

LEVERAGING THE BUSINESS THROUGH SOCIAL MEDIA ANALYTICS – AN EMPIRICAL STUDY ON SMALL ENTERPRISES IN TIER TWO CITIES OF KARNATAKA

¹ Dr. J K Raju, ²Vijay K S

¹ Dean & Professor, Institute of Management Studies, ² Research Scholar

¹ Institute of Management Studies,

¹ Davangere University, Davangere, India

Abstract : The internet has changed the game plan of doing business in recent days. This has created a competitive environment amongst the business enterprises. The business units of metro and big cities have already embraced the application of internet in facilitating their business. In recent days the business enterprises of tier-2 cities didn't have an exception but face and adopt the recent changes. The importance and relevance of this can't be ignored when it comes to the existence and survival of these units. These units face competition not only from the big players within town but also from outside through e-commerce and m-commerce. The current situation questioned the basic idea of "physical existence of the businesses" itself. The increased number of internet users through computer and smartphone devices has created an ecosystem where the competition is open and competitive. This has not only gave tough completion for local players but gave enormous opportunity to reach out customers and to realise their business goals. In this regard many of the small and medium business units have started their effort to make their digital presence. The online or digital presence can be through their own website, social media, and video platforms. It is already evident that these platforms will provide analytics on the content published. This research article will try to find how small and medium business unit in tire-2 cities effectively used these social media analytics to leverage their business. This article also intend to explore the challenges associated with usage of analytics insights in tier two cities.

I. INTRODUCTION

1.1 The New Trend in the market:

(Achrol & Kotler, 1999) As the next century unfolds, marketing again is poised to undergo significant changes in its content, emphases, and boundaries. Marketing outcomes increasingly are decided by competition between networks of firms rather than by competition amongst firms. Companies embedded in strategic networks will enjoy significant market advantages in the future.

1.2 Social Media in Indian context:

A social media represents social structure made up of a combination of social entities involving individuals, groups and organizations. It defines dyadic ties between these entities. The social network platform will make sure the individuals and entities share their opinions which will be visible in their network and for others as well.

Social media will encourage the individual, group and the organizations to enhance their relationships by engaging themselves in continuous interactions and certainly helps to build relationships. Every individual and the companies wish to have a social media presence to propagate their brand and to interact with their customers to address the specific question or a problem. This interactions through social media is more personal than the interaction in offline traditional mode of action. This will enable the firm to design their marketing programmes. The marketing analytics will help the firms to strategies to reach to a dedicated focused target base and at the same time reach to follower's multiple connections.

The current dynamic market environment will force the firms / enterprises to adopt different marketing strategies to reach out their customers. In that line Social Media Marketing is becoming an important aspect of promoting businesses through online media. The enterprises in the small towns were exposed to the completion from the big establishments and the from the category of e-commerce and m-commerce. This has forced the small enterprises of the small town to embrace the adoption of new strategies. In that view, having a social media presence has become a critical point.

As internet penetration and usage of the social media in small towns is increasing and internet adoption in the rural area says the same story. According to the (kantar, 2020) ICUBE report published by Internet and Mobile Association of India (IAMAI), Monthly active internet users crosses 574 million - registered an

annual growth of 24% in 2019. Rural masses continue to propel India's digital revolution – registers internet growth at 45%, while Urban India is maturing at 11% growth. Daily internet user ship has increased owing to entertainment and communication needs; Daily internet users have increased by 60% over the last year. Online shoppers in Rural and Small Towns have showed 43% growth has pushed the overall growth.

(Amrut Sadachar, 2018) Given the unprecedented power of social media, more firms are integrating social media into their business strategies. A clear understanding of big data from social media and their linkages to business decisions is critical for today's business viability, sustainability, and growth. However, small businesses' lack of financial and human resources has prevented them from adopting social media data analytics, leading to a large knowledge gap. With the increasing sophistication of large corporations' data analytics capability, this gap is expected to widen, suggesting an acute need for training and research to address the critical social media analytics needs of small businesses.

(danah m. boyd, 2007) Define social network sites as web-based services that allow individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system. The nature and nomenclature of these connections may vary from site to site.

1.3 The relevance of online presence for enterprises:

(Goran Paun, 2020) A digital presence gives your brand an ideal platform to communicate with consumers. It gives you the opportunity to set the narrative on who you are as a brand and set yourself apart from competitors. More than just your website, your digital presence expands to all the touch points a consumer may have with your brand online. While this does indeed include your website, it can also include areas outside of your control, such as the conversations about your brand on social media and online reviews. In order to put your best foot forward in front of consumers, consider bolstering all aspects of your brand online. Having a substantial digital presence can not only increase consumer awareness, but it can also work to strengthen your brand by building up your credibility. Since consumers are likely to research your brand before making any monetary commitments, they will naturally expect to find your business when they search online. It follows then that your brand should appear (and rank highly) within search results. If consumers can't find your brand when they search for you, they may question your reliability and even the legitimacy of your business.

(Goran Paun, 2020) Indicates that firm should start with a website, connected with the blog and effective SEO activity. Further building a strong online presence is to focus on engaging with consumers outside of website i.e. An active and consistent social media presence allows you to stay relevant to your audience and connect on a more personal level.

Benefits of Online presence (Gupta, 2019) includes Increase the availability to Potential Customers, Make it Easier to Showcase the Products and Services, Build Relationships with the Customers, Real-time Results and Higher Revenues

II. NEW TRENDS IN THE SPACE OF ONLINE PRESENCE

2.1 Usage of Social Media Analytics:

(Mr. Jaysing Bhosale, 2020) Social Media Analytics can be adopted by businesses to see the quantitative specifications of customers. Accordingly, companies can design their product promotion strategies to acquire new customers and maintain a relationship with existing customers. In the end, it can be concluded that smaller business enterprises will have to accept and adapt to new technologies coming into the market for their survival.

(Wyman, 2021) *Social media strategy for small business: The big five which includes Facebook, Twitter, LinkedIn, Instagram and YouTube. Facebook is one of the OG social media platforms. It has a massive user base with 1 billion daily and over 2 billion monthly active users. LinkedIn has over 250 million monthly active users, and it's the most used social media channel for business-to-business (B2B) marketers to share content at 94%. Twitter is a massive network of individuals and brands interacting with each other in a very fast-paced environment. There are over 500 million tweets sent daily, and over 320 million monthly active users on the platform. Instagram was founded most recently yet has the third most people on the platform (1 billion!) and active users (500 million!). It offers a couple of different posting formats, short-lived stories and permanent posts. With 1.9 billion monthly active users, YouTube is a mammoth of a social platform with over a billion hours of video content being watched daily. It is the second largest search platform and the second most trafficked website behind Google.*

2.2 The Social Commerce Push:

(Pahwa, 2021) Indian users today make up a significant portion of users on global social media platforms and are a key target market for these platforms to expand. Social media plays a key role in influencing people's tastes, opinions and desires. There has been an evolution in the definition of influencers in our social circles, going from a mere one-on-one personal connection to a more social media-based interaction, which caters to style, fashion, footwear and home utilities. Given the change in the way we interact and get influenced by, has given rise to social commerce.

According to (Pahwa, 2021) social commerce is the process of selling products directly on social media platforms such as Facebook, WhatsApp, Twitter and Instagram. By 2025, India's e-commerce market is projected to be US\$220 billion¹, while social commerce can potentially grow to touch upwards of US\$ 50 billion in terms of GMV. 30 Million SMEs, Second highest number of internet users in the world, rise of in Direct –to-consumer channels and online retail is less than 5% of the overall retails sales is going to push the idea of social commerce which can move India from interaction to transaction.

(Zainuddin, 2020) The finding shows that 40 percent of successful performance of micro businesses and SMEs in rural and suburban areas is contributed by the technological context. This proves that regardless of geographical areas that the businesses are located at and their sizes and types, they can still be sustained and successful with the implementation of s-commerce. The technology adoptions plays a major role in their success.

2.3 The Supportive Rural e-Commerce:

(Mishra & Pahwa, 2019) The rural e-commerce market size is pegged to be a \$10-12 billion opportunity (*an EY analysis*) waiting to be tapped into and with internet penetration expected to touch 45% by 2021 provides for a significant opportunity of e-commerce companies and retail players to serve this segment. While there exists a significant opportunity, many companies may need to come up with indigenous solutions to overcome some of the unique challenges that catering to this segment entail. Also, given the diversity that India presents, this will require uber-localization to which existing physical stores will go a long way to address. Existing e-commerce players will also need to tinker a bit with their existing models to help demand generation, supply and services innovation that will help penetrate rural markets. But clearly in India, the Omni-channel approach will be the most effective strategy to access consumers and fuel consumption growth.

III. COMMONLY USED SOCIAL MEDIA BY SMALL ENTERPRISES AND ANALYTICS

Due to cheaper data rate, urban and rural population is becoming part of social networks. Major social media platform includes Facebook, Twitter, LinkedIn, and Instagram and so on. Marketers have to focus on promoting their brands and products through some tools on social media. These tools include sharing Photo gallery, wall postings, blogs, tweets, videos etc.

The commonly used social media platforms are as follows with option of inbuilt analytics:

Facebook
Twitter
LinkedIn
Instagram
YouTube

IV. RESEARCH APPROACH

This study employs quantitative approach in obtaining the views of small enterprises of tier three cities. These enterprises are using social media to showcase their presence, promote and sell their products or services to the target group. In doing this, a questionnaire is used to obtain views form the respondents.

A survey using questionnaire was a self-administered one where the willing respondents can complete the survey at their convenience and return. The response was collected by using the google forms. Here the research seeks their views towards the Social media platforms and their usage of analytics. The Reponses where collected from the small and median enterprises in Davangere and neighbouring districts from Karnataka which can be a true representation of the tier 2 cities of Karnataka.

The questionnaires was sent to more than 400 small enterprises and Out of 400 questionnaires distributed, 198 responded which was equal to 49 percent response rate.

Simple descriptive statistics and inferential statistics is used for the Analysis.

V. RESULTS AND DISCUSSION:

5.1 Reliability Test using Cronbach's Alpha

The reliability test was conducted to check the reliability of the measure which includes the dependent and independent variable considered for the study. Table 1 represents the four section were the business realization is the dependent variable and remaining variables are the independent variable. The vales of Co-efficient of Cronbach's Alpha co-efficient were presented.

Table 1: Reliability test using the Cronbach's Alpha

Variables	Number of Items	Co-efficient of Cronbach's Alpha	Number of items retained after Cronbach's Alpha test	Co-efficient of Cronbach's Alpha (After Deletion)
Business Realization	5	0.893	5	0.893
Social Media (SM) Adoption	5	0.819	5	0.819
Insights from SM Analytics	5	0.699	4	0,754
Adoption of social commerce	5	0.687	4	0.743

All the variables has showed satisfactory Co-efficient of Cronbach's Alpha which represents the good reliability.

5.2 Correlation Analysis

Table 2: Correlation Analysis

Research Question	Findings	Interpretation
Does social media adoption is associated with the business realization of enterprises in tier two cities?	Correlation Co-efficient value $r=0.58$	Social media adoption is associated to the business leverage.
Does insights from social media analytics associated with the leveraging of businesses of enterprises in tier two cities?	Correlation Co-efficient value $r=0.29$	This show a low degree of positive correlation between the usage of social media adoption and the business leverage.
Does the adoption of Social commerce is associated with the leveraging of businesses of enterprises in tier two cities?	Correlation Co-efficient value $r=0.29$	This show a low degree of positive correlation between the adoption of social commerce adoption and the business leverage.

5.3 Hypothesis Testing:

Hypothesis	P-Value (Chi-square test) at 5% significance level.	Interpretation
Ho: There is no significant association between the Leveraging the business and the adoption of social media amongst the small enterprises of tier two cities.	0.0322	Ho is rejected and hence, Leveraging the business and social media adoption is significantly associated.

Ho: There is no significant association between the Leveraging the business and insights from the social media analytics.	0.0231	Ho is rejected and hence, taking insights from the social media analytics and business leverage is associated.
Ho: There is no significant association between the Leveraging the business and their adoption of social commerce.	0.0457	Ho is rejected and hence, the social commerce adoption and business leverage are significantly associated.

VI. CONCLUSION:

The research was able to address the research questions successfully and can able to propose some insights towards the questions around the adoption of social media and usage of social media analytics. The relationship amongst the variable has generated ideas about how the enterprises viewing the social media and its involvement in their businesses. In spite of their presence in the tier two cities the enterprises has realised that online presence, social media adoption to their business, getting insights from social media analytics have greater impact of their businesses. This experimentation and being open for such new changes has made the enterprises in tier two cities remain competitive. These acts also help these players to emerge as a major player who are connected with the local customers.

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