

Use of Social Media Marketing by Small Entrepreneurs: Leveraging Digital Platforms for Growth and Visibility

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Abstract

The explosion of digital platforms offers unprecedented opportunities for small entrepreneurs to reach larger audiences and grow their businesses. Social Media Marketing has emerged as a powerful tool in the marketing of small businesses, because it is cheap, accessible, and highly engaging. This paper explores how small entrepreneurs can leverage social media marketing to enhance visibility, engage customers, and drive growth. It addresses the present trend, effective strategy, challenge, and best practices. It elaborates that through research, how small enterprises may effectively optimize social media marketing through careful choice of the appropriate platform, appropriate content strategy, customer engagement, and analytics. This paper delves into the importance of social media marketing for small businesses, focusing on how entrepreneurs can effectively use these tools to enhance their visibility, brand identity, and customer loyalty. Furthermore, it explores the various strategies and best practices that small businesses can employ to overcome common challenges, including budget constraints and limited expertise in digital marketing.

Keywords: Social Media Marketing, Small Business, Digital Platforms, Digital Marketing, India

INTRODUCTION

In digital age, small entrepreneurs are more and more looking to understand social media platforms for promoting their products and interacting with potential customers, while also creating a difference over the competition. The rise of such platforms as Facebook, Instagram, and LinkedIn has made it possible for small businesses to create targeted marketing campaigns that were once limited to only large enterprises with substantial budgets. However, the opportunities come accompanied by challenges for small entrepreneurs in navigating such platforms toward leveraging their marketing efforts to the fullest.

Why Social Media Marketing for Small Business Entrepreneurs

Social media marketing is an accessible means to small entrepreneurs for them to gain growth and exposure. Key benefits of social media marketing include:

1. Low Costs- Unlike traditional advertising, these

platforms provide free or low-cost marketing options, which might be essential for small entrepreneurs.

2. Global Reach: With billions of active users, social media platforms provide small businesses with the opportunity to reach a global audience, which otherwise would not be possible to achieve geographically.

3. Customer Engagement: social media allows businesses to interact directly with their customers, which may help in developing a relationship that could lead to higher brand loyalty and customer retention.

4. Brand Building: With consistent and authentic social media content, small businesses can create their unique brand voice and identity which can be one of the unique selling points about them compared to others.

5. Targeted Advertising: Business can run the most targeted campaigns on Facebook and Instagram based on demographics, interest, and other behaviours.

The Importance of Social Media for Small

Businesses:

Small Business Social Media Adoption: As per the survey conducted in 2023, about 80% of small businesses in India use social media as a part of their marketing strategy with over 70% considering it essential for business growth (Source: Zoho).

Customer Engagement: 72% of the Indian small business owners said social media helped them reach out to customers directly and enhance customer loyalty (Source: Small Business Trends).

Brand Awareness: 68% of the Indian small businesses reported that social media had played an important role in boosting brand awareness (Source: Small Business Trends).

Growth in Social Media Advertising:

- **Social Media Ads investment:** More than 40% of small entrepreneurs in India are investing in paid social media, while Facebook and Instagram have remained the core choices. This is expected to increase as the digital ad spend of the country is on an upward trajectory (Source: Dentsu Aegis).
- **Return on Investment (ROI):** Social media paid advertising by small businesses has an average ROAS of 3:1, meaning three times the ROI as compared to the amount spent on advertising (Source: AdEspresso).
- **Mobile-first Market:** More than 70% of India's social media usage is mobile. Small businesses targeting this mobile audience can anticipate higher engagement rates, especially on platforms like Instagram and WhatsApp (Source: Google-Temasek Report).
- **E-commerce Growth:** More than 40% of small businesses in India have integrated e-commerce with their social media platforms by selling products directly through Instagram Shopping and Facebook Shops (Source: Facebook Business).
- **Video Content:** It is estimated that about 60% of the small businesses in India are making video content available on platforms like YouTube and Instagram Reels for products and services (Statista).
- **Influencer Collaboration:** Micro-influencer

marketing is up in the line. About 40% of small businesses in India collaborate with micro-influencers who have niche audiences, which often bring in higher engagement and conversion (Influencer Marketing Hub).

I. LITERATURE REVIEW

Wherever Social media marketing by small entrepreneurs is becoming highly indispensable in today's digital landscape. According to the research, most of the young entrepreneurs use Instagram, Snapchat, and YouTube for the purpose of advertisements (Bellaj, 2023). Social media not only assists in building relations with customers but also plays a major role in marketing products and increasing business visibility. Research has focused attention on the utilization of social media, thereby requiring training and knowledge enhancement about relevant social media platforms, online marketing strategies, content creation, and performance analysis (Hendrawan et. al., 2023). In addition to that, how social media has contributed in nurturing and promoting MSMEs has been scrutinized. This has served benefits of increased exposure, wider reach into the marketplace, customer engagement, and brand awareness (Larasati et. al., 2024). In small-scale business development, innovative strategies of digital marketing have been recognized as a key driver that can give competitive advantage and generate sustainable growth for SMEs (Ijomah et. al., 2024). These strategies aim to enhance market presence, customer engagement, and overall business performance through tailored approaches. Additionally, innovative strategic marketing practices have been proposed to propel small business development and competitiveness, ultimately leading to increased customer satisfaction and long-term growth (Urefe et. al., 2024). Overall, the literature implies that using social media marketing and other innovative digital marketing strategies will help small entrepreneurs enhance visibility, growth, and competitiveness in the digital space. Overall, effective usage of digital platforms helps small businesses develop a powerful online presence, lower costs, and

enhance branding, leading to sustainable growth and success in the competitive market (Bakshi, 2019).

Social Media Penetration in India:

- Internet Users in India: In 2024, India has more than 700 million internet users, making it one of the largest internet markets in the world (Source: Statista).

- Active Social Media Users: India has around 500 million active social media users, and this number is likely to increase by 10-15% annually (Source: Hootsuite, We Are Social).

2. Usage of Platforms by Small Entrepreneurs:

- Facebook: With 300 million + active users in India, Facebook still is the platform of choice for most businesses in India. Even small entrepreneurs frequently prefer it for organic posts and advertisements.

- Instagram: With over 250 million users, Instagram forms an essential requirement for small enterprises such as fashion, beauty, food, and lifestyle firms. Around 75% Indian businesses utilize this platform to sell their products as well as for interacting with clients (Source: Statista).

- WhatsApp: WhatsApp has become a key tool for small entrepreneurs in India for customer service and sales. More than 80% of small businesses in India use WhatsApp for direct customer communication (Source: WhatsApp Business).

- YouTube: YouTube is an important platform for content marketing, with more than 450 million active users in India. Many small entrepreneurs use YouTube for product demos, tutorials, and influencer collaborations.

II. RESEARCH METHODOLOGY

To investigate how small business owners use social media marketing, a quantitative research technique is used.

The objective is to examine the ways in which social media affects customer involvement, brand visibility, and business growth.

1.The principal aim of this study is to examine how social media marketing might boost small businesses' expansion, exposure, and client interaction. 2. To comprehend which social networking sites are most frequently utilized by small enterprises. 3.To investigate what kinds of information appeal most to consumers.

4.To determine the obstacles small businesses, have when using social media.

Sample Target Audience: Small enterprises in a range of industries (e.g., retail, services, e-commerce).

Sample Technique: To guarantee the inclusion from various population, a random sampling technique is done and analysed for 100 respondents

Result & Interpretation

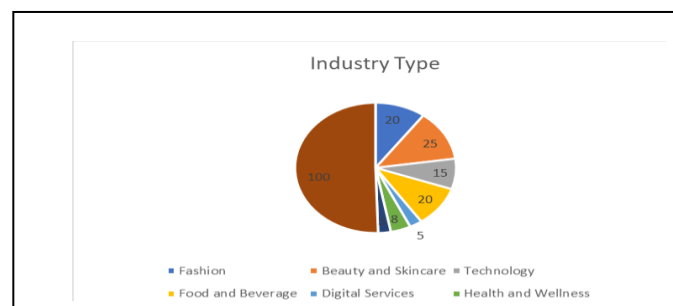


Figure 1: Industry Type

The data indicates that the Technology sector attracts the most entrepreneurs (25%), followed by Fashion (20%) and Beauty and Skincare (15%). Digital Services also sees significant interest at 15%.

Meanwhile, Food and Beverage and Health & Wellness attract moderate attention (10% and 8%, respectively), while Education (5%) and Other industries (2%) see lower engagement among entrepreneurs.

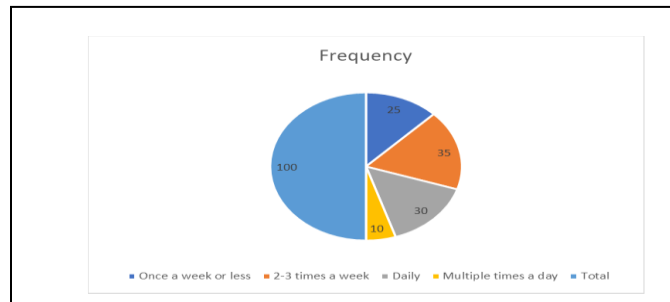


Figure 2: Frequency of post on social media

The data reveals the frequency of content posting on social media. 25% of respondents post once a week or

less, 35% post 2-3 times a week, 30% post daily, and 10% post multiple times a day

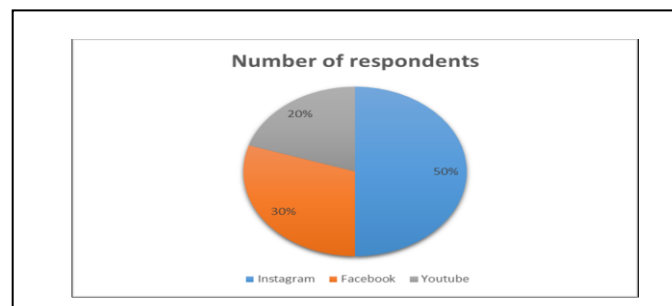


Figure 3: Social Media Platform Usage

The data highlights the usage of various social media platforms among respondents. Instagram leads as the most popular platform, with 70% of respondents using it. Facebook follows with 50% of respondents.

YouTube, although still a significant platform, has the least usage, with 25% of respondents engaging with it. This suggests that Instagram is the dominant platform in terms of usage, with Facebook also holding a strong presence.

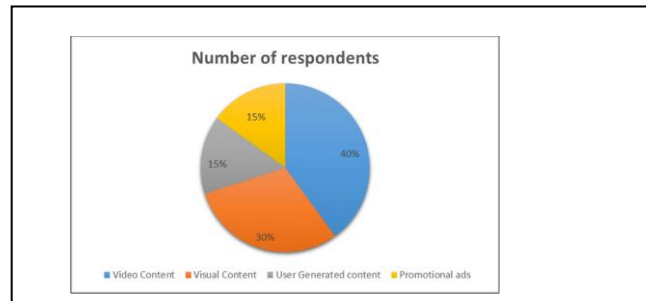


Figure 4: Content preferences on social media

Survey revealed that 30% of respondents prefer visually engaging posts, highlighting the influence of image-based content on social media. Short-form videos, such as Instagram Reels, are favored by 40%,

while 15% trust user-generated content like reviews and testimonials. However, traditional promotional posts, including ads and discounts, appeal to only 15% of respondents.

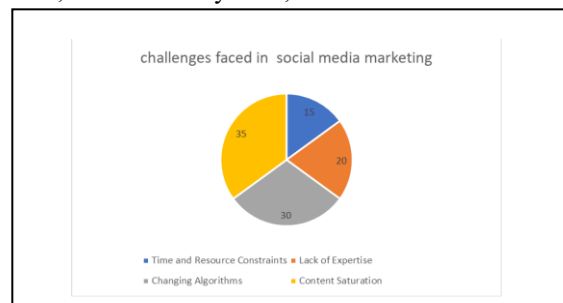


Figure 5: Challenges faced in social media marketing

There are plenty of challenges that small entrepreneurs face in using social media marketing:

1. Time and Resource Constraints: 15% Small entrepreneurs said they are often engaged in multiple roles within their business, which leaves limited time to effectively manage social media.
2. Lack of Expertise: 20% small business owners lack the knowledge necessary to create optimized social media campaigns and analyzing their performance.

Discussion

Best Practices for Small Entrepreneurs in Social Media Marketing

To overcome the challenges and maximize the benefits of social media marketing, small entrepreneurs should consider the following best practices:

3. Changing Algorithms: Social media platforms regularly update their algorithms, which can affect the visibility of posts, making it harder for 30% small businesses respondents to reach their audience organically.

4. Content Saturation: The volume of content on social media makes it difficult for 35 % small businesses respondents to stand out. Developing unique and creative content becomes essential to capturing attention.

1. Develop a Clear Brand Identity: Having a clear voice, consistent messaging, and visually cohesive branding will help businesses stand out and connect with their audience.
2. Focus on Quality over Quantity: Rather than posting frequently, focus on creating high-quality content that resonates with the target audience.

3. Leverage Scheduling Tools: Using social media scheduling tools allows entrepreneurs to plan and automate posts, saving them time and ensuring consistency.

Social Media Marketing Strategies for Small Entrepreneurs can adopt well-defined strategies that can help them maximize their reach and engagement.

Content Strategy: Posting consistently keeps businesses top-of-mind for their audience. Regular updates, curated content, and a blend of media formats (images, videos, blogs) help maintain engagement.

User-Generated Content: Encouraging customers to create content related to the brand (e.g., product reviews, unboxing videos) increases trust and credibility.

Interaction: Small entrepreneurs should actively respond to comments, messages, and reviews to build relationships and foster a loyal customer base.

Polls and Surveys: Engaging customers with polls, surveys, and questions helps create a sense of community and provides valuable feedback.

Live Sessions: Hosting live Q&A sessions or webinars allows entrepreneurs to interact with their audience in real-time, increasing engagement.

Partnering with micro-influencers can offer a cost-effective way to reach targeted audiences. Small entrepreneurs should choose influencers whose followers align with their target market to increase the chances of converting leads into customers.

Social media platforms offer paid advertising options that can be highly effective in driving traffic and conversions. Small entrepreneurs should take advantage of these tools, especially when organic reach alone is insufficient.

Regularly tracking and analyzing social media performance (via platforms' analytics tools) allows small businesses to refine their strategies. Metrics like engagement rate, click-through rate, and conversion rate should be used to assess success and identify areas for improvement.

Conclusion:

The significance of social media marketing for small entrepreneurs in India is evident. With India's growing internet penetration and a mobile-first consumer base, small businesses have unprecedented opportunities to expand their reach, engage with customers, and drive growth. Social media marketing offers small entrepreneurs an affordable and effective way to connect with customers, build their brand, and drive business growth. Selecting the appropriate platform, formulating a transparent content plan, interacting with the community, and monitoring performance are where small businesses may find strength when using social media to gain visibility and compete in such a saturated marketplace. Challenges still include limited budgets, lack of expertise, and time management. Despite these barriers, the prospect for success is significant, as shown by increased reliance on channels such as Facebook, Instagram, and WhatsApp in helping to drive business development and customer loyalty. With an appropriate strategy in place, smaller entrepreneurs can counter these barriers to succeed in this digital marketing platform.

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