ROLE OF ADVERTISING IN SOCIAL MEDIA WITH REFERENCE TO SMALL BUSINESSES

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ABSTRACT

Nowadays, consumers living more and more of their time online, but in some cases, small business may not be doing enough to connect with their potential customers on that level. Many people start accounts on Facebook, Twitter, YouTube, LinkedIn, and other social media sites. However, large numbers of small companies may not put maximum efforts to build their online presence in general and many may not even have own websites. This could be a major hindrance in today’s world to successfully building and expanding a customer base. This is true of social media sites because these allow companies to connect directly with customers who are already interested in a business.

Ensures an engaged demographic is receiving a large amount of updated information about whatever aspects of the business a company wants to put out into the wider world, including details about sales, new products, Technology, Competition and more. To understand this, can be extremely difficult, particularly for small business owners who prefer to do everything themselves and have a limited familiarity with how social media works overall. Thus, starting social accounts and trying to connect with local customers is to potentially help business going forward.

Keywords: Social Media; Small Businesses; Marketing; Advertising

INTRODUCTION

Social media refers to interaction among people in which they create, share, and/or exchange information and ideas in virtual communities and networks. Andreas Kaplan and Michael Haenlein define social media as “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content.” Furthermore, social media depend on mobile and web-based technologies to create highly interactive platforms through which individuals and communities share, co-create, discuss, and modify user-generated content. They introduce substantial and pervasive changes to communication between organizations, communities, and individuals.
Social Media in India

India reported that active social media penetration is 5%. This is well below the global average of 23%. The report also observed that there is a drop in penetration across mature markets, but on-going growth in markets like India. This gives a huge potential for startup entrepreneurs doing businesses in India, since the market grows in coming years. What really interested us was the report by Internet & Mobile Association of India (IAMAI) which suggested that social media was fast penetrating into the smaller towns of India. According to this, out of the 62 million (as opposed to 63 million stated by We are Social and 61 million stated by SocialBakers) active urban social media users, 24% belong to small towns (population less than two lakh) while another 11% are from towns that have populations between 2 and 5 lakhs. Essentially, more than a third i.e, about 35% of the urban social networking base is from small towns having populations of upto 5 lakhs. This is an important statistic to note for small businesses to target customers.

Social Media vs. Traditional Advertising

Social media marketing is the process of promoting a product or service through the various social media channels. In general there are two ways to perform a social media marketing campaign. The first way is free and has to do with building followers, fans, or connections by sharing useful content, running contests and just generally engaging with your users. The second way is through paid advertising. You can use Facebook ads, Google Adwords or Twitter promoted accounts to advertise your product or services on Facebook, Google+ and Twitter. This paid form is very economical when compare to the traditional advertising like Print, Television, Radio, Digital Billboards, Websites, etc.,

On the other hand, Traditional advertising refers to mass media that delivers commercial messages to mass audiences. Mass media is "paid media." It includes television, radio, outdoor billboards and print media. Advertising's goal is to drive sales of products and services through persuasive communication tactics that influence human behavior over the long term. Promotions share the advertising goal of driving sales. Promotions, however, drive sales by using short-term incentives that stimulate immediate sales. Here the communication is more one-way and is very expensive in nature.

Benefits of using social media for small business marketing campaigns

Few advantages of utilizing social media for promoting both your online or offline products and services.

- **Low cost Advertising** – This is usually what gets most small business owner’s attention. Think about the possibilities of a marketing platform that costs absolutely nothing. You could spend hundreds of dollars on a billboard, magazine ad, or TV commercial. The only problem is that these mediums don’t get a fraction of the exposure that social media does, and you paid for it.

- **Distribution Channels** – With millions of users on social media sites such as Twitter, Facebook, Google Plus, Pinterest and more, you are provided endless possibilities to reach new and current customers. Whenever you include a promotion, special, event, or blog post, there is a slim chance that anyone will go to your website and notice the update. With social media open for hours in browsers throughout the world, you have a direct link to the eyes of your customers.
• **Constant exposure** – The average person is on social media for more than three hours a day. This is a whole lot of face time. On Facebook, there is an average of 3.2 billion likes and comments every day. Take advantage of this by putting your company out where the maximum amount of customers will see it.

• **International exposure** – Looking to expand business overseas? The power of social media sites allow you to get in front of potential foreign business clients. Maybe you never even thought about expanding to foreign customers. An interested customer might contact you to offer your product in their area. Chat with someone halfway across the world to open yourself up to new cash flow avenues.

• **Feedback and suggestions** – People love sharing their opinions on social media sites. Give them that opportunity to vent their frustrations or tell you how much they loved your product. This provides valuable feedback for improving your own business and makes your customers feel special. It’s almost like their direct line to the President’s office.

**Other Benefits of Using Social Media for Small Business**

• **Spread the word fast** – Small Business can create its own fan base, when tweet or post on Facebook and your message can instantly go to thousands of customers. In fact social media is the fastest way than TV/Radio to make an announcement or spread a message.

• **It’s a Good Trend for Search Engine Optimisation(SEO)** - It is a trend you cannot ignore if you want to stay close to your customers and in sync with the latest developments in marketing. There are more and more signs that social signals are used for ranking purposes by both Google. Properly defined social profiles can boost SEO.

• **Best way to interact with your followers and find out what they want** - With social media your customers can show that they like a product or service by voting (Like, Tweet,) , commenting and sharing. As a small business you can analyze these statistics, talk with your customers and find out how to make your products, content or services better.

• **Social media marketing is emerged as one of the important types of online marketing** where small businesses are marketing their products/services and brands on social media websites like Facebook, Twitter, LinkedIn, Google+, etc. According to Mediabistro, 73% of small businesses are using social media these days. This clearly shows the growing importance of social media marketing among small businesses.

**Growing Importance of Social Media Websites among Businesses**

Social media marketing has become an integral part of online marketing strategy among small businesses because of its cost-effectiveness, ability to reach targeted audiences quickly and generate more leads/sales. Let's discuss these things in detail.

**Social Media Is Effective and Inexpensive**

Social media marketing is very useful for small businesses because of its cost-effectiveness and ability to reach large number of targeted audiences within less time and very little efforts. According to Forbes, 94% of corporates are using social media and 85% said that it has given their business more exposure.

Available online on www.abhinavjournal.com
Branding can be Done Effectively on Social Media

Social marketing is the best tool for small businesses for branding. According to Social media today, 83% of customers prefer to connect to the brand on Facebook and 53% on Twitter. A study by Nielsen also reported that 46% of online users count on social media while making purchase decision and 50% of shoppers made purchases based on the recommendations on social media websites.

Customer Acquisition is Easy on Social Media

Different social media platforms registered more than half of the world's population, the chances of acquiring customers are fairly high on social media websites. There are approximately 1.74 billion social media users according to eMarketer and social media websites play a crucial role in acquiring customers to the businesses. In 2013, 36% of marketers acquired customers via Twitter, 52% via Facebook and 43% via LinkedIn.

Social Media Enables Direct Customer Interaction

Through social media, businesses can interact with customers directly. Small businesses can attract customers by engaging them with some interactive methods like Question and Answers, Polls, etc. According to Social media today, 53% of marketers are using social media as a two-way conversation and engagement tool.

Social Media Marketing can Generate More Leads/Sales

Social media marketing plays an important role in generating leads and thus increasing sales to the businesses. A survey by Social media today revealed that 71% of social media users are more likely to purchase products from brands that they are connected on social media websites. A study by Hub Spot revealed that social media produces almost double the marketing leads than any other marketing method and lead-to-close rate is 100% higher on social media.

Small Businesses are planning to Increase the Time Spent on Social Media

After understanding the benefits of social media marketing, many small businesses have increased the time and investment spent on social media marketing. Businesses that are active on social media and share useful content have seen improvement in their business. According to Social media today, 21% of small businesses’ marketers are spending an hour or more on social media per day and 58% of small businesses spend at least 10 minutes per day on social media. According to Swift page, 50% of businesses said that they have increased their time spent on social media and gained new customers.

Social media marketing is an excellent way to build your small business’ brand and increase your customer base. If you have not yet started using social media marketing for your small business, get started and make the most of it – from a business perspective.

Effective Marketing Tips for Your Small Businesses

Mobile World

Over 1.2 billion people use mobile devices to access the web. If that stat doesn’t convince you to make your marketing mobile friendly, how about this: 60 percent of mobile shoppers use their smartphones while in a store, and another 50 percent while on their way to a store. (Source: Deloite Digital) In the email marketing world, email opens on mobile devices have risen 80 percent in just the last six months.
Everything is "going mobile," so if your emails and website are not mobile compatible yet, put that near the top of your list. You can use a service like Wiantech to help make your website mobile friendly in just minutes.

Upload Video
Did you know more than 90 percent of online traffic goes to video content and YouTube accounts for 28 percent of all Google searches—with more than 1 billion unique users visiting YouTube each month? People—89 million of them—watch a whopping 1.2 billion online videos in the U.S. every day. Yet, only 24 percent of national brands use online video to market to their consumers.

Video not only increases branding, it also will increase the likelihood of a consumer purchase. How are you using video today on your website or as a part of your customer experience? You can create simple short video snippets using an app like Vine, Animoto, or create a snappy video that features customers using your product, or even a series of videos that have tips or how-tos to help your customers.

Email Marketing Campaigns
Did you know that recipients of email marketing campaigns purchase 28 percent more often than those who do not, and they order 44 percent more? (Source: Small Business Yahoo) Email is the reigning champ when it comes to building relationships with your prospects and customers and letting you create and send targeted communications and offers accordingly. Plus, you can measure and track the effectiveness instantly.

Use Social Media
Social Media users are 66 percent more likely to retweet a Twitter tweet and 39 percent more likely to engage on Facebook while using a mobile device. (Source: Social Media Today). Make sure customers can share your products, blog posts and email campaigns by including social sharing links whenever possible.

Create Content
In a Vertical Response Survey, nearly 500 small business owners ranked finding and posting content to share on social media as the most time consuming of all the social media-related tasks.

How can you be more effective and maximize the content you already have? Take a larger piece of content, like a blog post, and create several smaller pieces from it that you can use across a variety of channels. You can take a popular post that has lots of stats in it and turn it into an infographic, or take an infographic and break it up into smaller chunks that we like to call infonuggets. Share these on image-centric social channels like Pinterest. When you do more with the content you already have, it’s a win-win.

Search Engine Optimization (SEO)
Creating valuable content on a regular basis, which will help your long-tail keywords. Use Google Authorship for any content you produce to help click-throughs from search engine results pages, and continuing to focus on good link building—that is, getting inbound links from relevant sites with authority and linking out to relevant sites with authority.

These six tips can super change your small business for 2014 and beyond.
How Small Businesses Are Using Social Media

Reasons Small Business Market through Social Media

- It’s inexpensive
- It’s easy to use.
- Their customers use social media.
- It doesn’t take a lot of time.

What’s the most important reason business leverage social media?

- 28% Connecting with customers
- 27% Visibility
- 26% Self-promotion
- 9% Getting news out quickly
- 6% Staying ahead of the curve
- 2% Challenging the competition
- 2% others

How Small Businesses Handle Employing Someone for Social Media Marketing

- 74% Employ no one
- 12% Employ someone full-time
- 8% Employee someone part-time
- 6% Employ a consultant

Facebook Most Effective for Small Businesses

- 86% Facebook
- 71% Video Sharing
- 60% Twitter
- 55% LinkedIn

Interacting with Fans And Followers

- 60% Respond All the Time
- 24% Respond Sometimes
- 16% Don’t Respond

Top Reasons for Not Responding – To Comments on Social Media

- They don’t have the time.
- They don’t think it’s necessary
- They don’t know what to say.

What’s The Most Effective Facebook Tactic To Reach Customers?
CONCLUSION

More small businesses than ever are turning to social media to generate new business and connect with customers. With over 9 million small businesses on its platform, the most popular social network for building brand awareness is Facebook, which just unveiled its new Timeline format for businesses.

There is no doubt that social media has become an essential marketing tool, but many small businesses are not taking full advantage of its potential. Above we saw information showing how small businesses can better leverage social media networks like Facebook to create new opportunities and reach customers.

Small business owners have many important activities to juggle each day. Through this study, you’ve hopefully gained perspective for how small business owners have been able to grow their businesses using social media and inbound marketing while managing the time commitments of content creation and customer engagement. Now take some time to determine which of these steps could drive the best result for your business!

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