

**A STUDY ON THE PRACTICE OF SOCIAL MEDIA  
MARKETING AMONG SMALL AND MEDIUM  
ENTERPRISES IN KANNUR DISTRICT**

**PROJECT REPORT**

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**MASTER OF COMMERCE**

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MARCH 2017**

## **CERTIFICATE**

**This is to certify that this project work entitled “A STUDY ON THE PRACTICE OF SOCIAL MEDIA MARKETING AMONG SMALL AND MEDIUM ENTERPRISES IN KANNUR DISTRICT” has been prepared by Subin MK under my guidance and supervision in partial fulfillment of the requirement of his MASTER DEGREE IN COMMERCE.**

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## **DECLARATION**

**I hereby state that the project work entitled “A STUDY ON THE PRACTICE OF SOCIAL MEDIA MARKETING AMONG SMALL AND MEDIUM ENTERPRISES IN KANNUR DISTRICT” has been prepared by me under the guidance of Siddique KP, Assistant Professor of Commerce, Sir Syed College, Taliparamba.**

**I also declared that this report has not been submitted by me fully or partially, for the award of any Degree, Diploma, Associate ship, Fellowship or any other similar title.**

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## **ACKNOWLEDGEMENT**

The project report entitled “A STUDY ON THE PRACTICE OF SOCIAL MEDIA MARKETING AMONG SMALL AND MEDIUM ENTERPRISES IN KANNUR DISTRICT” has been prepared by me under the guidance of **Siddique KP**, Assistant professor of Commerce, Sir Syed College, Taliparamba. I extended my deep sense of gratitude to him for the valuable guidance, advice and encouragement given to me for the timely execution of this work.

I am grateful to Shanavas S M, Head of the Department of Commerce and all other teachers of the department for lending the valuable assistance for the completion of this project.

I wish to place on record my gratitude to all my friends and others who encouraged and assisted me in completing this work.

I am extremely grateful to the library staff of Sir Syed college Taliparamba, for providing all assistance by lending books, journals, magazines and internet facilities.

For all this I am indebted to GOD ALMIGHTY without his grace and benevolence I could nothing.

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**CHAPTER- 1**  
**INTRODUCTION**

- **BACKGROUND**
- **STATEMENT OF THE PROBLEM**
- **OBJECTIVES OF THE STUDY**
- **SCOPE OF THE STUDY**
- **RESEARCH METHODOLOGY**
- **LIMITATIONS OF THE STUDY**
- **STRUCTURE OF THIS RESEARCH PAPER**



# **CHAPTER- 1**

## **INTRODUCTION**

### **1.1 BACKGROUND**

Today's business environment is largely influenced by consumer's individualized demand patterns. People prefer seeing referrals and reviews over Google search results, or a website before purchasing a product. To stand by the flow, businesses need to learn what people say about them. Social media has become a boon for such firms by playing a crucial role in business communications. Business firms have to actively participate in relevant social media to interact and influence masses and also need to engage with social communities to manage their online reputation. Social media marketing has become necessary for firms to target a wider customer base and to expand business. Many enterprises are investing in social channels to rapidly create or propagate their brand through viral content, social media contests and other consumer engagement efforts.

Social media such as Facebook, Twitter, and Youtube are consistently evolving and playing an increasingly significant role in today's marketing communications. Social media has changed the way how business is carried out. Social media can be leveraged to create wonderful marketing masterpieces. They not influence human life and business practices, but also began to dominate all different functional areas of businesses such as advertising, relationship marketing communication, knowledge management, public relation and so on. Not only big businesses are marketing their products or services and brands on social media, but it has become an essential part of online marketing strategy among small businesses because of its cost-effectiveness and ability to reach targeted audiences quickly. More and more companies using social networks to promote activities, which indicates that many managers are beginning to realize the potential of these channels.

Until the last decade, businesses had to use direct communication for most businesses and marketing activities, but the emergence of social media brought tremendous changes in business and marketing communication. It has not only brought greater opportunities for many businesses, but also posed bigger challenges for many to

survive in competing with others. As the number of social media users across the world are constantly increasing, most companies and marketing communication agencies are looking beyond simply establishing a social presence, but are seeking ‘to get social media marketing right’. Social media refers to any of the many online tools that allow people to share information and learn from others through a communication network in an open process. Social media thus refers to online contents that are created and consumed by regular people for each others. This research work is carried out to investigate the social media practices among small and medium sized enterprises with special reference to Kannur district.

## **1.2. STATEMENT OF THE PROBLEM**

Social media marketing is a phenomenon where businesses are seeking new ways to create value. Social media is undoubtedly a newer tool and strategy for developing a new or growing business. Even the small enterprises are changing their marketing rapport for adapting to social media platform. This project aims at studying social media marketing practices undertaken by the small and medium enterprises in Kannur district. Therefore the study is titled as “A STUDY ON THE PRACTICE OF SOCIAL MEDIA MARKETING AMONG SMALL AND MEDIUM ENTERPRISES IN KANNUR DISTRICT”.

## **1.3. OBJECTIVES OF THE STUDY**

- To identify the most commonly used social media by the Small and Medium Enterprises and to find out why they prefer that media.
- To analyse the new trends and methods used for marketing via social media.
- To identify the benefits of using Social Media Marketing for Small and medium enterprises in Kannur district.
- To identify the problems faced by Small and Medium Enterprises while adopting to Social Media Marketing.
- To investigate how the Social Media Marketing technique helps for brand making and brand equity.

- To investigate the effectiveness of Social Media Marketing among Small and Medium Enterprises in Kannur district, in relation to profitability, sustainability, and competitive advantage.

#### **1.4. SCOPE OF THE STUDY**

The study covers the adoption and practice of social media marketing technique by the small-medium enterprises in Kannur district only. The details about the social media marketing of small medium enterprises, used in the study is related to the year 2016-2017 only.

#### **1.5. RESEARCH METHODOLOGY**

The study focuses on the practice of social media marketing among small-medium enterprise in Kannur district. Information was collected from respondents through survey by issuing questionnaire.

##### **1.5.1 Sources of Data**

Information is collected by conducting a survey by distributing a questionnaire among 85 small-medium enterprises in Kannur district. The areas covered for the study are Payyanur, Pilathara, Pazhayangadi, Thaliparamba, Kannur, Iritty in the Kannur District for the convenience of the investigator. These 85 enterprises are of different size and undertaking different types of businesses. The primary data for this study were collected through survey method by issuing questionnaire to the respondents. Secondary data were collected from journal, magazines, e-books, internet etc.

##### **1.5.2 Sample Design**

Convenience sampling technique was used for collecting the data from different small-medium enterprise. For data collection, survey was conducted among small-medium enterprises. Sample size for the study is 85.

### **1.5.3 Analysis of the data**

Primary data collected from small-medium enterprises were processed and analysed manually for preparing the reports. Tabular form of statement, graphs, and figures has been used for the presentation.

## **1.6 LIMITATIONS OF THE STUDY**

1. As the analysis is based on primary as well as secondary data, possibility of unauthorized information cannot be avoided.
2. The study confines only to selected samples of enterprises. Hence generalization cannot be possible
3. Reluctance of the people to provide complete information is another limitation.

## **1.7 STRUCTURE OF THIS RESEARCH PAPER**

1. Chapter-1: Covers the core areas of the report. The introduction, statement of the problem, objectives, scope, methodology, sources of data, sample design, analysis of the data, limitation and chapterisation.
2. Chapter-2: Deals with the literature review secondary data are included in this chapter.
3. Chapter3: Contains analysis of primary data which is collected through survey by issuing questionnaire. Tables, graphs, diagrams, etc are used to analyse the collected data.
4. Chapter 4: includes summary of the study, findings, conclusions, and suggestions.

## **CHAPTER- 2**

### **LITERATURE REVIEW**

- **INTRODUCTION**
- **SOCIAL MEDIA MARKETING**
- **IMPORTANCE OF SOCIAL MEDIA MARKETING**
- **IMPACTS OF SOCIAL MEDIA MARKETING**
- **SOCIAL MEDIA MARKETING AMONG SMALL AND MEDIUM ENTERPRISES**
- **EMERGING TRENDS IN SOCIAL MEDIA MARKETING IN INDIA**
- **CONCLUSION**

## **CHAPTER- 2**

### **LITERATURE REVIEW**

#### **2.1. INTRODUCTION**

Today social media is among the best opportunities available to a brand for connecting with prospective consumers. Social media is the medium to socialize. This new media win the trust of consumers by connecting with them at a deeper level. Social media marketing is the new mantra for several brands. Marketers are taking note of many different social media opportunities and beginning to implement new social initiatives at a higher rate than ever before. Social media marketing and the businesses that utilize it have become more sophisticated. One cannot afford to have no presence on the social media phenomenon is as a mind boggling as that and the place at which it is growing is maddening. Global companies have recognised social media marketing as a potential marketing platform, utilised them with innovations to power their advertising campaign with social media marketing.

#### **2.2 SOCIAL MEDIA MARKETING**

Social media marketing consists of the attempt to use social media to persuade consumers that makes a company's, products and services worthwhile. Social media marketing is marketing using online communities, social networks, blog marketing and more. Lazer and Kelly's (1973) define social media marketing as "concerned with the application of marketing knowledge, concepts, and techniques to enhance social as well as economic ends. It is also concerned with the analysis of the social consequences of marketing policies, decisions and activities." Social media marketing is the process of gaining website traffic as well as attention through social media sites and apps. Social media marketing is simply is a form of internet marketing that implements various social media networks for achieving marketing communication and branding goals.

Social media marketing is not merely about hitting the front page of Digg or any other social news website. It is a strategic and methodical process to establish the company's influence, reputation, and brand within communities of potential customers, readers or supporters. Social networking websites are based on building virtual communities, that allow consumers to express their needs, wants and values, online. Social media marketing then connects these consumers and audiences to businesses that share the same needs, wants, and values. Through social networking sites, companies can keep in touch with individual followers. This personal interaction can instill a feeling of loyalty into followers and potential customers.

Social networking sites also include much information about what products and services prospective clients might be interested in. Through the use of new semantic analysis technologies, marketers can detect buying signals, such as content shared by people and questions posted online. One of the main purposes of employing social media in marketing is as a communications tool that makes the companies accessible to those interested in their product and makes them visible to those who have no knowledge of their products. These companies use social media to create buzz, and learn from and target customers.

Social media is undoubtedly a newer tool and strategy for developing a new or growing an existing business. Hundreds of social media networks are obtaining wider popularity across the globe since more and more business people are tempted to use social media to share their views, ideas, feelings and information with others (Kaplan and Haenlein, 2010). When it comes to building and developing brand equity, effective marketing communication is an increasingly critical component. Moreover, in today's fiercely competitive business landscape, business enterprises are looking for best appropriate strategies that can help them build strong a brand equity that can maintain a sustainable competitive advantage. This is one reason why most business organisations began to use social media marketing for communicating their brands and messages to prospective customers.

## 2.2.1 SOCIAL MEDIAS

Social Media seems to be a new trend, but its roots stretch to the beginning of computer era. What we see today is the result of centuries-old social media development. Usenets, which was launched in 1979, was the first progenitor of social media, and the journey from Usenets to Facebook is a long one. Usenets allowed users to post on newsgroups. It was followed by bulletin board systems (BBS) which allowed users to login and interact. Online services like progridy were the precursors to BBS. After online services, internet relay chat came into light which gave way to instant messaging.

In the 90s, dating sites and forums were on peak, which led to the development of social networks. But they did not let users make friend lists. Six degrees launched to overcome this feature. It allowed profile creation and listing peers. It was purchased and shut down after playing for a decade. Blogging emerged in this phase, creating a sensation in social media. It is popular even today. Other sites like BlackPlanet (African-American Social Website) and MiGente(Latino) cropped up having provision to create profiles and add friends.

Modern social networks came into picture post 2000. Applelaunched its Friendster in 2002. It has millions of users. Hi5 and LinkedIn were launched in 2003. LinkedIn is a ground for professionals to reach out to one another. MySpace also originated in 2003 and became well known by 2006. Similarly Facebook waslaunched in 2004 and surpassed MySpace, Orkut, Multiply, etc., and is still expanding. This decade also conceived media sharing platforms like photobucket, flicker, businessstube, instagram, revver, etc., along with news and bookmarking platforms like Diggand Delicious.

Since 2000, Social Media has bloomed to horizon and is still expanding limitlessly. Along with media sharing, many other portals that provide real-time updates were introduced, for example, Twitter, Posterous, Tumbler,etc. In 2007, Facebook launched its advertising system.

A recent study, “The State of Small Business Report,” sponsored by Network Solutions, LLC and the University of Maryland’s Robert H. Smith School of Business, points to economic struggles as the catalyst for social media’s rapid popularity. The study results show that social media usage by small business owners increased from 12% to



24% in just the last year, and almost 1 out of 5, actively uses social media as part of his or her marketing strategy. In 2009, only 23% of marketers were using social media for years. Now that number has grown to 31%.

Social networking websites allow individual, businesses and other organizations to interact with one another and build relationships and communities online. When companies join these social channels, consumers can interact with them directly. That interaction can be more personal to users than traditional methods of outbound marketing and advertising. Some of the mostly used social media for social media marketing are:

### **1-Twitter**

Twitter allows companies to promote their products in short messages known as tweets limited to 140 characters which appear on followers' Home timelines. Tweets can contain text, Hashtag, photo, video, Animated GIF, Emoji, or links to the product's website and other social media profiles, etc. Twitter is also used by companies to provide customer service. Some companies make support available 24/7 and answer promptly, thus improving brand loyalty and appreciation.

### **2- Facebook**

Facebook pages are far more detailed than Twitter accounts. They allow a product to provide videos, photos, and longer descriptions, and testimonials as other followers can comment on the product pages for others to see. Facebook can link back to the product's Twitter page as well as send out event reminders. As of May 2015, 93% of businesses marketers use Facebook to promote their brand.

### **3-Google+**

Google+, in addition to providing pages and some features of Facebook, is also able to integrate with the Google search engine. Other Google products are also integrated, such as Google Adwords and Google Maps. With the development of Google Personalized Search and other location-based search services, Google+ allows for targeted advertising methods, navigation services, and other forms of location-based marketing and promotion. Google+ can also be beneficial for other digital marketing

campaigns, as well as social media marketing. Google+ authorship was known to have a significant benefit on a website's search engine optimization, before the relationship was removed by Google. Google+ is one of the fastest growing social media networks and can benefit almost any business.

#### **4- LinkedIn**

LinkedIn, a professional business-related networking site, allows companies to create professional profiles for themselves as well as their business to network and meet others. Through the use of widgets, members can promote their various social networking activities, such as Twitter stream or blog entries of their product pages, onto their LinkedIn profile page. LinkedIn provides its members the opportunity to generate sales leads and business partners. Members can use "Company Pages" similar to Facebook pages to create an area that will allow business owners to promote their products or services and be able to interact with their customers. Due to spread of spam mail sent to job seeker, leading companies prefer to use LinkedIn for employee's recruitment instead using different a job portal. Additionally, companies have voiced a preference for the amount of information that can be gleaned from a LinkedIn profile, versus a limited email.

#### **5-Whatsapp**

WhatsApp was founded by Jan Koum and Brian Acton. WhatsApp joined Facebook in 2014, but continues to operate as a separate app with a laser focus on building a messaging service that works fast and reliably anywhere in the world. WhatsApp started as an alternative to SMS. Whatsapp now supports sending and receiving a variety of media including text, photos, videos, documents, and location, as well as voice calls. Whatsapp messages and calls are secured with end-to-end encryption, meaning that no third party including WhatsApp can read or listen to them. Whatsapp has a customer base of 1 billion people in over 180 countries. It is used to send personalised promotional messages to individual customers. It has plenty of advantages over SMS that includes ability to track how Message Broadcast Performs using blue tick option in Whatsapp. It allows sending messages to Do Not Disturb(DND) customers. Whatsapp is also used to send a series of bulk messages to their targeted customers using broadcast

option. Companies started using this to a large extent because it is a cost effective promotional option and quick to spread a message.

## **6- Yelp**

Yelp consists of a comprehensive online index of business profiles. Businesses are searchable by location, similar to Yellow Pages. The website is operational in seven different countries, including the United States and Canada. Business account holders are allowed to create, share, and edit business profiles. They may post information such as the business location, contact information, pictures, and service information. The website further allows individuals to write, post reviews about businesses, and rate them on a five-point scale. Messaging and talk features are further made available for general members of the website, serving to guide thoughts and opinions.

## **7- Foursquare**

Foursquare is a location-based social networking website, where users can check into locations via a Swarm app on their smartphones. Foursquare allows businesses to create a page or create a new or claim an existing venue.

## **8- Instagram**

In May 2014, Instagram had over 200 million users. The user engagement rate of Instagram was 15 times higher than of Facebook and 25 times higher than that of Twitter. According to Scott Galloway, the founder of L2 and a professor of marketing at New York University's Stern School of Business, latest studies estimate that 93% of prestige brands have an active presence on Instagram and include it in their marketing mix. When it comes to brands and businesses, Instagram's goal is to help companies to reach their respective audiences through captivating imagery in a rich, visual environment. Moreover, Instagram provides a platform where user and company can communicate publicly and directly, making itself an ideal platform for companies to connect with their current and potential customers.

Many brands are now heavily using this mobile app to boost their marketing strategy. Instagram can be used to gain the necessary momentum needed to capture the attention of the market segment that has an interest in the product offering or services.

## **9- BusinessesTube**

BusinessesTube is another popular avenue; advertisements are done in a way to suit the target audience. The type of language used in the commercials and the ideas used to promote the product reflect the audience's style and taste. Also, the ads on this platform are usually in sync with the content of the video requested, this is another advantage BusinessesTube brings for advertisers. Certain ads are presented with certain videos since the content is relevant.

## **2.3 IMPORTANCE OF SOCIAL MEDIA MARKETING**

Weber observes that marketing's role has changed, and the social web is promoting that change. Marketing's traditional tools for getting the word out are growing rusty. The explosion of media choice has undermined the mass marketing model. There are new rules for measuring marketing success in a social web context. Weber maintains the new marketing creates the platform of true interactivity. The best web sites will combine professional and user-generated content. Viral marketing is word-of-mouth over which businesses have no control. The new marketing will be collateral-free. Weber reasons that recruiting to the social web consists of two toolkits: digital media marketing and digital media relations. Facebook is defining an age of non-intrusive marketing. The social web is not just a channel or another medium for marketing messages. Sterne claims that search is a regular part of regular online marketing and not a social media activity. Doing old things in new ways is essential when it comes to online marketing and measuring online marketing. Driving results through social media has become an important component of the marketing strategy.

Kotler and Lee believe that social marketing can help people move up and out of poverty: social marketing has been applied to influence behaviors that reduced poverty and improved the quality of lives. Social marketing develops constructive approaches to support desired behavior changes. Commercial marketing uses a set of principles and practices that can be applied effectively in the social realm. Social marketing relies heavily on voluntary compliance. Social marketing initiatives are likely to require new and different ways of doing business for the nonprofit, providing an important solution for corporations that want to contribute to poverty reduction.

The role of social media in marketing is to use it as a communication tool that makes the companies accessible to those interested in their product and makes them visible to those that don't know their product. It should be used as a tool that creates a personality behind their brand and creates relationships that they otherwise may never gain. This creates not only repeat-buyers, but customer loyalty. Fact is social media is so diversified that it can be used in whatever way best suits the interest and the needs of the business. The importance of social media is unbelievable. It is a powerful channel of marketing — a game changer for any business. The relevance of social media marketing in the current world are:

### **2.3.1. Brand Equity**

Brand equity is one of the most researched topics in marketing. A brand equity refers to the true differentiation that a brand has from the competition, or the worth derived by a brand from consumers (Glynn, 2009). It is the total value added by the brand to the core products (Mudambi, Doyle and Wong, 1997). Implementing an effective platform of social media marketing has become imperative for several organisations for that it provides them with a number of competitive advantages such as high level of customer loyalty, ability to charge premium prices, easier brand extension, low entry barriers, effective marketing communication, higher market share, and customers' acceptance of new products or service, etc.

In order to build strong brand equity, it is expected that consumers should perceive significant differences between brands in the same product or service category. So, it is important for firms to look at consumers as to make them perceive the brand differentiated. Brand equity is all about the values provided to consumers, and therefore, a meaningful differentiation of the brand must derive from the components of brand value. For business enterprises, brand equity is a key intangible asset, which requires the firm to strengthen it by strategically investing in it for further improving the competitive strengths. As Keller (2003) noted, brand equity of a firm can be reinforced by initiating various marketing functions such as providing customers with unique products or

services, communicating them about the main benefits it offers and the needs that it satisfies them and its ability to make such products and services superior.

A report published by Texas Tech University found that brands with active social media profiles have more loyal customers. It's easy to imagine, when firms are engaging and interacting on social media, they become less like a corporation and more like a unified group of people who share a vision.

### **2.3.2. Social media marketing for competitive advantages**

Various studies have pinpointed that social media marketing is a very powerful tool for firms to achieve competitive advantages. Researchers including Levinson, and Gibson (2010), Barker, Barker, and Bormann (2012) and Avinash (2013) have stressed that social media marketing help firms to reach the target market more easily and effectively, and that the targeted audience can be influenced by strategic communication and promotion activities directed towards them. This is how social media marketing helps firms to achieve competitive advantages.

Social media plays pivotal role in marketing communication and thus performing the functions of advertising as well as marketing promotional activities. A new business to be set up or an existing business in the phase of expansion has wider opportunities to use social media for its marketing purposes. It can either launch its own website, or start blogging or open accounts in popular social networks such as Facebook, Twitter, LinkedIn, BusinessesTube etc. It is observed that marketers who are actively participating in social media marketing are making use of consumer-reviews as well as user-generated contents for marketing communications. Social media is increasingly considered as the most effective tool for word-of-mouth advertisement (Minazzi, 2014).

As Anjum (2011) observed, social media has become an integral part of organization's integrated marketing communication (IMC) plans. Integrated marketing communication is a marketing tool that uses and integrates various communication tools such as advertising, personal selling, public relation, event marketing and public relation with a view to ultimately bring a common communication goal. Almost all Fortune 500 and world's largest multinational companies have established relatively much stronger

stance in social media to use it for marketing communication purposes and they proclaim that social media helped them a lot. Large numbers of business organizations and government firms use private as well as public social networks. Turban, Bolloju and Liang (2011) found that almost all Fortune 500 firms keep on encouraging its employees to use an internet social media by creating its own applications and social discussions. It proves that social media helps businesses not only for marketing communication, but also to enhance knowledge and experiences of employees and other people by knowledge share of social media networks and thus to improve overall productivity of its people.

### **2.3.3. Relationship building**

Part of what makes social media marketing so cool is the interaction firms get to have with their customer base that is, they can read their tweets and status updates to get insights into their daily lives. Businesses can also use social media as a tool for connecting with complementary, non-competing businesses, thought leaders and tastemakers in their space.

People view Twitter and Facebook as social networks, not marketing machines. As a result, they are less likely to see what firms post as an advertisement and will be more likely to hear what they have to say. This translates to serious web traffic when these firms link to their site and posts that market themselves as their friends and followers share what businesses have posted.

### **2.3.4. Allows targeting and retargeting**

One of the reasons social media is important is because of the highly customizable nature of social media ads. Facebook ads, for example, allow businesses to target users by things like location, education level, industry and even purchase history and the pages they' have liked. Companies also have the option to install a Facebook pixel on their site and use it to retarget the users who visit their site, these people are far more likely to convert into solid leads and sales.

### **2.3. 5. Increased sales**

Most of business-to-consumer marketers have acquired customers through Facebook. Not surprisingly, when businesses stay in front of their customer base, people are more likely to buy from the firm when they need the products they sell. In the process of marketing with Facebook, businesses will probably join a ton of groups related to their products, industry and customer base. By posting links in these groups, they will help influence customers to check out their site. Answering questions on Quora is another option. Post a link today, and two weeks/months/years later they might see a sale from it.

## **2.4 IMPACTS OF SOCIAL MEDIA MARKETING**

There was a time when social media was considered by some as a passing fad, something that “the kids” were using that businesses could never really benefit from. Over time, the skeptics were proved wrong. There are over 3 billion internet users, and over 2 billion of them have active social media accounts. Popular social platforms have become marketing giants, offering businesses valuable data about their customers and a free way to reach them. The impacts that are happened to the business firms by the usage of social media marketing are:

### **1. Increased Brand Recognition**

Every opportunity businesses have to syndicate their content and increase their visibility is valuable. Firms’ social media networks are just new channels for their brand’s voice and content. This is important because it simultaneously makes businesses easier and more accessible for new customers, and makes businesses more familiar and recognizable for existing customers. For example, a frequent Twitter user could hear about the company for the first time only after stumbling upon it in a newsfeed. Or, an otherwise apathetic customer might become better acquainted with the brand after seeing their presence on multiple networks.



## **2. Improved brand loyalty**

According to a report published by Texas Tech University, brands who engage on social media channels enjoy higher loyalty from their customers. The report concludes “Companies should take advantage of the tools social media gives them when it comes to connecting with their audience. A strategic and open social media plan could prove influential in morphing consumers into being brand loyal.” By connecting with customers on social, firms are more likely to increase customer retention and brand loyalty.

## **3. More Opportunities to Convert**

Every post businesses make on a social media platform is an opportunity for customers to convert. When they build a following, they will simultaneously have access to new customers, recent customers, and old customers, and they will be able to interact with all of them. Every blog post, image, video, or comment they share is a chance for someone to react, and every reaction could lead to a site visit, and eventually a conversion. Not every interaction with brand results in a conversion, but every positive interaction increases the likelihood of an eventual conversion.

## **4. Higher conversion rates**

Social media marketing results in higher conversion rates in a few distinct ways. Perhaps the most significant is its humanization element, the fact that brands become more humanized by interacting in social media channels. Social media is a place where brands can act like people do, and this is important because people like doing business with other people; not with companies.

Additionally, studies have shown that social media has a 100% higher lead-to-close rate than outbound marketing, and a higher number of social media followers tends to improve trust and credibility in a firm’s brand, representing social proof. As such, simply building audience in social media can improve conversion rates on existing traffic.

## **5. Higher Brand Authority**

Interacting with customers regularly is a show of good faith for other customers. When people go to compliment or brag about a product or service, they turn to social

media. And when they post brand name, new audience members will want to follow the brand for updates. The more people that are talking about a brand on social media, the more valuable and authoritative that brand will seem to new users.

## **6. Increased Inbound Traffic**

Without social media, businesses inbound traffic is limited to people already familiar with their brand and individuals searching for keywords that firm currently rank for. Every social media profile a firm's advertisement is another path leading back to their site, and every piece of content they syndicate on those profiles is another opportunity for a new visitor. The more quality content they syndicate on social media, the more inbound traffic they will generate, and more traffic means more leads and more conversions.

## **7. Decreased Marketing Costs**

According to Hubspot, 84% of marketers found as little as six hours of effort per week was enough to generate increased traffic. Six hours is not a significant investment for a channel as large as social media. If firms can lend just one hour a day to developing their content and syndication strategy, they could start seeing the results of their efforts. Even paid advertising through Facebook and Twitter is relatively cheap, firms need to start slowly and they will never have to worry about going over budget. Once they get a better feel for what to expect, they can increase their budget and increase their conversions correspondingly.

## **8. Better Search Engine Rankings**

Search Engine Optimisation is the best way to capture relevant traffic from search engines, but the requirements for success are always changing. It's no longer enough to regularly update companies' blog, ensure optimized title tags and meta descriptions, and distribute links pointing back to their site. Google and other search engines may be calculating their rankings using social media presence as a significant factor, because of the fact that strong brands almost always use social media. As such, being active on social media could act as a "brand signal" to search engines that their brand is legitimate, credible, and trustworthy. That means, if businesses want to rank for a given set of keywords, having a strong social media presence could be almost mandatory.

## **9. Richer Customer Experiences**

Social media, at its core, is a communication channel like email or phone calls. Every customer interaction on social media is an opportunity to publicly demonstrate firms' customer service level and enrich their relationship with their customers. For example, if a customer complains about their product on Twitter, they can immediately address the comment, apologize publicly, and take action to make it right. Or, if a customer compliments a firm, they can thank them and recommend additional products. It is a personal experience that lets customers to know how firms care about them.

## **10. Improved Customer Insights**

Social media also gives business firms an opportunity to gain valuable information about what their customers are interested in and how they behave, via social listening. For example, firms can monitor user comments to see what people think of that business directly. They can segment their content syndication lists based on topic and see which types of content generate the most interest and then produce more of that type of content.

## **2.5 SOCIAL MEDIA MARKETING AMONG SMALL AND MEDIUM ENTERPRISES**

Social media plays a vital role in marketing and creating relationships with customers. With limited barrier to entry, small businesses are beginning to use social media as a means of marketing. Unfortunately, many small businesses struggle to use social media and have no strategy going into it. As a result, without a basic understanding of the advantages of social media and how to use it to engage customers, countless opportunities are missed.

However, many small businesses struggle to use social media. A small business survey conducted by the Deluxe Corporation found that 49% of small business owners surveyed claim that effectively reaching customers with limited resources is their biggest challenge (Small Business Trends, 2011). Social media affords SMEs with a variety of marketing opportunities for little to no monetary cost. SMEs should embrace

such opportunities since they often face resource constraints in terms of time and money. Social media provides businesses the opportunity to engage and interact with consumers to create lasting relationships.

Marketing from a SMEs point of view is a way to inform the customer about the firm, its products, and services; and to create and maintain customer relationships (Reijonen, 2010). With the amount of resources available today, small businesses have numerous marketing opportunities available to them. Small firms are generally at an advantage because their small size makes it easier to get close to customers and obtain valuable feedback (Gilmore et al., 1999). Such an advantage enables small businesses to take advantages of the marketing opportunities networking and word of mouth marketing provide. But small business owners face many challenges when it comes to marketing as well.

Numerous marketing opportunities exist for small businesses, namely networking and word of mouth marketing. Not only do owner-managers of small businesses rely on their personal contact network, but they rely on the networks of their customers as well. Small businesses often rely on word of mouth recommendations for new customers. 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.

Networking is a widely cited marketing activity for SMEs and is important during their establishment, development, and growth (Walsh & Lipinski, 2009). Siu (as cited in Walsh & Lipinski, 2009) found that in marketing their firms, SMEs rely heavily on their personal contact network. Traditionally, economic structures favor larger firms; however, today's economy is distinguished by relationships, network, and information, favoring some of the characteristics of SMEs (Walsh & Lipinski, 2009). Rather than relying solely on their personal contact network, small businesses rely on the networks of customers as well. Today, these customers can be reached through electronic word of mouth.

Large businesses have great opportunities and large marketing budgets and they can easily gain visibility through multi channel marketing effort whereas SME's are always constrained with the choices and options to market themselves and gain visibility due to limited budgets at hand. One solution to the marketing challenges faced by small businesses is social media. 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 expected to have the same marketing resources. Competitive advantage often has to be sought from other sources and by other means (Gilmore et al., 1999). Several models of marketing exist that provide guidelines for businesses to survive and grow. However, marketing theory that a large organization uses cannot be generalized to a small business which has different characteristics and requirements. As a consequence, small firms are moving from conventional marketing practices towards more affordable, interactive, and integrated marketing.

## **2.6 .EMERGING TRENDS IN SOCIAL MEDIA MARKETING IN INDIA**

Various studies found that social media marketing has helped business organizations in a number of ways such as increased exposure, increased traffic towards their business and its website, providing customers with marketplace insight, developing loyal fans being converted to loyal customers, improving search rankings, generating leads and so on. Facebook is the market leader with over 1590 million active users worldwide, holding 18% of the market share, which is 7% more than its closest competitor, the Facebook-owned WhatsApp. Other major social media players are Facebook messenger, QQ, WeChat, QZone, Instagram, Twitter, Skype, Viber, LinkedIn etc (Chaffey, 2016).

India has world's largest number of Facebook users, with more than 195 million users, overtaking the UK by more than 4 million users. It was found that there were 155 million active users for Facebook in India, of which 147 million users access their Facebook accounts from smartphone or other mobile and tab devices. In India, users are

able to access Facebook in 12 languages (Jain, 2016). With more than 195 million users only for Facebook, it is very evident that marketers in India have large potential for utilizing social media sites, especially Facebook, for their marketing communication purposes.

It is very important to investigate why marketers use social media for marketing purposes in India. A study conducted by Ernst and Young (2013) found that 95.7% of business organizations are using social media marketing for building communities and to generate positive word of mouth, that would lead to enhanced brand equity. An important finding of Ernst and Young in 2013 was that almost half of the social media marketers in India conducted research to get customer feedback and to understand more about customers buying behaviour.

A very recent trend in the social media is that live streaming is getting a big attraction. Video contents have seen huge spikes in popularity in recent years, mainly because it was more easily accessible as well as users were growing tired of older mediums. A very latest trend among the social media users is that they demand more 'live' and in-the-moment updates. Live streaming video has seen tremendous increase in popularity (DeMers, 2016). The recent launch of live streaming by Facebook has also contributed to this change.

It was reported that the internet usage in India, especially the use of social media has been incredibly increased due to Reliance Jio Free internet offers from December 2016 to March 2017. This has tremendously caused a huge increase in the use of social media, especially Facebook among Indians. The Jio free internet offer has caused Facebook to report an increase of 128% of its net income in the fourth quarter in 2016 to \$3.6 billion, out of the total revenues of \$8.8 billion (JollyBoss, 2016). All these are true evidences for the fact that social media sites, especially Facebook in India have grown to become the biggest potential for business organizations for successful marketing communications that would help them achieve supreme value of brand equity.

## **2.7. CONCLUSION**

During the past few years, the affordability and accessibility of Digital Marketing tools, coupled with the awareness of Digital Marketing in general, have opened up digital marketing to smaller businesses as a viable channel to find and engage with their customers. The media landscape has undergone an immense transformation over the past decade, and the outcome is that social media or social networks are replacing the traditional media that were used for various business and marketing communication purposes. With rapid increases in the users of social media across the world, social media marketing has become an increasingly important requirement in today's competitive business contexts. People today are almost always online, and they are engaged in social media by generating and sharing posts and comments, and hence, they can be influenced by marketing or brand communication efforts.

Social media enables companies to network with customers in order to build relationships and achieve a better understanding of customer needs. Businesses want their message to reach as many people as possible. To maximize this reach, a business must have a presence where customers are hanging out. Increasingly, they are hanging out on social networking sites. Social media provides multiple opportunities for small businesses to market to consumers and build closer and more profitable relationships.

## **CHAPTER- 3**

### **ANALYSIS AND INTERPRETATION**

- **INTRODUCTION**
- **PROFILE OF RESPONDENTS**
- **ANALYSIS OF RESPONSES ON THE BASIS OF SELECTED  
CRITERIA**



## **CHAPTER- 3**

### **ANALYSIS AND INTERPRETATION**

#### **3.1. INTRODUCTION**

Analysis and interpretation is a prominent step in research. It helps the researcher to present the collected data into logical and sequential manner, which helps in easy understanding. Thus, the research process involves breaking down existing complex factors into simple parts and putting the parts together in new arrangement for the purpose of interpretation. Thus the goal of analysis is to summarize data in such a way that they provide answers to the questions that the researcher interprets. Analysis is a means, by which the researcher tries to represent the curiosity and questions aroused generally, for the purpose of better understandings and clearly on the subject which is studied.

Interpretation is dominant to represent the research for broader means of research findings. Through representation the meaning and implementation becomes clear. Analysis is not complete method of interpretation and interpretation cannot be proceeded with analysis systematically, so as to arrive the findings through interpretation. Hence, there are the two methods to analyze collected data. One method is through graphical figure representation and the other through table.

This chapter is the core content of this study. This chapter discusses and tries to analyse the data collected from respondents and to make interpretation based on this. For the purpose of the study, a sample of 85 small and medium enterprises from Kannur district has been taken. These 85 enterprises were of different types and category. The analysis and interpretation with special interference may be based on certain key variables which are concerned to the individual enterprises.

## **3.2. PROFILE OF RESPONDENTS**

The respondents were classified on the basis of their age, sex, and type of business or services they undertakes. The analysis of data from collected data from respondents is as follows.

### **3.2.1. AGE WISE CLASSIFICATION OF RESPONDENTS**

On the basis of their age, the respondents were classified into five categories such as age between 20 and 30 years, between 31 and 40 years, between 41 and 50 years, between 51 and 60 years, and above 60 years of age.

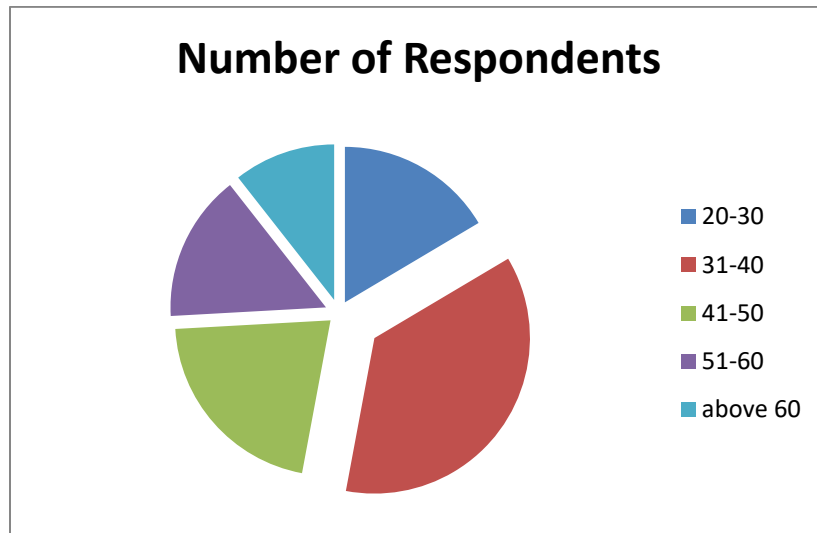
**Table 1: Age wise classification of respondents**

| <b>Age group</b> | <b>Number of respondents</b> | <b>Percentage</b> |
|------------------|------------------------------|-------------------|
| 20-30            | 14                           | 16.49             |
| 31-40            | 31                           | 36.47             |
| 41-50            | 18                           | 21.17             |
| 51-60            | 13                           | 15.29             |
| Above 60         | 9                            | 10.58             |
| total            | 85                           | 100               |

*Source: Primary data*

Table no. 3.1 shows the age wise classification of respondents and the number of respondents falling in each group. Among 85 respondents, 16.49% of the respondents were between 20 and 30 years of age, 36.47% of the respondents were between 31 and 40 years of age, 21.17% of the respondents were between 41 and 50 years of age, 15.29% of the respondents were between 51 and 60 years of age, 10.58% of the respondents were above 60 years of age.

**Figure 1: Age wise classification of respondents**



## 4.2.2 GENDER WISE CLASSIFICATION OF RESPONDENTS

**Table 2: Gender wise classification of respondents**

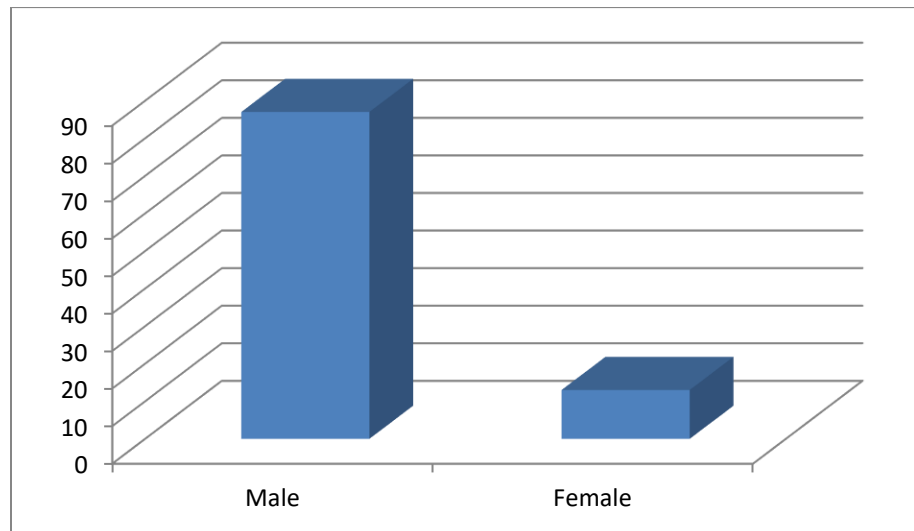
### **Gender wise classification of respondents**

| <b>Gender</b> | <b>Number of respondents</b> | <b>Percentage</b> |
|---------------|------------------------------|-------------------|
| Male          | 74                           | 87%               |
| Female        | 11                           | 13%               |
| Total         | 85                           | 100               |

*Source: Primary data*

Table number 3.2 shows the number of male and female respondents, who are proprietors of the small and medium enterprises. From the table it is clear that out of 85 respondents, 87% of the respondents were males and the rest belongs to female.

**Figure 2: Gender wise classification of respondents**



### 3.2.3 CLASSIFICATION OF THE RESPONDENTS ON THE BASIS OF TYPE OF BUSINESS OR SERVICES THEY UNDERTAKE

Here a classification of the selected small and medium enterprises included in the samples is made in order to analyses that, which type of business is using social media marketing more.

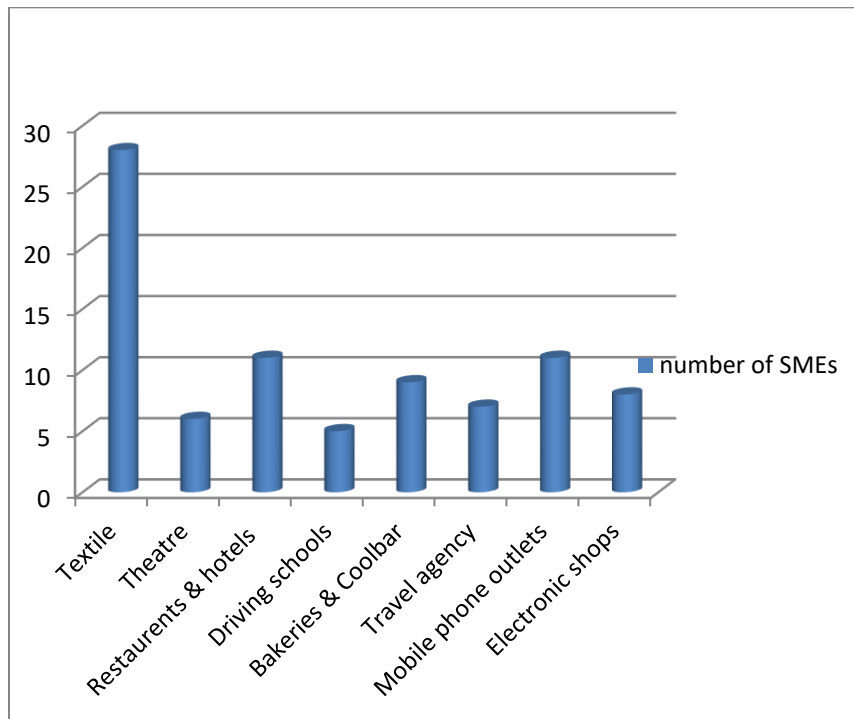
**Table 3: Type of business or services undertaken**

| Type of business/services | Number of SMEs | Percentage |
|---------------------------|----------------|------------|
| Textiles                  | 28             | 33         |
| Theatre                   | 6              | 7          |
| Hotels & Restaurants      | 11             | 13         |
| Driving schools           | 5              | 6          |
| Bakeries & Cool bars      | 9              | 11         |
| Travel Agencies           | 7              | 8          |
| Mobile Phone Outlets      | 8              | 9          |
| Electronic shops          | 11             | 13         |
| Total                     | 85             | 100        |

*Source: Primary data*

The above table shows the number of different types of small and medium enterprises has been taken as samples for the conduct of this study. This tabular presentation clearly depicts that majority of the small and medium enterprises that are engaged in social media marketing are textile businesses with 33%, followed by Hotels & Restaurants and Electronic shops with 13% . then its is followed by Bakeries and Cool bars with 11%, Mobile phone Outlets with 9%, Travel agencies with 8%, theatre business with 7%, Driving schools with 6% respectively.

**Figure 3: Type of business or services undertaken**



### 3.3 ANALYSIS OF RESPONSES ON THE BASIS OF SELECTED CRITERIA

#### 3.3.1 Statistics of SMEs' advertisements

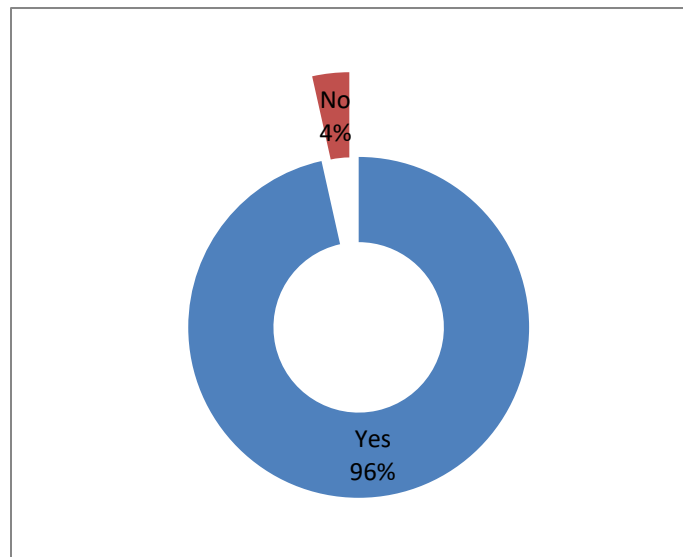
**Table 4: Statistics of SMEs' advertisements**

| If Advertise business or not | Number of SMEs | percentage |
|------------------------------|----------------|------------|
| Yes                          | 82             | 96.5       |
| No                           | 3              | 3.5        |
| Total                        | 85             | 100        |

*Source: Primary data*

From the table 3.4, it is clear that out of 85 small and medium enterprises selected as sample 96.5% of the enterprises advertise their business and 3.5% do not advertise their business.

**Figure 4: Statistics of SMEs' advertisements**



### 3.3.2 Modes of advertisement used by SMEs

Here the classification of small and medium enterprises is made on the basis of the type of advertisement used by the firms. The modes of advertisements taken for analyzing criteria are television advertisement, newspaper advertisement, advertisement through magazines, advertisement through Social media, and Flex board & Banner advertisement.

**Table 5: Modes of advertisements used by the SMEs**

| Modes of advertisement | Number of SMEs | Percentage |
|------------------------|----------------|------------|
| TV                     | 6              | 7          |
| Newspaper              | 8              | 9          |
| Magazine               | 4              | 5          |
| Social media           | 62             | 73         |
| Flex board & Banner    | 2              | 2          |
| Others                 | 3              | 4          |
| Total                  | 85             | 100        |

*Source: Primary data*

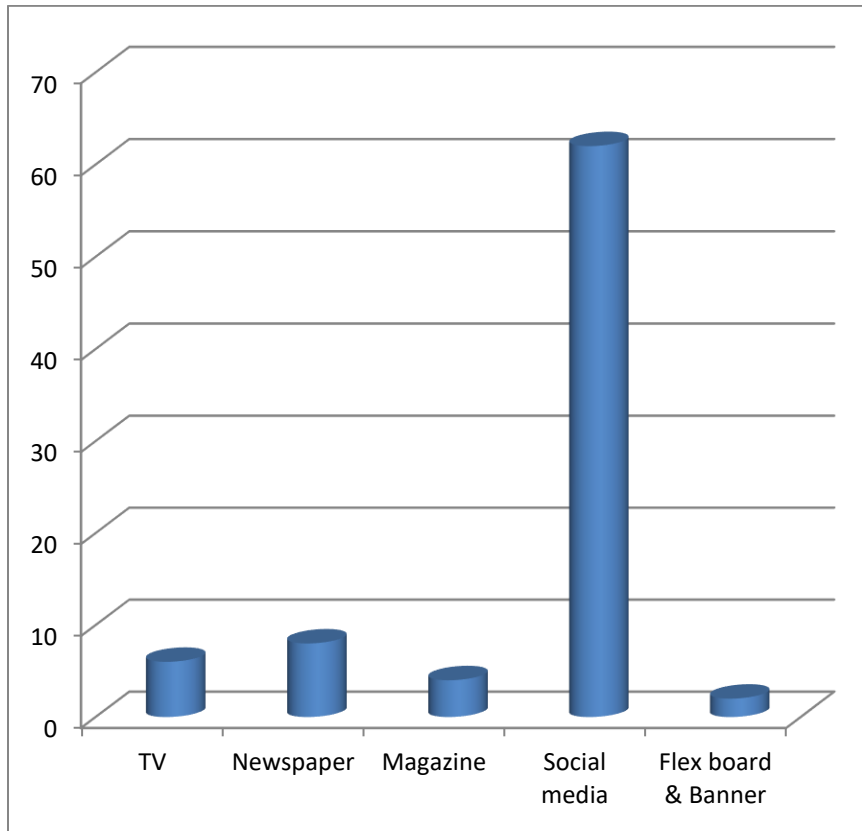
(Note: Some of the firms included in the sample use one or more advertisement modes mentioned above. But for the convenience of the study, only the mostly used advertisement mode is recorded here, the least used advertisement mode is ignored, for each firm.)

From the above table, it is observed that majority of the respondents have chosen Social Media as their advertisement mode with 73%. It must be because of its ease of use and high reach. Only 8 small and medium enterprises advertise their business through newspaper with 9%. Firms do not showing that much interest in advertising through television, magazines and flex boards & Banners with respective counts of 6,4,2



with 7%,5%,and2% respectively . Only 3 SMEs uses advertisement modes other than these.

**Figure 5: Modes of advertisements used by the SMEs**



### 3.3.3. Effectiveness of the advertisements

The question given to the respondents was ‘whether the advertisement is worth or more worth than he cost’. Firms use advertisements to sell their products and services to earn return. A firm advertise its business with the expectation of earn back the cost of investment also. Here we analyses if the advertisements are worth or more worth than the costs.

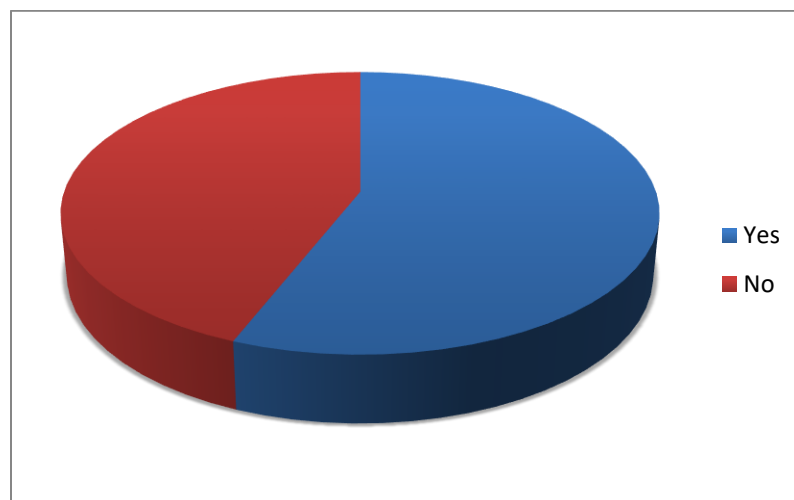
**Table 6: Effectiveness of the advertisements**

| <b>If Advertise worth/more worth than the cost</b> | <b>Number of SMEs</b> | <b>percentage</b> |
|--|-----------------------|-------------------|
| Yes  | 48                    | 56                |
| No   | 37                    | 44                |
| Total  | 85                    | 100               |

*Source:* Primary data

The above table clearly depicts that 56% of the Small and medium enterprises are able to earn back their investment in the advertisement, that is their advertisement are worth/more worth than the cost, but the rest of the firms’ advertisements are not worth/more worth than the cost.

**Figure 6: Effectiveness of the advertisements**



### 3.3.4 STATICS OF USAGE OF SOCIAL MEDIA MARKETING

**Table 7: statics of usage of Social Media Marketing**

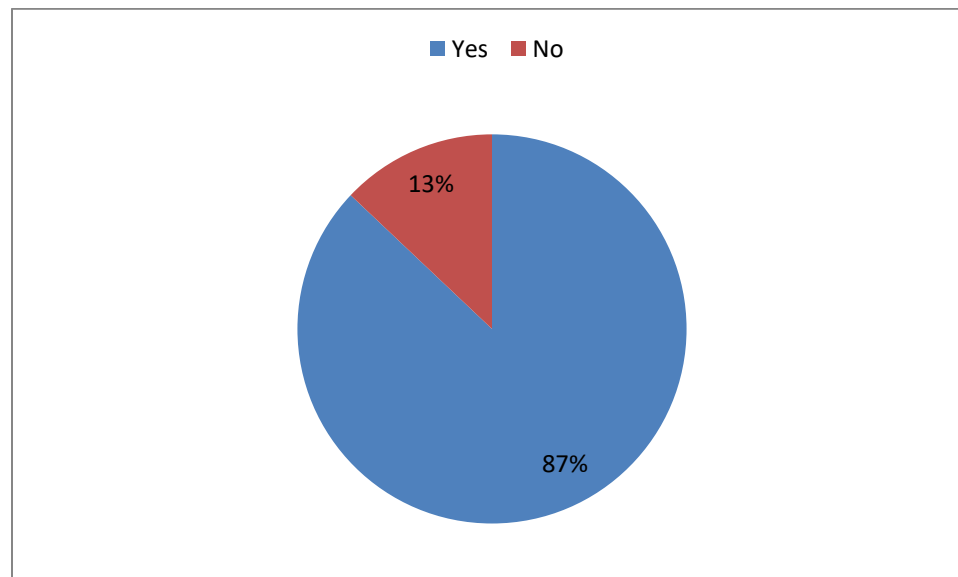
| Whether uses Social media marketing or not | Number of SMEs | percentage |
|--|----------------|------------|
| Yes  | 74             | 87         |
| No   | 11             | 13         |
| Total                                      | 85             | 100        |

*Source: Primary data*

(Note: Details from Table number3.5 is the basis of this table)

From the above table it is clear that a majority of the Small and medium enterprises uses social media marketing with 87%, only the rest of the firms do not uses social media marketing as a marketing strategy and sales tool.

**Figure 7: Statics of usage of Social Media Marketing**



### 3.3.5 RANKING OF SOCIAL MEDIA ON THEIR USAGE

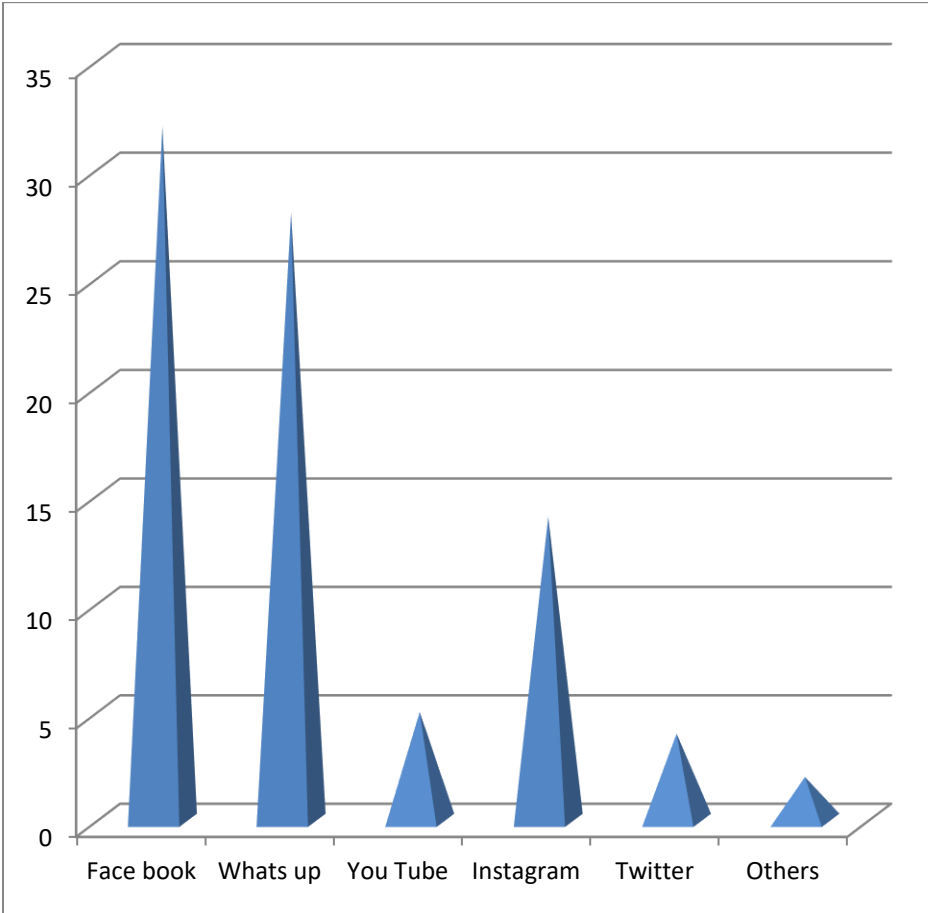
**Table 8: Ranking of social media on their usage**

| <b>Social media used</b> | <b>Number of SMEs</b> | <b>Percentage</b> |
|--------------------------|-----------------------|-------------------|
| <b>Face book</b>         | <b>32</b>             | <b>37.5%</b>      |
| <b>Whats up</b>          | <b>28</b>             | <b>32</b>         |
| <b>You tube</b>          | <b>5</b>              | <b>6</b>          |
| <b>Instagram</b>         | <b>14</b>             | <b>17</b>         |
| <b>Twitter</b>           | <b>4</b>              | <b>5</b>          |
| <b>Others</b>            | <b>2</b>              | <b>2.5</b>        |
| <b>Total</b>             | <b>85</b>             | <b>100</b>        |

*Source: Primary data*

From the above table it is clear that majority of the small and medium enterprises are using Facebook and whats up for social media marketing with 37.5% and 32% respectively. These two media are followed by Instagram with 17% of usage by small and medium enterprises. The remaining social medias are rarely used by the Small and medium enterprises in Kannur district. Only 6% among the selected samples adopts You tube as their marketing tool and 5% of small and medium enterprises with Twitter. The remaining 2.5% uses other social mediums for social media marketing.

**Figure 8: Ranking of social media on their usage**



### 3.3.6 TRENDS AND METHODS FOLLOWED BY SMEs FOR SOCIAL MEDIA MARKETING

Enterprises use social media marketing with different aims and objectives. In order to achieve these objectives, the messages should be correctly reached to the targeted audiences. For this firms are required to follow appropriate trends and methods of social media marketing. Here the scrutiny is based on the trends and methods such as Information sharing, Picture ads, Promo videos, Live streaming, Viral marketing, E-mail messages, and others if any.

**Table 9: Trends and methods followed by SMEs for social media marketing**

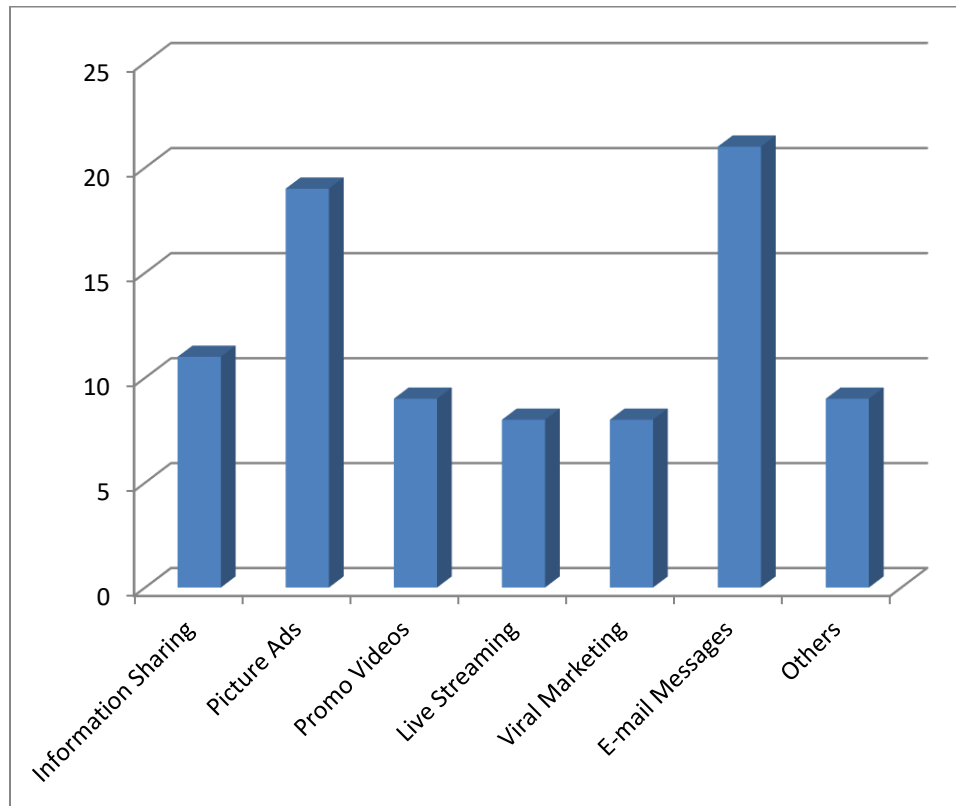
| Trends & Methods    | Number of SMEs | Percentage |
|---------------------|----------------|------------|
| Information sharing | 11             | 13         |
| Picture ads         | 19             | 22         |
| Promo videos        | 9              | 10.5       |
| Live streaming      | 8              | 9.5        |
| Viral marketing     | 8              | 9.5        |
| E-mail messages     | 21             | 25         |
| Others              | 9              | 10.5       |
| Total               | 85             | 100        |

*Source: Primary data*

Table number 3.9 shows the trends and methods followed by Small and medium enterprises for social media marketing. The table clearly depicts that 25% of the Small & medium enterprises are using E-mail to convey their messages. It is mainly used, because it also provide with the firms to get back the responses and feedbacks from the customers in detail. This trend is followed by picture ads posted in social media with 22%, surely of the reason of its wide reach. The other methods are used almost equal

proportion. Information sharing is with a 13%, Promo videos with 10.5%, Live streaming and Viral marketing with 9.5%. Only the remaining firms use 10.5% of other methods and trends.

**Figure 9: Trends and methods followed by SMEs for social media marketing**



### 3.3.7 TYPE OF CONTENTS POSTS ON SOCIAL PLATFORMS BY SMEs

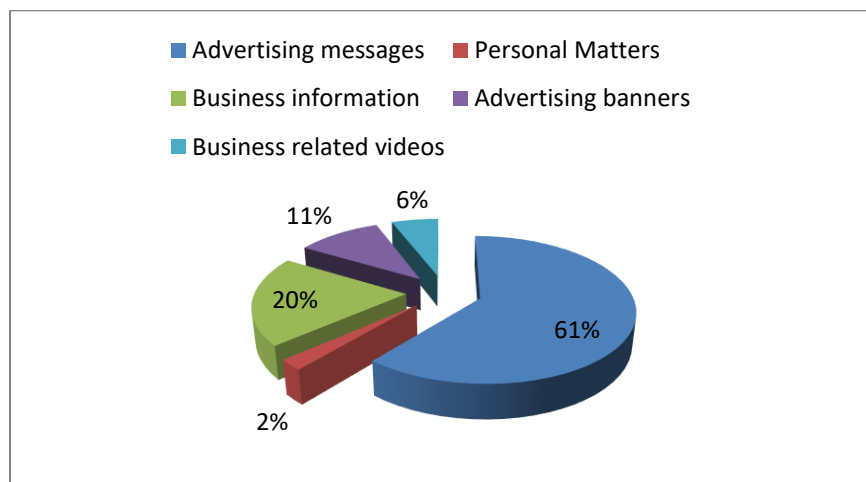
**Table 10: Type of contents posts on social platforms by SMEs**

| Contents posts on social platform | Number of SMEs | Percentage |
|-----------------------------------|----------------|------------|
| Advertising messages              | 52             | 61         |
| Personal matters                  | 2              | 2.3        |
| Business information              | 17             | 20         |
| Advertising banners               | 9              | 11         |
| Business related videos           | 5              | 5.7        |
| total                             | 85             | 100        |

*Source: Primary data*

The table number 3.10 depicts that the majority of the small and medium enterprises posts advertising contents on their social platform with a 61%. It is followed by posting of business information with 20% and Advertising banners with 11%. Only 5.7% of business related videos and 2.3% of Personal matters are posted by SMEs on their social media platforms.

**Figure 10: Type of contents posts on social platforms by SMEs**





### 3.3.8 BENEFITS OF SOCIAL MEDIA MARKETING

A business will invest in anything with the expectation of some return on their investments. Like this, all the firms adopt social media marketing by expecting some benefits. In this area the scrutiny is made upon the expected benefits of small and medium enterprises such as: High reach among customers, ease of use and handling, less expensive compared to other modes of advertisements, more customers will attract and other benefits if any.

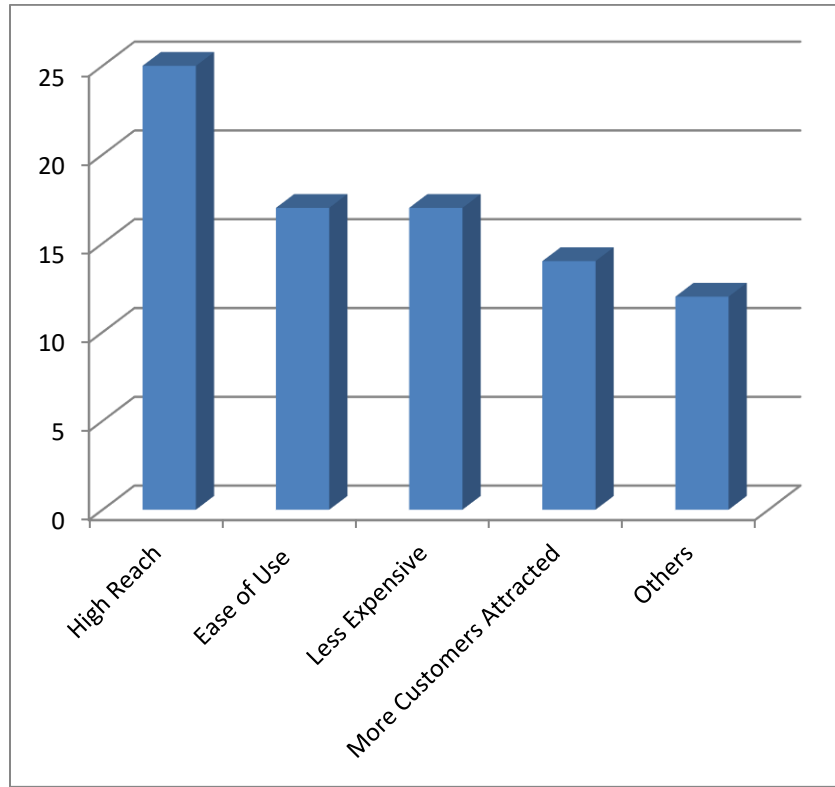
**Table 11: Benefits of social media marketing**

| <b>Benefits</b>          | <b>Number of SMEs</b> | <b>Percentage</b> |
|--------------------------|-----------------------|-------------------|
| High Reach               | <b>25</b>             | <b>29</b>         |
| Ease of use              | <b>17</b>             | <b>20</b>         |
| Less Expensive           | <b>17</b>             | <b>20</b>         |
| More customers attracted | <b>14</b>             | <b>17</b>         |
| Others                   | <b>12</b>             | <b>14</b>         |
| total                    | <b>85</b>             | <b>100</b>        |

*Source: Primary data*

The benefits that are expected by small and medium enterprise by using social media marketing are given above. It shows that the most important benefit of using social media marketing is its high reach. 29% of the firms are using social media marketing because of this reason. From the remaining enterprises 20% of them equally use social media marketing with the reason that its ease of use and it is less expensive to operate. 17% of the enterprises uses social media marketing with the reason that it can attract more customers. The remaining 14% of the firms use social media marketing with the expectation of other benefits.

**Figure 11: Benefits of social media marketing**



### 3.3.9 TARGET AUDIENCE OF THE SMEs

#### 3.3.9.1 AGE WISE CLASSIFICATION OF TARGET AUDIENCE

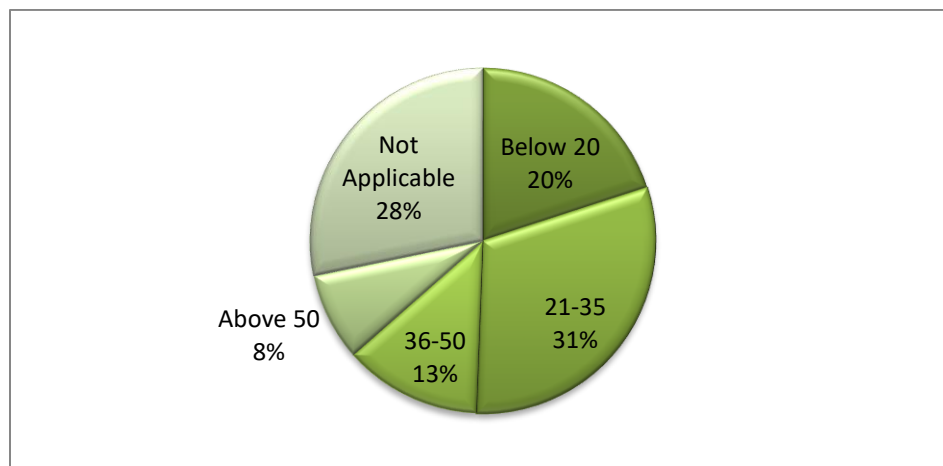
**Table 12: Age wise classification of target audience**

| Age of target audience | No. of SMEs Targeting these audience | Percentage |
|------------------------|--------------------------------------|------------|
| Below 20               | 17                                   | 20         |
| 21-35                  | 26                                   | 31         |
| 36-50                  | 11                                   | 13         |
| Above 50               | 7                                    | 8          |
| Not Applicable         | 24                                   | 28         |
| Total                  | 85                                   | 100        |

*Source: Primary data*

The above table 3.3.12 shows 31% of the SMEs targeting audience in the age range of 21-35. Among 28% of the total enterprises do not have a specific target audience, they target all the age group. 20% of the firms target audience below the age of 20. Then the enterprises that target audience group of the range of 36-50 years of age are 13%. Only 8% of the enterprises target the customers with the age above 50 years.

**Figure 12: Age wise classification of target audience**



### 3.3.9.1 GENDER WISE CLASSIFICATION OF TARGET AUDIENCE

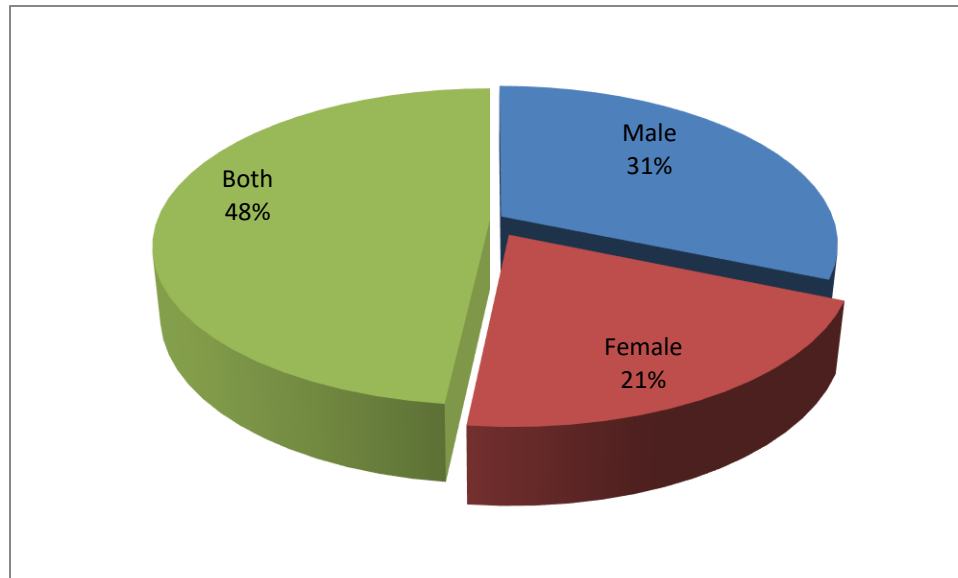
**Table 13: Gender wise classification of target audience**

| <b>Gender</b> | <b>No. of SMEs Targeting these audience</b> | <b>Percentage</b> |
|---------------|---|-------------------|
| Male          | 26  | 31                |
| Female        | 17  | 21                |
| Both          | 42  | 49                |
| Total         | 85  | 100               |

*Source: Primary data*

The table number 3.13 clearly depicts that 48 of the small and medium enterprises target audience of all the gender. It is followed by targeting of male audience by 31% and female audience with 21%.

**Figure 13: Gender wise classification of target audience**



### 3.3.10 STATICS OF CUSTOMERS' RESPONSE TRHROUGH SOCIAL MEDIA

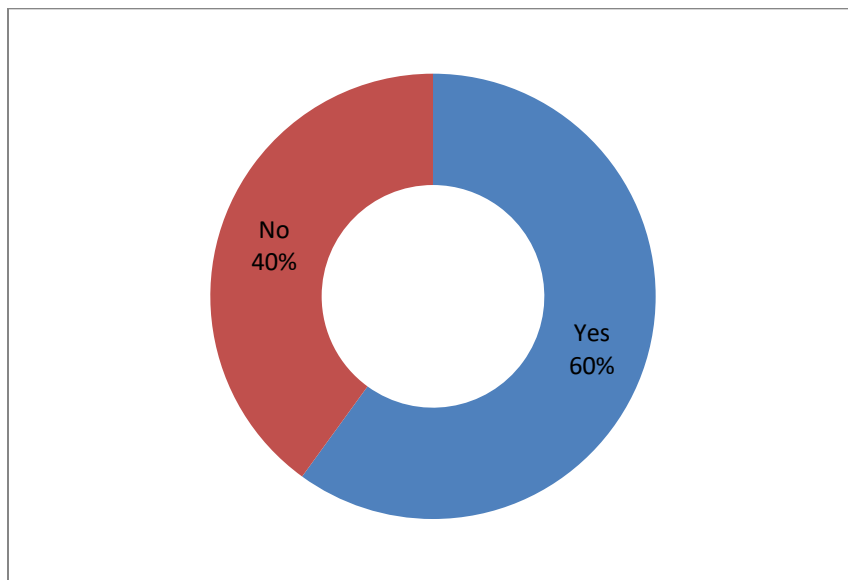
**Table 14: Statics of customers' response through social media**

| If customers respond or not | Number of SMEs | percentage |
|-----------------------------|----------------|------------|
| Yes                         | 51             | 60         |
| No                          | 34             | 40         |
| Total                       | 85             | 100        |

*Source: Primary data*

The above table depicts that 60% of the SMEs' customer responds through social media. The rest 40% of SMEs' customers do not respond and do not send any feedback regarding the products or services offered.

**Figure 14: Statics of customers' response through social media**



### 3.3.11 SOCIAL MEDIA MARKETING FOR CREATING BRAND IMAGE AND BRAND EQUITY

Here the researcher analyses that whether social media marketing helps to create brand image or brand equity to small and medium enterprises.

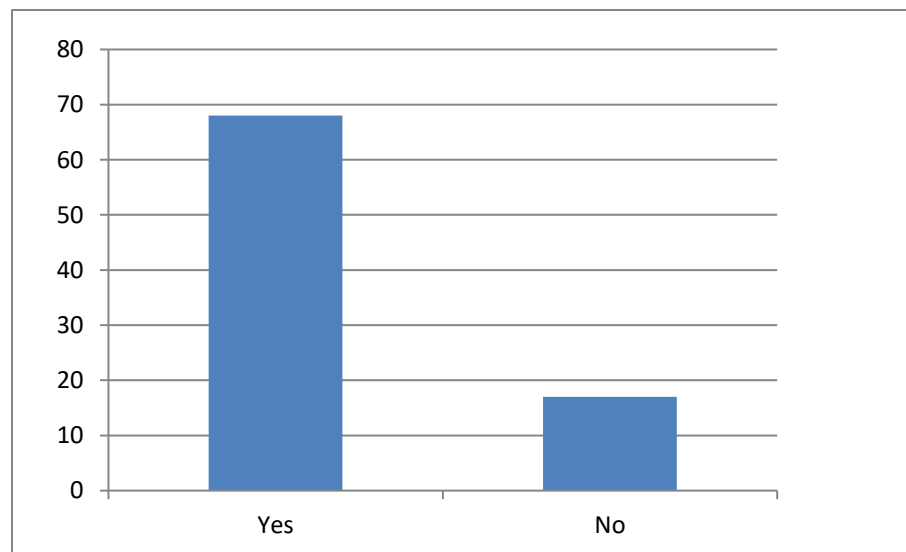
**Table 15: Social media marketing for brand image and brand equity**

| If creating brand image & brand equity | Number of SMEs | percentage |
|--|----------------|------------|
| Yes                                    | 68             | 80         |
| No                                     | 17             | 20         |
| Total                                  | 85             | 100        |

*Source: Primary data*

Table number 3.14 best illustrate that the social media marketing helps for creating brand image and brand equity for a majority of the small and medium enterprises with 80%. The rest of the firms cannot create brand equity and brand image with social media marketing.

**Figure 15: Social media marketing for brand image and brand equity**



### 3.3.12 SOCIAL MEDIA MARKETING FOR CUSTOMER SERVICES AND OR AFTER SALES SERVICES

Here the researcher tries to find out whether the small and medium enterprises use social media marketing to roved customer services and after sales services.

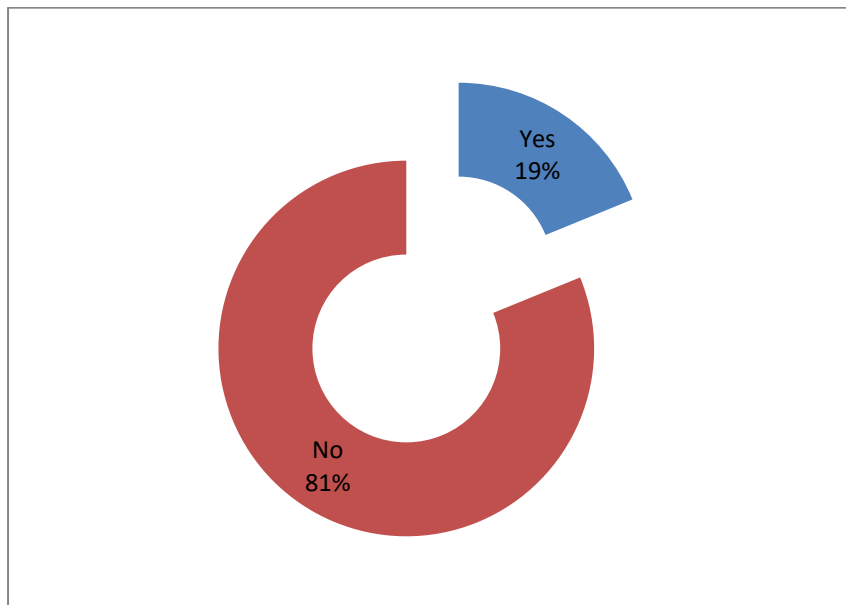
**Table 16: Social media marketing for customer services and or after sales services**

| Providing services or not | Number of SMEs | percentage |
|---------------------------|----------------|------------|
| Yes                       | 16             | 19         |
| No                        | 69             | 81         |
| Total                     | 85             | 100        |

*Source: Primary data*

The data from the table reveals that 81% of the small and medium enterprises selected as samples do not provide any customer services and or after sales services. 19% of the firms provides customer services and or after sales services.

**Figure 16: Social media marketing for customer services and or after sales services**



### 3.3.13 RETAINING OF CUSTOMERS THROUGH SOCIAL MEDIA MARKETING

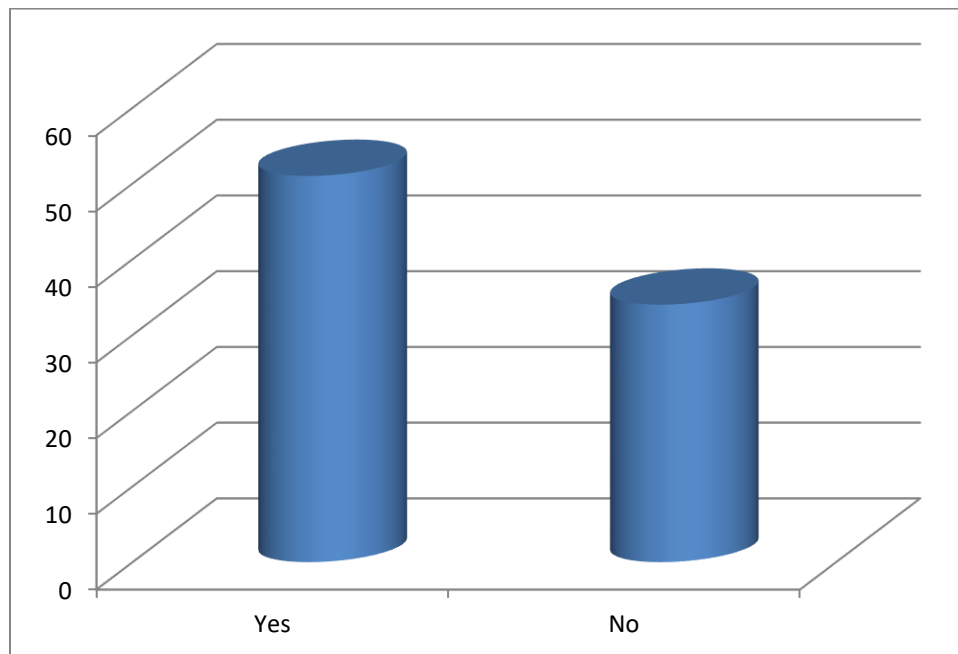
**Table 17: Retaining of customers through social media marketing**

| Could retain customers or not | Number of SMEs | percentage |
|-------------------------------|----------------|------------|
| Yes                           | 51             | 60         |
| No                            | 34             | 40         |
| Total                         | 85             | 100        |

*Source: Primary data*

The above table reveals that 60% of the small and medium enterprises could retain their customers through social media marketing strategy. But 40% of the firms are not in a position to retain their customers through social media marketing.

**Figure 17: Retaining of customers through social media marketing**





### 3.3.14 DIFFICULTY ON HANDLING SOCIAL MEDIA MARKETING

Here the researcher makes a study to find out whether any difficulties are feeling by the SMEs while using Social media marketing.

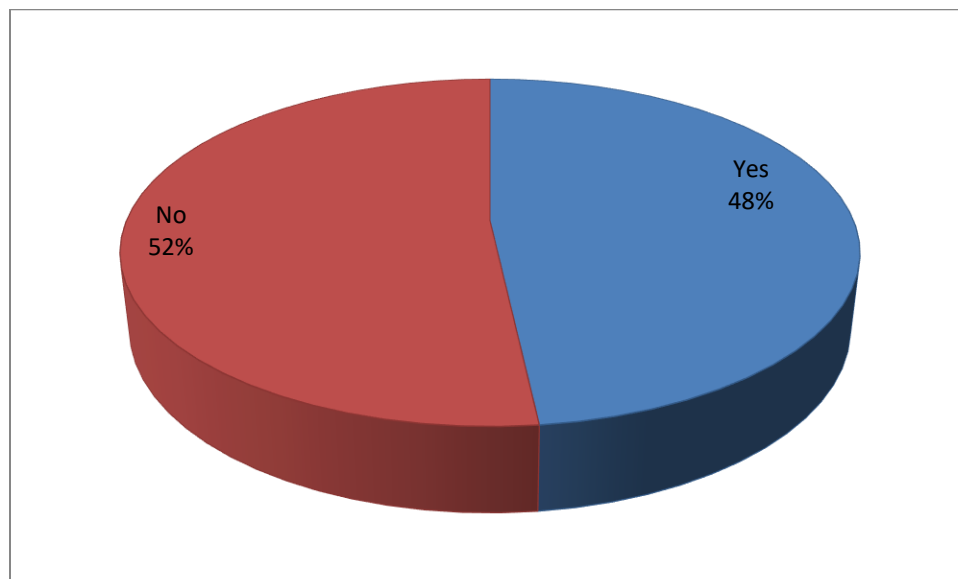
**Table 18: Difficulty on handling social media marketing**

| If feel any difficulty or not | Number of SMEs feels | percentage |
|-------------------------------|----------------------|------------|
| Yes                           | 41                   | 48         |
| No                            | 44                   | 52         |
| Total                         | 85                   | 100        |

*Source: Primary data*

While adopting social media marketing enterprises may feel some difficulties. The table number 3.17 shows 52% of the small and medium enterprises do not feel any difficulties while using social media marketing. The remaining enterprises feel some difficulties on using social media marketing.

**Figure 18: Difficulty on handling social media marketing**



### 3.3.15 PROBLEMS FACED BY SMEs WHILE USING SOCIAL MEDIA MARKETING

While using social media marketing the small and medium enterprises may feel some serious difficulties and problems. It is not easy for such small enterprises to tackle such problems quickly, so the various problems that may be faced by small and medium enterprises have to be scrutinized. The problems faced by such enterprises are technical difficulty, requirement of specialist, no response from customers, handling cost, spams and virus threats, and other problems if any.

**Table 19: Problems faced by SMEs while using social media marketing**

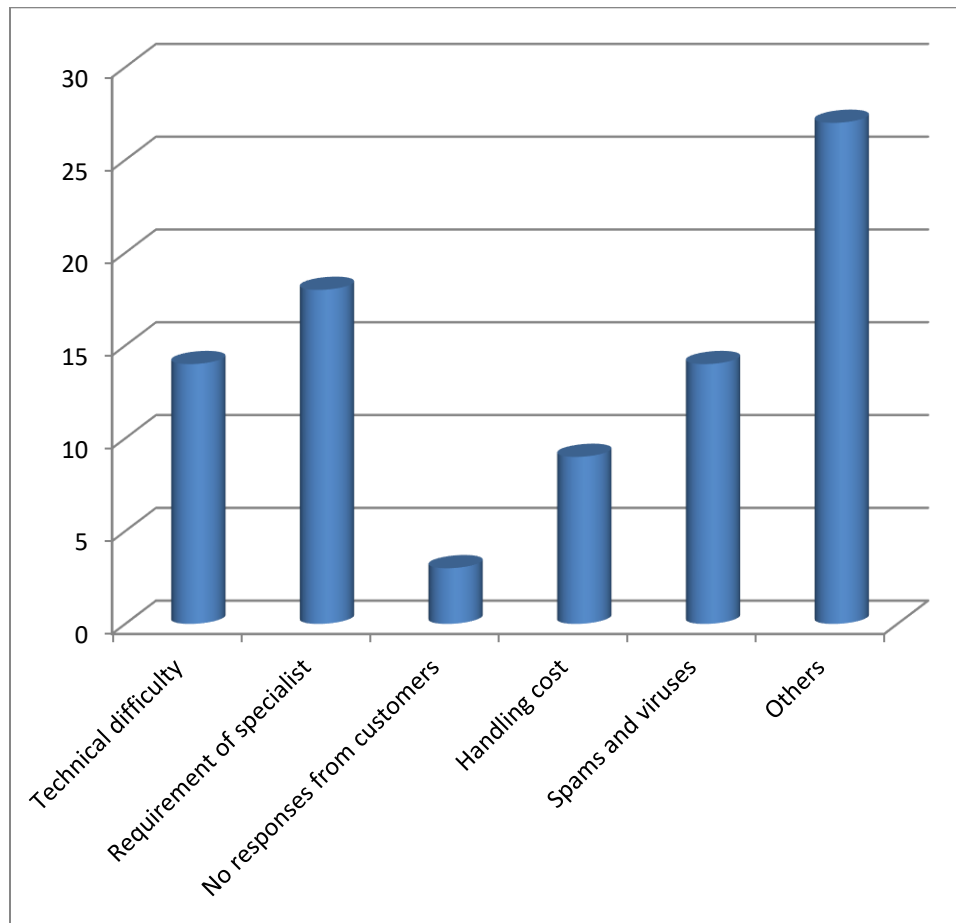
| <b>Problems &amp; difficulties</b> | <b>Number of SMEs faced</b> | <b>Percentage</b> |
|------------------------------------|-----------------------------|-------------------|
| <b>Technical difficulty</b>        | <b>14</b>                   | <b>16.5</b>       |
| <b>No responses from customers</b> | <b>18</b>                   | <b>21</b>         |
| <b>Requirement of specialist</b>   | <b>3</b>                    | <b>3.5</b>        |
| <b>Handling cost</b>               | <b>9</b>                    | <b>10.5</b>       |
| <b>Spams and virus threats</b>     | <b>14</b>                   | <b>16.5</b>       |
| <b>others</b>                      | <b>27</b>                   | <b>32</b>         |
| <b>total</b>                       | <b>85</b>                   | <b>100</b>        |

*Source: Primary data*

The table number 3.19 reveals the various problems faced by small and medium enterprises. Even if 5 options given to the respondents as part of this study, the majority of the problems faced by small and medium enterprises were not among the options. 32% of the enterprises face some other problems. No response from the part of the customers is another problem. Customers are not well responded with the firms and do not give any feedbacks. 16.5% of the small and medium enterprises faces the problems of technical

difficulty and spams and viruses. Handling cost is yet another problem faced by firms with 10.5%. The requirement of a specialist is not a big problem faced by enterprises. Only 3.5% of the firms face problem of specialists' requirement for operating social media marketing.

**Figure 19: Problems faced by SMEs while using social media marketing**



### 3.3.16 PRECAUTIONS/ACTION PLANS TAKEN BY THE SMEs TO TACKLE THE PROBLEMS

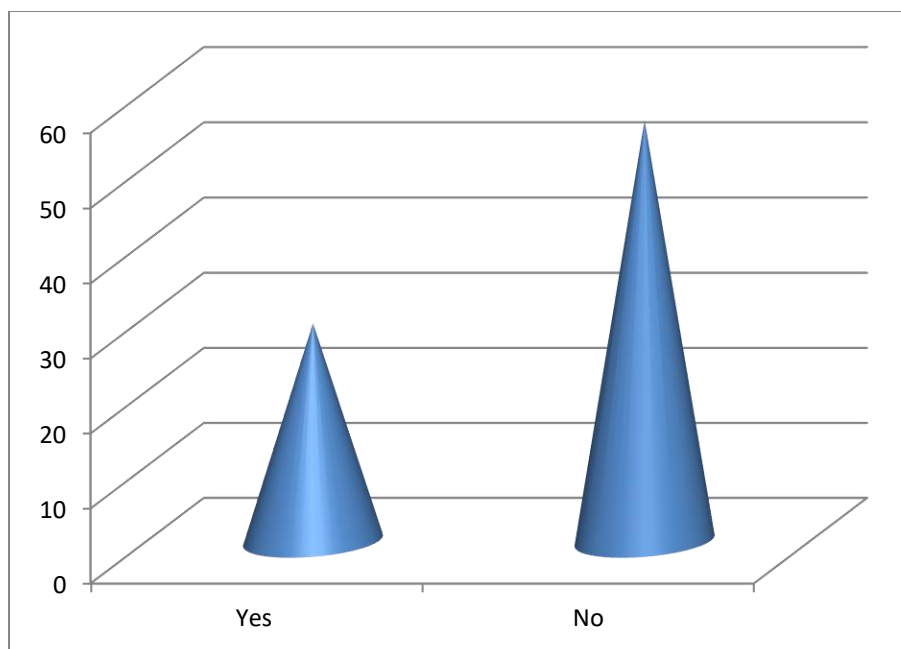
**Table 20: Precautions or action plans taken by the SMEs to tackle the problems**

| If any Precautions /action plans taken | Number of SMEs taken or not | Percentage |
|--|-----------------------------|------------|
| Yes                                    | 29                          | 34         |
| No                                     | 56                          | 66         |
| Total                                  | 85                          | 100        |

*Source: Primary data*

The above table shows that 66% of the small and medium enterprises do not take any precautions or action plans to tackle the problems they are facing. But 34% of the enterprises take possible precautions and action plans to tackle these problem.

**Figure 20: Precautions or action plans taken by the SMEs to tackle the problems**



### 3.3.17 STATISTICS OF COMPETITIVE ADVANTAGE OF SOCIAL MEDIA MARKETING

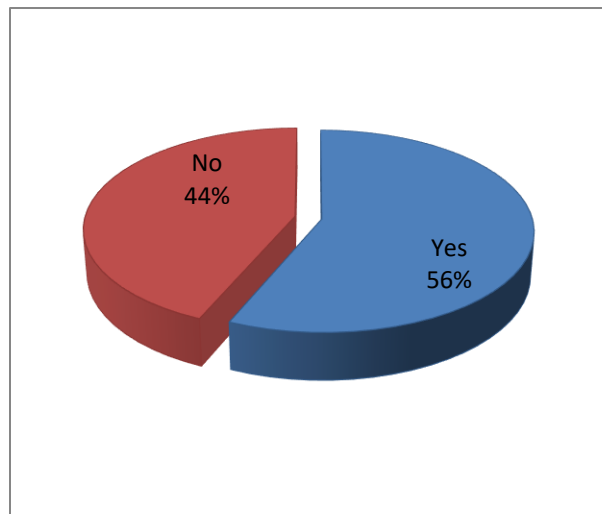
**Table 21: Statistics of competitive advantage of social media marketing**

| If competitive advantage or not | Number of SMEs have advantage | Percentage |
|---------------------------------|-------------------------------|------------|
| Yes                             | 48                            | 56.5       |
| No                              | 37                            | 33.5       |
| Total                           | 85                            | 100        |

*Source: Primary data*

Table number 3.21 reveals that majority of the small and medium enterprises enjoys competitive advantage over their rivals through the usage of social media marketing. 56.5% of the firms are enjoying the competitive advantage. But 33.5% of the firms do not have any competitive benefits through the usage adoption of social media marketing.

**Figure 21: Statistics of competitive advantage of social media marketing**



### 3.3.18 COMPETITIVE ADVANTAGES OF USING SOCIAL MEDIA MARKETING

The usage of social media marketing provides the small and medium enterprises some competitive advantages to cope up with rivals. The competitive advantages that are available for small and medium enterprises are, high reputation, brand equity, increased sales, long term profitability, other advantages if any.

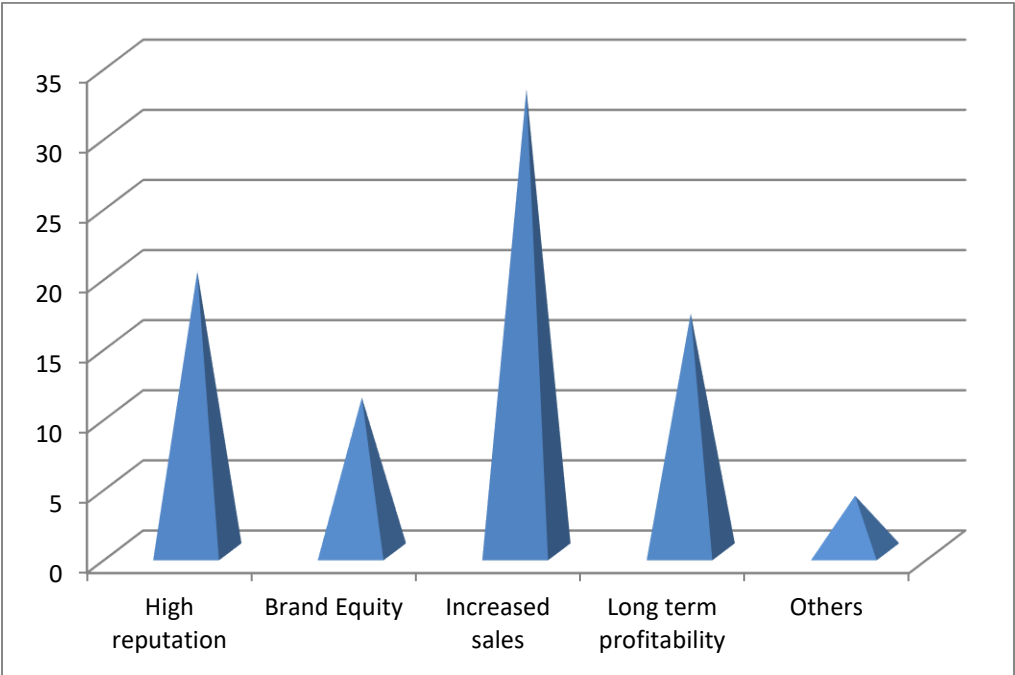
**Table 22: Competitive advantages of using social media marketing**

| Competitive advantages  | Number of the SMEs | Percentage |
|-------------------------|--------------------|------------|
| High reputation         | 20                 | 23         |
| Brand Equity            | 11                 | 13         |
| Increased sales         | 33                 | 39         |
| Long term profitability | 17                 | 20         |
| Others                  | 4                  | 5          |
| Total                   | 85                 | 100        |

*Source: Primary data*

Table number 3.22 shows that major small and medium enterprises have the competitive advantage of increased sales by the usage of social media marketing. 39% of the enterprises have the advantage of increased sales by the use of social media marketing. Then 23% of the firms have the advantage of high reputation and 20% of the enterprises enjoys the advantage of long term profitability.13% of the total enterprises have the advantage of creating brand equity and the remaining 5% have other benefits of using social media marketing.

**Figure 22: Competitive advantages of using social media marketing**



## **CHAPTER 4**

### **SUMMARY AND CONCLUSIONS**

- **FINDINGS**
- **SUGGESTIONS**
- **CONCLUSIONS**



## CHAPTER 4

### SUMMARY AND CONCLUSIONS

#### 4.1 FINDINGS

- ✚ The small and medium enterprises in Kannur district often uses social media marketing to improve their sales and a majority of the firm that uses social media marketing is textile enterprises. 33% of the total enterprises are textile firms.
- ✚ From the 96.5% small and medium enterprises, which advertise their business, 73% of them use social media to advertise their business.
- ✚ 56% of the small and medium enterprises get worth or more worth than the advertising costs. But 44% of the enterprises do not get worth to its costs.
- ✚ From the 73% of the firms uses social media to advertise their business, 87% make use of social media marketing. 37.5% of such firms uses Face book for this, which is followed by whats up with 32%. Other media are not popularly used.
- ✚ 25% of the SMEs uses E-mail messages for communicating messages through social media and 22% uses picture ads. Other methods such as image sharing, promo videos, live streaming and viral marketing are also used, but not that much popularly.
- ✚ A majority of the SMEs say 61% display advertising messages in their social platform to attract the customers. 20% of the SMEs also release business information through their platform.
- ✚ 29% of the total SMEs have the advantage of high reach among targeted audience. And 20% of the SMEs enjoy the benefits of ease of use, and less expensive handling charge. SMEs also enjoy some advantages like more attracting to consumers besides.
- ✚ Among the total SMEs taken for the study, 48% of them targets both male and female audiences. However 31% of the SMEs targeting male audiences and the rest at female customers. As age wise classification is considered, 31% of the SMES targets age group between 21 and 35. 28% of SMEs do not have age wise targeting of customers. 20% of SMEs targets customers below 20 years of age,

13% focus on age group between 36 and 50, and 8% on customers above 50 years of age respectively.

- ✚ 60% of the SMEs customers respond through social media and the remaining 40% do not get any feedback and responses from their customers.
- ✚ Social media marketing helps a majority of the small and medium enterprises (80%) to create brand image and brand equity.
- ✚ Among the SMEs uses social media marketing a majority of 81% cannot provide customer services and after sale services through social media.
- ✚ 60% of the small and medium enterprises could retain their customers through social media marketing.
- ✚ Almost half of the SMEs feel difficulties and problems while using with social media marketing, but the remaining half do not feel so. Technical difficulty, spams and virus threats, no responses from customers are such problems. 66% of the firms do not make any action plans or precaution to tackle these problems and difficulties yet.
- ✚ 56.5% of the total SMEs have some competitive advantage over their rivals, such as increased sales, high reputation, and long term profitability.

## 4.2 SUGGESTIONS

- ❖ The small and medium enterprises should give more importance on providing customer services and after sale services to its customers through social media marketing technique. It will help to attract more customers and to increase the volume of sales.
- ❖ All the SMEs should try to overcome the difficulties and problems while handling with social media. They have to make action plans, and take necessary precautions to tackle the problems and difficulties. They are also needed to make up gradations quickly as the trends and methods changes quickly.
- ❖ SMEs have to develop a strategy to make their customers responding through social media not only to get the feedbacks from the customers, but also to get recommendations and product idea from customers.
- ❖ SMEs should also make use of various social media for social media marketing instead of hanging with only one or two social media.
- ❖ SMEs should focus on building relationship instead of focusing on sales. Sales will increase subsequently. To engage with customers SMEs can show interest by responding to posts and asking questions through social media. This exposes the business to customers and followers which increases the reach of the business.

### **4.3 CONCLUSION**

Social media marketing is seems to be a new star of today's business world. Firms can rely on social media activities in order to build good relationship with their loyal customers and influence their personal perception toward their products or services and also learn from them about their needs.

The study conducted with special reference to Kannur district reveals the practicing of social media marketing by the SMEs. The research picturises that each SMEs uses social media marketing differently which is exclusively depending on the necessity of the enterprises. Most of the concerns use social media marketing as just an advertising tool, whereas only a few SMEs use social media marketing at its maximum. The result indicates that effective social media marketing would lay a significant role in helping firms to develop perceived favorable image that will resultantly lead to perceived customer value.

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## ANNEXURES

### QUESTIONNAIRE

(Kindly read the questions and give your opinions honestly as this will be kept confidential and is purely for the academic purposes.)

#### **A STUDY ON THE PRACTICE OF SOCIAL MEDIA MARKETING AMONG SMALL AND MEDIUM ENTERPRISES IN KANNUR DISTRICT**

1. Basic details

Name of Proprietor: .....

Gender: Male  Female

Age : 20-30  31-40  41-50  51-60  above 61

Name of Business: .....

Place of Business: .....

Type of Business /services: .....

2. Do you presently advertise your business?

Yes  No

3. If yes, which of the following advertising modes are used?

TV  News paper  Magazines  social media

Flex boards& banners  others

4. Are your advertisements worth / more worth than the cost?

Yes  No

5. Do you use Social Media Marketing?

Yes  No

6. If yes, which is mostly used?

Facebook  whats app  youtube

instagram  Twitter  Others

7 which of the following trends and methods you follow for your Social Media Marketing?

Information sharing  Picture Ads

Promo videos  Live streaming

Viral marketing  e-mail messages

Others  Specify.....

8. What type of contents usually you post on social platform?

Advertising messages  Personal matters  business information

Advertising banners  Business related videos

9. What are the benefits you are expecting from using Social Media Marketing?

High reach  Ease of use  Less expensive

More customers are attracted  others

10. Who is your target audience:

a. Age wise:

below 20  21-35  36-50  above 50  NA

b. Gender wise:

Men  Women  Both

11. Are your customers responding through the social media that you are presently using?

Yes  No

12. Does the usage of Social Media Marketing help for creating brand image and brand equity ?

Yes  No

13. Do you use social media to provide customer services and or after sales service ?

Yes  No

14. Can you retain your customers through Social Media Marketing?

Yes  No

15. Do you feel any difficulty in using Social Media Marketing?

Yes  No

16. If yes, what are the problems you are facing while using Social Media Marketing?

Technical difficulty  Requirement of specialist

No response from customers  Handling cost

Spams and virus threats  others

17. Do you take any precautions/action plans to tackle these problems?

Yes  No

18. Do you get any competitive advantage by using Social Media Marketing?

Yes  No

19. If yes, specify your competitive advantage?

High reputation  Brand equity  Increased sales

Long term profitability  others, If any Specify: .....

**THANK YOU**



