



SMALL BUSINESSES AND SOCIAL MEDIA MARKETING

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Abstract

Marketing practiced in small firms is different from that of large organizations. Small business has problems in marketing due to the inability to employ a marketer to carry out marketing activities for the business. The owner is often responsible for the performance of functions like finance, purchases, advertising, and recruitment within the organization. Social media enables small businesses to overcome the challenges of thin budget, lack of expertise, and positioning against larger competitors. Small businesses are not as the same as big businesses and therefore cannot be likely to have the same marketing resources. As a result, small firms are moving from conventional marketing practices towards more affordable and interactive social marketing.

Key Words: Social Media, Social Media Marketing.

Introduction

Few years back, social media was an online meeting place where you could find your family, friends and other people and was referred to as a place to make friends. But times changed, and now social media is a vital part of our life, from chatting to marketing and money making. Today everything is possible through social media .

Everyone and anyone is using social media these days for personal use but recently more and more businesses are coming round to the idea that Social Media is important for growing their company. There's no doubt that social media is having an increasing influence on how branders and marketers work. An array of Internet-based tools and platforms that increase and enhance the sharing of information. This form of media makes the transfer of text, multimedia and information in general increasingly fluid among internet users. Social Media has relevance not only for regular Internet users but also business as well. Social media marketing is the use of social media platforms and websites to promote a product or service. Most of these social media platforms have their own built-in data analytics tools, which enable companies to track the progress, success, and engagement of ad campaigns. Companies address range stakeholders through social media marketing including current and potential customers, current and potential employees, journalists, bloggers and the general public. Social Media has changed the whole world, and also the world of Marketing.



Small Business and Their Marketing

Many marketing opportunities exist for small businesses, namely networking and word of mouth marketing. Word of mouth marketing provides small businesses with an opportunity to give customers a reason to talk about products, making it easier for word of mouth to take place. SMEs rely heavily on their personal contact network (Walsh & Lipinski, 2009). Today, the customers can be reached through electronic word of mouth. Marketing practiced in small firms is different from that of large organizations (Reijonen, 2010).

Small business has problems in marketing (Huang & Brown, 1999). This is due to the inability to employ a marketer to carry out marketing activities for the business (Berthon, Ewing, & Napoli, 2008). The SME owner manager is often responsible for the performance of functions within an organization, such as finance, purchases, advertising, and recruitment. They will often decide which marketing strategies to use because the use of specialists is rare and they do not often have a marketing manager as an employee.

Social media enables small businesses to overcome the challenges of limited budget, lack of expertise, and positioning against larger competitors. Small businesses are not the same as big businesses and therefore cannot be likely to have the same marketing resources. Marketing activities followed by large firm cannot be generalized to a small business which has different characteristics and requirements. As a result, small firms are moving from conventional marketing practices towards more affordable and interactive social marketing.



Social Media Marketing (SMM)

It is a form of internet marketing with the use of various social media networks in order to attain the marketing communication and branding goals. Social media is the collective of online communications channels dedicated to community-based input, interaction, content-sharing, videos, images for marketing purpose. Today, there are more than 1.7 billion active users on Facebook alone, currently the world's most popular social network. Twitter, LinkedIn, Google+ and various other social media sites have hundreds of millions of active users as well.



Source: Universal McCann Companies Study on Social Media Trends (March 2008)

Business are using digital and social media across the customer life cycle to attract, sell and retain the customers.



Attract

- Brands are advertising on web, social and mobile, and driving traffic across channels by cross-linking various platforms to attract users to their digital touch points.
- Brands are also looking to create compelling content such as storytelling, contests and drive users to digital and social media channels.
- Publishing content that includes industry trends and other points of interest to their users

Sales

- Use social PR and influencer management to generate leads and convert users to customers.
- Social CRM is gaining momentum across verticals and brands.

Retain

- To build a community of loyal users and to help with repeat purchases, regularly engaging with users on social media, running exclusive campaigns for their fans and followers.

Advantages

- Creating brand awareness
- Creating a brand identity and positive brand association
- Increasing website traffic and SEO rating
- Improving communication and interaction with target audiences
- Improve customer service and satisfaction
- Expands sales and reach new audience
- Cut marketing costs
- Help generate leads
- Maintaining direct relationship with the customers
- Get direct feedback from customers
- Cost effective
- Get you more sales

Disadvantages

- Negative feedback: Social media users have free rein to post whatever they want and the unhappy customers leave angry rants about your business.



- Time intensive: It takes a lot of time and effort to maintain an interactive presence. People have to monitor each social network, respond to questions and feedback, and post valuable updates and sometimes it is difficult to devote the needed resources to social media

Risks

Social media marketing carries several risks. Unless you have someone check your social media accounts several times a day, dissatisfied customers or employees can publish negative comments that are not always removable. The post on Twitter is public and you have no control over what people say. Bad news can go viral as good news and can do harm to your business.

Popular Social Media Channels

a. Facebook

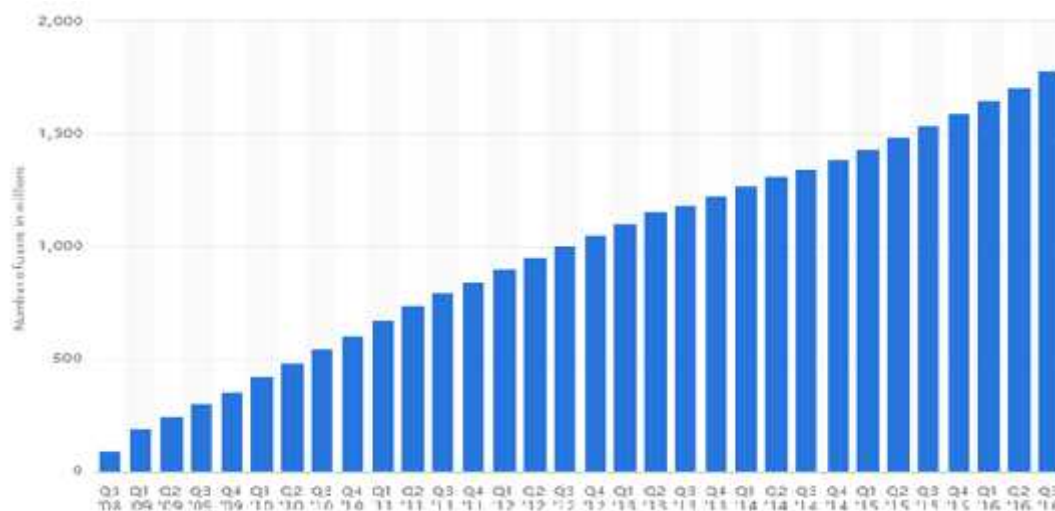
With more than 1.79 Billion monthly active users in 2016, Facebook provides both free and paid marketing opportunities for small and large businesses.



- Facebook business pages offer a platform for businesses to provide regular updates, build up subscribers, engage the audience directly.
- Facebook Ads provides a PPC (Pay-Per-Click) advertising system which businesses can use to create a target to the relevant audience by categorizing on the basis of Age, Gender, Location etc.
- Power Editor is a Facebook advertising tool designed for larger advertisers who need to create lots of ads at once and have precise control of their campaigns.
- The target audiences can also share the posts on their Facebook wall and increase awareness by liking them.
- Facebook pages offer a Call to Action button, the audience can contact the businesses by mail, call or texts.

Objectives of Face book Ads

- App Engagement
- App Installs
- Brand Awareness
- Clicks to Website
- Event Response
- Lead Generation
- Local Awareness
- Offer Claims
- Page Likes
- Page Post Engagement
- Video Views
- Website Conversion



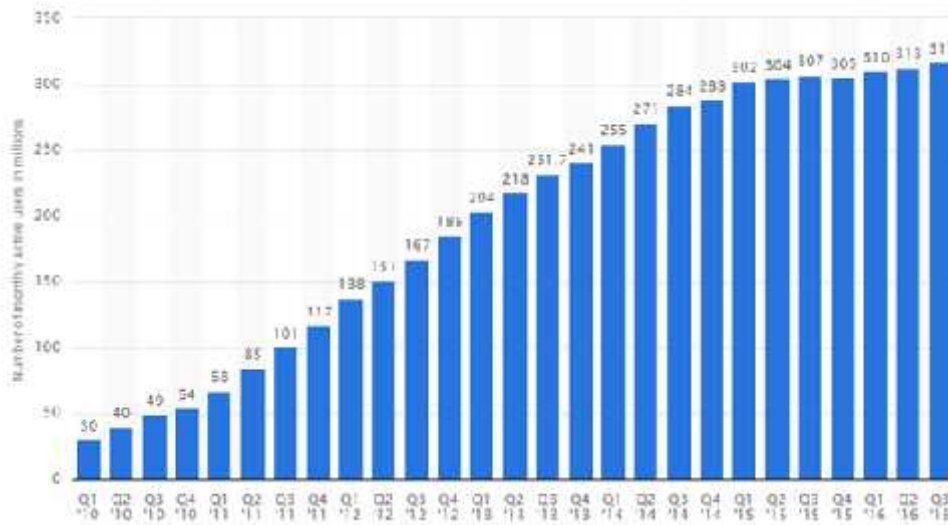
Timeline with the worldwide number of monthly active Facebook users from 2008 to 2016



b. Twitter

The micro blogging platform averaged at 317 million monthly active users as of the 3rd quarter of 2016.

- Twitter users can post short 'Tweets' with a 140-character limit.
- Users can create a Twitter page for businesses and use it to attract followers and reach out the target audience
- Twitter provide a paid advertising system for businesses by Twitter promoted tweets to reach out to a wider audience
- The users can choose the type of an ad campaign from the list including Followers, Website clicks or Conversions, Tweet engagements, App installs or engagements, and Leads on Twitter.
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Timeline with the amount of monthly active Twitter users worldwide. As of the third quarter of 2016

c. Google Plus

Like all social networks, Google Plus, also known as Google+, presents an opportunity to connect with a community of customers and fans. Unlike other networks, Google Plus has significant impact on SEO and search traffic volume.

Why Google Plus Business Page?

Google Plus Business Pages have a great impact on SEO (Search Engine Optimization). Google Plus pages are now managed through Google’s new Google My Business, a platform that makes the customers find and easily connect with the company or business. Google My Business uses Search, Maps, and Google Plus to make your brand more visible in local search results. For example, when we search Car accessories in Chennai, Google Plus listings are the top of our search with all the relevant information. Google Plus plays a great role in organic search rankings and brand visibility.

d. LinkedIn

LinkedIn is the largest professional networking site available today. LinkedIn provides a way to connect with many other professionals. LinkedIn is a social networking site available for businesses and professionals. LinkedIn allows employers to advertise jobs and search for prospective candidates. LinkedIn now has 467 million users connected to it ,LinkedIn is a professional way to promote our brand online



Member numbers of social network LinkedIn from the first quarter of 2009 to the third quarter of 2016, in millions

LinkedIn Business Page

LinkedIn provides a way to create a company page. A company page is a great way to interact with your customers and share valuable content. Company pages also open a way to showcase pages where we can showcase a specific product.

LinkedIn Showcase Pages

LinkedIn showcase pages are the extension of business pages. Using a showcase page, businesses can showcase a specific product. This is a great way if a business has multiple solutions provided. Showcase pages help the audience pick which section of your business they are interested in

The Self-Serve PPC Advertising Platform

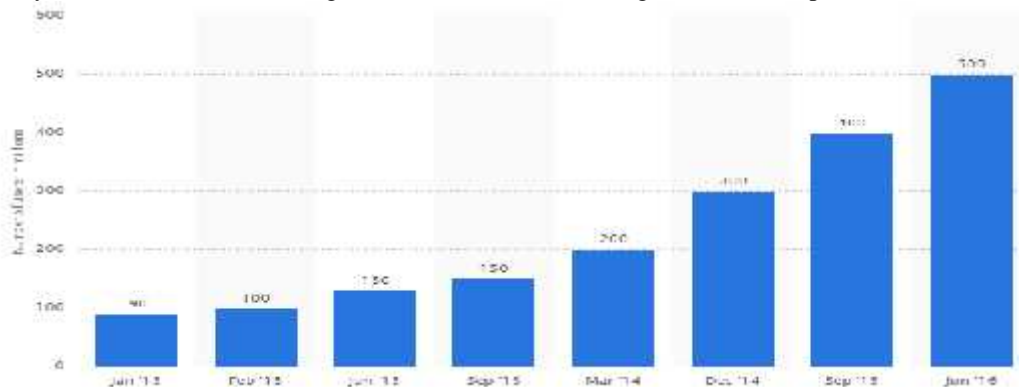
With the help of LinkedIn self-service platform, you can reach highly targeted audience with a very low amount of money. This self-service targeting platform includes the ability to segment the audience by Company, job title, job function, seniority, schools, skills, group, age, gender and more.

- LinkedIn offers PPC (Pay Per Click) business ads. These ads may appear in a number of places like User’s inbox, on the side and bottom of the page etc.
- Self-service display ads have the option to include an image or video.
- Based on the placement and size LinkedIn has more ad choices known as LinkedIn Advertising Partner solutions which include Premium display advertising types.
- LinkedIn also has other ad choices which include Sponsored Mail, Follow Company ads, Recommendation Ads, Join-Group Ads

e.Instagram

Instagram is an online mobile photo-sharing, video-sharing, and social networking service that enables its users to take pictures and videos, and share them either publicly or privately on the app, as well as through a variety of other social networking platforms, such as Facebook, Twitter, Tumblr, and Flickr.

With a community of more than 500M, Instagram is one of the world's largest mobile ads platforms.



Number of monthly active Instagram users from January 2013 to June 2016 (in millions)



Creating Instagram Ads

You'll create your Instagram ads using the same tools you use to create Facebook ads. You can create ads for Instagram using ad creation, Power Editor or the Facebook Ads API.

Instagram ads can now be purchased and managed through Facebook's self-serve interfaces Ads Manager and Power Editor—and Marketing

Instagram Ad Formats

- Photo ads
- Video ads
- Carousel ads

Photo Ads

With photo ads, businesses can tell their story through beautiful imagery. Business organization can post photos as their ads to promote the product with tags and short descriptions

Video Ads

Business organizations can create or record videos up to 60 Seconds duration and can share to Instagram as ads.

Carousel Ads

Carousel ads bring an additional layer of depth to photo ads. People can swipe to see additional images and a call to action button takes them to a website to learn more

- Instagram is more visually orientated so, Instagram is ideal for businesses in the fashion, food, travel, design and technology industries.
- You can post creative snapshots and other illustrations showcasing your company's products, host photo contests and integrate promotional codes.

f. Pinterest

Pinterest is a social networking site that allows users to share and discover new interests by pinning images or videos on Pinterest (posting) to their own or others' boards. Pinterest allows users to browse what others are pinned.

Pinterest is very much focused on a person's lifestyle.

Pinterest allows Promoted Pins (Paid Promotion) for those who want to market their business on the platform. Promoted Pins are like regular pins, but you pay when those pins are seen by more people.

You can buy Promoted Pins for all of your marketing goals:

- Awareness
- Engagement
- Traffic

Big or small, businesses can use this highly visual medium to showcase expertise and disseminate content to reach a wider audience. In order to build a strong customer base and eventually some loyalty, brands can market their products and drive traffic to their website.

- Pinterest is most suitable for businesses which rely heavily on visual media, such as those in the fashion, photography, design and jewelry industries.
- Pinterest Ads manager helps you advertising targeting based on Interest of users, Keywords, and Customer database
- You can link your Pinterest business profile with other social media platforms, including Facebook and Twitter.

Conclusion

In today's social media driven environment, it is essential that small businesses understand Facebook, Twitter, and the strategies behind using social media, through this medium businesses have the opportunity to communicate with a wide variety of publics. Small businesses need to understand how to use social media sites to engage customers and create relationships which will in turn grow their business. Companies must be able to monitor and respond to, both positive and negative conversation. Social media marketing enables companies to achieve a better understanding of customer needs in order to build effective relationships.



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