

THE IMPORTANCE OF SOCIAL MEDIA MARKETING STRATEGIES FOR SMALL BUSINESSES

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Abstract: *Small businesses represent a consistent part in economies in general and their results can be improved by using marketing tools and channels efficiently and profitable. The paper aims to underline the importance of social media and social media marketing for small businesses as an effective and low-cost way to improve their overall performance. For this purpose, a systematic research and analysis were performed using literature sources, studies and online information.*

Key words: *social media marketing, small business, social media strategy, social media*

1. Introduction

A social media presence is a must for every small, medium, or large business. Also, just being there is not enough. It takes a lot of work from the marketing and sales department for the entire activity to be clear and precise and focused on achieving clear goals. Moreover, to accomplish this, several marketing strategies should be outlined and implemented. The number of "follows," "likes," and "shares" is still significant, but brand credibility represents more than those elements.

Micro, small and medium-sized enterprises (SMEs) represent 99% of all businesses in the European Union (EU) and play a significant role in today's society and economy (Kuller et al., 2012).

"With these factors in mind, social media offers marketers and businesses the opportunity to connect directly with customers, improve customer retention, and increase business profits regardless of location" (Mayank and Zillur, 2018).

Today's marketers improve the execution of their marketing strategies by gathering the real-time feedback they need to set their future direction, creating beneficial synergies that reward their efforts in this regard (Dobrescu et al., 2018).

The ongoing digital revolution we are facing has fundamentally changed the way we collect and consume information. Consumers are not only receptive to information

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shared by brands, but they are also searching on their own to form opinions and influence their preferences.

The digitalization process is changing how people stay informed, how brands communicate, and how everyone remains connected to society. Technology and the ability to reach each audience in an accurate context have spawned a wave of digital campaigns aimed at optimizing and complementing established media channels. Today, more and more businesses are using social media marketing to build awareness and promote their products and services to both customers and potential customers. The purpose is to create content that attracts new consumers.

By studying and analyzing data regarding social media and social media marketing we aim to show and emphasize the great opportunity they represent for all businesses in general and small businesses in particular, as their resources are limited and need to be spend as efficiently as possible.

2. Social Media

“Social media includes internet-based applications and websites that facilitate the sharing of user-generated content and the building of relationships among users from diverse backgrounds, creating a rich social structure” (Kapoor et al., 2018).

“Social media also refers to activities, practices, and behaviors in communities of people who gather online to share information, knowledge, and opinions using conversational media” (Safko et al., 2009).” Social media offers an abundance of Internet services, which can make things difficult for companies regarding the choice of the appropriate channels, functions, and benefits.

2.1. Social media landscape in Romania

With the constant rise of e-commerce, hybrid work, and digital connectivity, Romanians are staying informed, having fun, and getting closer to family and friends. Brands, people, and institutions all operate online and are willing to invest time and money to become relevant and achieve long-term success. According to Media Fact Book (2022), the total media market will reach 640M euros by the end of 2022, with growth for Digital (+20%) and flat evolution for TV, Radio, and Print and a marginal increase for OOH (+7%) (Media Fact Book, 2022).

Facebook is the most popular social media channel used in Romania in 2021, as confirmed by 91 percent of participants in a study conducted by the online platform Statista. Facebook is closely followed by WhatsApp, YouTube, and Facebook Messenger — each used by over 80 percent of respondents. The least used channels in Romania are Twitter (18% of respondents) and Reddit (5%).

Referring to preferred online activities, Romanian people use messenger apps and social media platforms. Facebook is the most used social media platform regarding market share and number of users. However, Instagram is closing in. In Europe and other continents, Instagram has a high usage rate and constantly gains users in Romania. In 2021 there were over 4.7 million active Instagram accounts in Romania.

For the time being, Facebook is a leader in Romania, with a weekly usage rate of 86 percent and a market share of more than 90 percent. Besides maintaining contact with other people, using functions such as Facebook Messenger, the social media platform is very influential because of its content-sharing possibilities. In other words, Facebook is considered the second most commonly used information source in Romania, after television.

Considering criteria such as group target, Facebook is still the most popular and accessible network among the 35-44 age groups, despite the constant loss of popularity judging by a user number.

“By contrast, Instagram is gaining more and more fame, especially for individuals in their twenties, because of its exclusive photo and video sharing. Nevertheless, although the number of Facebook users in Romania is approximately double the number of Instagram users, the latter has a higher engagement rate when it comes to photo and story sharing” (Statista, 2022).

Considering all the data mentioned above, it is safe to say that social media is an important option to be explored to obtain highly effective consumer access for companies in general and small businesses in particular.

2.2. Social media platforms

In a marketing context, social media is considered a platform for people to network and exchange information and emotions (Kaplan and Haenlein, 2009). With their distinctive nature of being “dynamic, interconnected, egalitarian, and interactive organisms” (Peters et al., 2013), social media has generated three fundamental shifts in the marketplace.

First, social media allows businesses and customers to connect in ways that were not possible in the past. This connectivity is made possible through a variety of “platforms:

- **Social networking** (Facebook, LinkedIn, Google+).
- **Microblogging** (Twitter, Tumblr).
- **Photo sharing** (Instagram, Snapchat, Pinterest).
- **Video sharing** (YouTube, Facebook Live, etc.)” (Shrilekha et al., 2022).

Second, how customers and businesses interact and influence each other has changed. Activities like sharing, analysis, debate, and discussions rely on communication and interaction.

Third, the explosion of social media has enabled businesses to improve customer relationship management and business decisions. Social media is culturally important as it has become a primary area for many people to obtain a vast amount of information about the world around them.

Small business owners need to identify the most effective marketing strategies to employ. Sure, small businesses don't have the financial resources of large corporations but don't be discouraged. There is no one-size-fits-all magic strategy that works for all businesses. That is why most marketers consider they should do many tests to determine what works for their business.

Many business owners expect huge sales after posting one or two times on social media platforms. They are stuck in tools and tactics and never get the big picture of what they are trying to do and why (Dib, 2018).

Social media marketing is necessary to reach a wider audience and grow brands.

2.3. Social media marketing

“Social media marketing is any marketing activity that uses social media to encourage sharing, communication, and participation in user-generated content” (Han, 2018).

Social media provides a two-way communication channel between companies and their customers, transforming the ways businesses market their goods and services to their consumers.

Social networks include various channels that businesses can use to reach their customers. However, they should determine which are the most useful and what type of information to include in the communication.

Every business has unique features and needs, so both factors must be considered when choosing the right channel. A profound understanding of social media marketing insights and way of function leads to a more efficient customer retention policy.

“Social media marketing has transformed the current marketing landscape and transformed the relationship between marketers and consumers” (Mohammad, 2018).

3. Methodology

Studies conducted on social media usage and particularities of the channels showed that in spite of the popularity of this tool, the entrepreneurs still encounter difficulties in integrating it in the main marketing strategy of the business. The main functions of social media channels are known and used, however there is a gap between the resources allocated and the expected results.

The purpose of this research was to emphasize the importance and utility of social media and social media marketing for small businesses, using as the main instrument a systematic research of literature sources, studies and information available online. The main objective was to point out the many benefits social media and social media marketing can bring to a small business, considering its limited resources.

The data used to conduct the research came from various sources such as local businesses, online research companies, and media agencies that published information and analysis on social media consumption and behavior of users and market providers, and consumer data.

4. Social Media Marketing Strategies

“A social media marketing strategy is an integrated set of measures and actions by which a company or organization uses social media tools to achieve its marketing goals and meet the needs of its target market” (Anandaa et al., 2016).

From a strategic marketing perspective, social media interaction entails a process that allows not only firms but also customers to exchange resources.

4.1. The importance of social media marketing strategies for small businesses

Too many small businesses are diving into social media marketing on an ad-hoc basis. They know they need to come up with a social media marketing strategy, but they don't understand what to do.

Every business should create a social media marketing strategy and manage their social accounts thoughtfully and carefully.

A social media marketing strategy in digital marketing is significant for all kinds of businesses nowadays. Social media marketing strategies' purpose is to sustain overall communication and contribute to building a strong brand image.

According to Varadarajan, R., (2010) "marketing strategies can be defined as an integrated organizational decision pattern that determines crucial choices regarding products, markets, marketing activities, and marketing resources in the manufacture, communication, and/or delivery of products that offer value to customers in exchange with the organization and thus allow the organization to achieve certain goals."

The use of social networks by more and more people causes small businesses, and not only, to integrate these networks into their marketing communication channels. In this way, once used and exploited to their best value, they can contribute to shaping brand identity, brand image, and company performance in today's marketing competition.

4.2. Social media marketing benefits for small enterprises

SMM is extensively utilized by companies, as it represents an efficient advertising and marketing tool.

The Social Media Marketing tools can be used mainly free and easily, in evaluation with different promotional tools.

The main functions of the usage of SMM are the augmentation of word-of-mouth advertising and marketing, marketplace research, popular advertising and marketing, concept era and new product development, co-innovation, consumer service, public relations, worker communications, and popularity management. Indeed, social networks can boom product and emblem awareness, net traffic, and consumer loyalty, additionally enhance the company's SEO, or even boom the achievement of the newest product launches.

Social media marketing can use unconventional means to achieve traditional goals. Instead of spending huge budgets to reach marketing goals, it uses creativity, community, and relationships. All marketers now have highly effective online communication tools that give them the same influence as many large corporations. Social media marketing brings a significant change in the world of marketing.

Keeping in mind that small businesses in general have low budgets and resources, they can benefit from what social media marketing can offer, so here are a few of the many benefits it has to offer:

- **Brand awareness augmentation**

With more than half of the world population using social media, platforms like Facebook, Instagram, and LinkedIn are places to reach new, targeted leads.

- **Humanize the brand**

The capacity to build strong relationships is one of the main benefits of social media for businesses. Followers can meet the people behind the company and learn how existing customers use and benefit from the company's products and services.

- **Establish the brand as a leader**

According to the "2021 Edelman Trust Barometer, while there has been a recent swing towards distrust of government, NGOs, and media" (Hootsuite, 2022), businesses as institutions have a 61 percent concerning the level of trust. People are looking to brands for insights and information. The best place to share that is on social media.

Social media offers the opportunity to establish the brand as a thought leader and the first source option for information on topics related to the niche in its industry.

- **Remain in the mind of the consumers**

A 2021 study by the Pew Research Center found that 70% of social media users log into their accounts at least once a day, and 49% check social media several times per day. So a well-established social media presence can ensure the positive encounter of generated content with the business's audience.

- **Increase website traffic**

Social media posts and ads are significant ways to drive traffic to a company website. Sharing great content from the blog or website to social channels is a powerful way to increase the number of visitors to these channels.

- **Generate leads**

Social media provides potential customers with an easy, non-binding opportunity to express interest in the company and its products. Lead generation is a key benefit of social media for businesses, and many social networks offer ad formats specifically designed to attract leads.

- **Boost sales**

A company's social accounts are an important part of the sales funnel, the process by which new contacts become customers. As the number of people using social media continues to grow and social selling tools evolve, social networks become increasingly important for product discovery and e-commerce.

- **Partnerships with influencers**

Recommendations from friends and family have a great influence on consumer decisions, as do reviews. When people are talking about the product or the company on social media, brand awareness, and credibility are increasing, possibly even sales.

- **Organic content**

One of the prime benefits of social media is the ability to create organic content with zero costs. Valuable options are more accessible as the number of users and companies are increasing. There is no limit to the volume of posted content, as all resources, such as photos, videos, and updates, are available to use or share, for free, to increase engagement.

A social media presence is now an expectation rather than an exception for a brand. However, budgets and resources, in general, must be allocated considering all the means that marketing offers, both online and offline, and keeping in mind the established business objectives.

Companies should assess the potential benefits of social media against specific, actionable goals. While the impact of social media benefits will vary by brand, the business impact of social presence is undeniable.

5. Conclusions

The increase in social media usage in the last years has emphasized the necessity of guidance in the sector of social media marketing strategies to cultivate relationships with clients, increase customer engagement and improve overall marketing performance. Social media marketing as a tool is still relatively recent. Further study and development of theoretical guides, frameworks, and concepts are necessary to convert them into an actionable and strategic marketing element.

The social media landscape is diverse and offers many possibilities and benefits for small businesses, for the Romanian market.

However, issues related to the usage of social media marketing, choosing the best channels and finding the best combination of paid and free tools, building content plans, and integrating social media in sales funnels need further investigation and research.

Acknowledgements

My gratitude goes to my colleague, for supporting and helping me in the creation and development of this article. Her extensive experience as a marketing strategist, both in the offline and online marketing, gained by working side by side with entrepreneurs for many years, has been extremely valuable.

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