is 0.001 which is less than standard value 0.05. Therefore, Chi-square test is rejected. Hence, null hypothesis is rejected. Alternate hypothesis is accepted.

Conclusion: There is association between use of social media and type of business.

Hypothesis -2

H₀₂: There is no association between frequency of use of social media and benefit to the business.

H₁₂: There is an association between frequency of use of social media and benefit to the business.

Table no 7-Crosstab count

Frequency of using social media	Beneficial to business			Total
	May be	No	Yes	
No	0	0	1	1
Sometimes	11	3	8	22
Yes	11	1	29	41
Total	22	4	38	64

Source: Researcher's Analysis

Results of chi-square test are as follows.

Chi-Square Tests

	Value	Df	p-value
Pearson Chi-Square	10.652 ^a	4	.040

Above table indicates that p -value is 0.040 which is less than the standard value 0.05. Therefore, Chi-square test is rejected. Null hypothesis is rejected. Alternate hypothesis is accepted.

Conclusion: There is an association between frequency of use of social media and benefit to the business.

Hypothesis -3

H₀₃: There is no association between organization deal promotion on social media and benefit to the business.

H₁₃: There is an association between organization deal promotion on social media and benefit to the business.

Table no-7 Crosstab count

Organized deals promotion	Beneficial to business			Total
	May be	No	Yes	
May be in future	13	3	13	29
No	3	1	6	10
Yes	6	0	19	25
Total	22	4	38	64

Source: Researcher's Analysis

Results of chi-square test are as follows.

Chi-Square Tests

	Value	df	p-value
Pearson Chi-Square	6.524 ^a	4	0.163

Above table indicates that p -value is 0.163 which is greater than the standard value 0.05. Therefore, Chi-square test is accepted. Null hypothesis is accepted.

Conclusion:

There is no association between organization deal promotion on social media and benefit to the business.

Hypothesis -4

H₀₄: There is no association between frequency of updates and increase in customer base.

H₁₄: There is no association between frequency of updates and increase in customer base.

To test the above hypothesis, bivariate frequency table is obtained and presented as shown below:

Table no 8-Frequency of updates and Increase in customer post social media

Frequency of updates	Increase in customer post social media				Total
	100 - 200	50 - 100	less than 50	more than 200	
1 post a day	4	10	10	4	28
1 post every 1-2 days	3	6	9	5	23
2-3 posts a day	1	2	0	3	6
More than 3 posts a day	1	3	2	1	7
Total	9	21	21	13	64

Results of chi-square test are as follows.

CHI-SQUARE TESTS

	Value	df	P -value
Pearson Chi-Square	6.263 ^a	9	.713

Above table indicates that *p*-value is .713 which is greater than the standard value 0.05. Therefore, Chi-square test is accepted. Hence, Null hypothesis is accepted. Alternate hypothesis is rejected.

Conclusion: There is no association between frequency of updates and increase in customer base.

5. Findings

Micro and small Businesses

Small businesses are slower to adopt social media marketing, principally as a result of they feel social media isn't vital for his or her sort of business. Majority around 65 % of the respondents found social media marketing vital for his or her business and were bound concerning its bright future potentials, once asked for his or her opinions concerning social media. It was found that majority of small and tiny business had done initial investment from zero up to five lakhs of budget to have interaction in social media for business. Around 48.5% are from services industry.

The main reason for social media marketing was to make a platform for making complete awareness because it would be troublesome for little businesses to advertise their product by alternative costly and paid mediums with limited resources. The complete highlight was done through numerous social media tools like Facebook, Twitter, Pinterest, LinkedIn by exploit numerous engagement methods. Majority have responded that they need not measured the rise within the revenue after the inclusion of social media as a marketing tool, as there are often varied alternative factors that have a bearing on the revenue generation of businesses.

Consumers

Facebook is that the most favoured and common social networking website, followed by LinkedIn and Twitter. Thus, info on these social networking sites appears to be relevant and matter of interest to them.

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Respondents do notice the connectedness within the ad they see on social media sites and click on them generally indicating they get attracted towards the complete and wish to gather info concerning it .They notice contests, promotions, pictures, offers attention-grabbing and prefer to participate, that shows that complete reputation also influence the respondents.

6. Conclusions and Recommendations

Social media selling is vital as a result of it defines the approach shoppers create their shopping for selections. This study indicates that buyers area unit creating final shopping for selections when conducting analysis on the net. These businesses sometimes pay one to five of their budget on social media advertising. This figure would possibly increase as a result of businesses are attempting to know however it will contribute to their business objective and the way to live conversions or alternative metrics from social selling campaigns.

With the rise in use of mobile phones, it's possible that social media are simply accessible in urban moreover as rural elements of Asian country. the facility of social community's endorsement and influence are often felt once somebody likes a company's page of social media web site or re-tweets a company's message on Twitter. We can perceive the rationale firms need to use social media as their tool. the advantages seen area unit real and deep. during a constant cycle of listen-analyze-engage-evolve, organizations will optimize their social media programs to boost their business. Businesses that area unit wanting to reach the shoppers, area unit building numerous pages on social networking sites, micro-blogging and posting videos.

Social media has become thus matured that the marketers aren't involved whether or not they ought to take into account it to be a locality of their selling combine. Business house owners might feel lured by the low prices concerned in social media. However, if they suppose formulating, managing and execution social media campaigns and making content, they're going to notice that a radical set up is important.

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