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Analysing the Impact of Social Media Marketing on SMEs in India

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Abstract

More than half of the Indian population resides in rural and semi-urban parts of the nation. Therefore, a major contribution to the GDP of the economy comes from the businesses which constitute Small and Medium Enterprises (SMEs) run by the residents in these parts. Initially, the marketing mix of these SMEs revolved around the traditional practices, however, with the introduction of Digital India and the wave of COVID-19 pandemic, a shift towards adopting social media marketing (SMM) strategies is evident. Therefore, this paper attempts to study the impact of SMM strategies on SMEs. An elaborative study has been done on the marketing models carried out by SMEs with the help of SMM. A SWOT analysis followed by a case study on a medium enterprise helps in identifying the depth of influence SMM has over SMEs in India. Through the case study, the impact of SMM by SMEs has been studied to analyse the changes observed by workers and consumers during the pandemic. The paper also tries to understand the link between SMM, SMEs, and sustainability. The conclusion follows that although there are both advantages and disadvantages for SMEs concerning the adaptation of SMM in their marketing mix, the weightage towards advantages is observed to be more fruitful. SMEs should try to extract the benefits that SMM has to offer for their growth and optimal outreach of businesses.

Keywords: *social media marketing, SMEs, consumers, sustainability, India*

1.0 Introduction

1.1 Small and Medium Enterprises (SMEs)

The sector of Small and Medium Enterprises (SMEs) is a major benefactor to the social and economic development of the country. In India, this sector has gained prominence due to its contribution towards the Gross Domestic Product (GDP) and exports of the country. It has been contributing towards entrepreneurship development which has further helped in mitigating poverty and unemployment majorly within semi-urban and rural areas (IBEF, 2021). Although SMEs themselves are a part of Sustainable Development Goals (SDGs), they help immensely in attaining the rest of the SDG goals such as food security through employment generation,

bridging the gender divide through an equal opportunity for all the categories of gender to work, and also providing lifelong learning opportunities to many (UNDESA, 2019).

As per the data of the Ministry of Micro, Small, and Medium Enterprises, May 16, 2021, India has approximately 6.3 crores of enterprises, the majority of which belong to rural areas rather than the urban parts of the country. According to the Micro, Small, and Medium Enterprises Development (MSMED) Act 2006, the Micro, Small, and Medium Enterprises (MSMEs) are classified into two-sector that is, manufacturing and services (IBEF, 2021). Out of the two, the service sector has a dominant hand (higher contribution towards GDP growth), which has an employment figure of 50 million (approximately) while its counterpart has just half of it. A large chunk of employment comes from unregistered enterprises, with hesitation and avoidance of the difficult registration process being quite evident. With over two trillion Indian rupees as fixed value assets for small enterprises, the saying “small things create large impact” truly holds for SMEs in India (Statista, 2021).

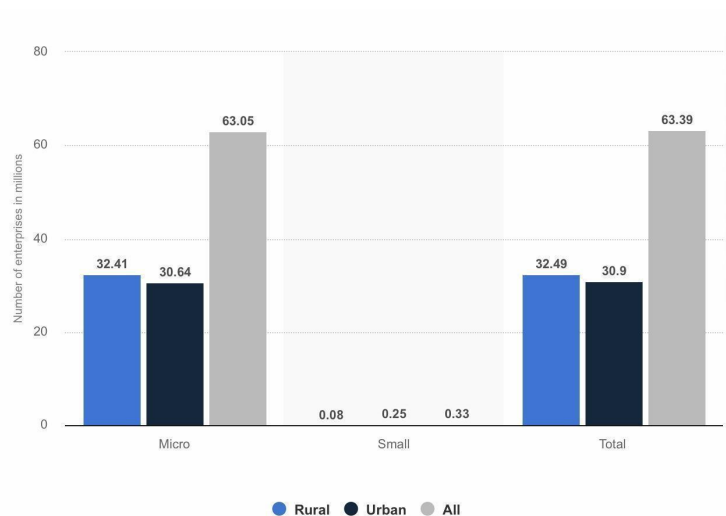


Figure 1.0: No. of SMEs across India

Source: Statista, 2021

1.2 Social Media Marketing (SMM)

Social media marketing is a method to market a company's product and services by adopting a range of tactics and strategies online. With 3.6 billion people on social media, about 40% of users rely on these platforms to know about more brands (Statista, 2021c). Through this, social media marketing opens gateways for companies to engage with existing customers in addition to new ones. These sites further the interest of companies as they have a strong influence to change consumer behaviour. With detailed geographical and personal information, marketing teams of various companies tend to strategize content for more engagement that one can resonate with. Social media marketing is better segmented than traditional marketing channels and plans accordingly to attract different users (Marketing Essentials, 2021). According to a report by Deloitte, customers influenced by social media tend to spend 4 times more than their normal purchases, the influence can be so high that 29% of consumers are likely to purchase on the same day (FitzGerald, 2019). Online stores with social media presence have an average of 32% more sales than those which do not (DeGruttola, 2018). An abundance of information and user-generated information can change the buying pattern of consumers. These platforms also aid in getting a competitor analysis by finding unique ways to analyze and plan sales strategies accordingly. Social media marketing is effective and cheap, it helps to create brand value and visibility (Prenaj, 2016). Consumers play an important role in brand making or breaking. A consumer's opinion/ feedback on a product or service can influence the opinion of others too. 71% of social media users are more likely to make a purchase based on social media referrals (FitzGerald, 2019). In the media industry, customers are encouraged to share or create reviews or impressions of the products bought by them which further expands the network by spreading awareness. This is known as earned media (Marketing Essentials, 2021). Extensive research has been developed and used academically on related topics such as social media marketing and online reviews and networks (Appel, 2019).

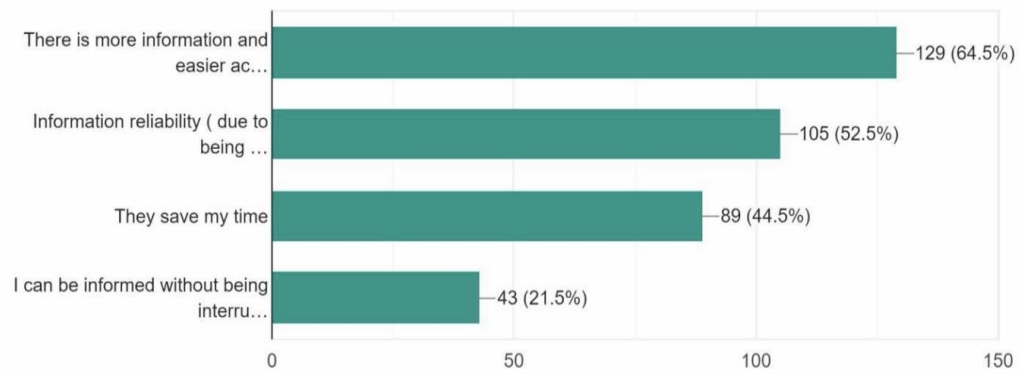


Figure 2.0: Responses on advantages of using social media

Source: Saudi Journals 2021

Some of the main social media channels have millions of users worldwide and customers can connect with companies by liking their Facebook page, following the company's Twitter account, and connecting through LinkedIn. Additionally, channels like Google+, Youtube, and blogs are also used by some organizations to gain more knowledge about both the company's brand and the products or services, helping create better relationships between the buyer and seller (Prenaj, 2016). In today's scenario after China, India is the second-largest internet connection user with 34.4% of the population (Varghese, 2021). Around 80% of consumers use social media to engage with different brands (FitzGerald, 2019). The majority of users are millennials who learn about new products 1.6 times more through social media (DeGruttola, 2018). Up to 47% of millennial purchases are influenced by social media, as per a report by Deloitte (FitzGerald, 2019). Further, the brands which respond to their consumers' queries get better reviews and comments strengthening the brand's image while slow responses can leave a bad taste in the mouth of the users who gradually begin to disengage. It was found through a survey by Twitter that if the companies respond well to consumers on Twitter then they are willing to spend up to 20% more for products and services (FitzGerald, 2019). Social media marketing helps to achieve traditional goals in non-traditional ways, by the use of creativity, community and building relationships instead of spending a lot of money to achieve marketing objectives (Prenaj, 2016).

1.3 Convergence

SMEs can represent their products using effective social media marketing tools in the same way large corporations do. Generally, consumers are habituated to spend more than 330 minutes per day on social media platforms (Patma, 2020). Therefore SMM is a huge change in the world of marketing and a great opportunity for SMEs to increase brand and product awareness, web traffic, customer loyalty, company's search engine optimization and even the success rate of new products or services to be launched. Social media platforms enhance communication about businesses and their products. Furthermore, any new launches or content posted on social media can be seen by millions in a very short duration (Prenaj, 2016). According to Hubspot, 57% of SMEs who already were using at least two social media platforms said that SMM is beneficial for their business as it offers some essential points for their success (Dave, 2021). Social media marketing generates an extremely high amount of online traffic and opens new doors for customers and even potential investors. Facebook, Instagram, Youtube are popular for targeted marketing where a customer can read an ad and click to go to the official site with the purpose to buy a product or any service. Access to information regarding the targeted audience and competition facilitates getting market insights (Prenaj, 2016).

2.0 Analysis of Social Media Marketing Strategies on SMEs

2.1 Background

With the introduction of the Digital India movement by the Indian government and with an ever-increasing internet penetration over the years, the number of active internet users in the country has amounted to 624 million (Keelery, 2021) and the internet penetration rate stood around 45% in 2021 (Statista, 2021b). From this large number of users, a majority of the population accesses the internet through their mobile phones. The availability of cheap data plans and further incentives by the government through the Digital India campaign is aimed at making mobile phones primary access to the internet (Keelery, 2021). All of these factors have led to the Indian population taking social media like a duck to water. On average, Indians are spending 2.5 hours daily on the Internet, and out of 572 million mobile Internet users, 444 million are

accessing social media like Facebook, Instagram, Youtube, etc. through phones only. In India, Youtube is the most used social media platform with 85.80% of users, followed by 75%, 74%, and 70% of users using Facebook, WhatsApp, and Instagram respectively. Facebook is the most popular, most favoured, and dominant social media platform among commercial entities as well as the masses of India. It also faces tough competition from Instagram whose users mainly comprise millennials and teens (The Global Statistics, 2021).

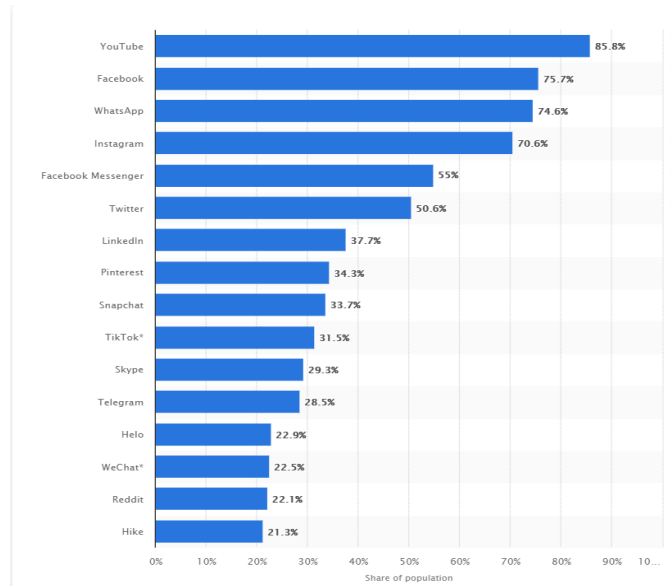


Figure 3.0: Social Network Penetration in India

Source: Statista 2021

These social media platforms are serving as a medium for wide and heterogeneous communities through which they can express their concerns, ideas and experiences to a large audience (The Global Statistics, 2021). During the pandemic, these platforms provided a wide array of opportunities to individuals and organizations which facilitated their marketing strategies to their target audience.

2.2 Social Media Marketing

The data on internet users speaks of the ascent of social media platforms and further, with

the pandemic taking over, the adaptation of digitization came without an excuse. This incentivized the use of social media platforms which caters to a lot of opportunities not only to the regular internet users but also to the businesses as well. Businesses were earlier confined to only the traditional methods of marketing but with digitization, the shift has been towards internet marketing with more inclination towards SMM due to its ease of accessibility and cost-effectiveness. A survey conducted in 2019 which included top businesses claimed that now 15-20% of their marketing budget is allocated towards social media marketing. This shift towards social media marketing comes due to several factors, the first being the growth of internet users which hampered the reach towards the target audience, contrary to traditional practices. Earlier with limited access to easy and fast information, businesses were not able to reach the optimal target audience, and hence the need to strategize the marketing techniques towards social media arose. Along with reaching a specific audience, social media marketing platforms enable businesses to share content, market their products and also engage with the customers due to which businesses enjoy higher returns with fewer investments (Nayar, 2019b).

The availability of multiple platforms like Facebook, Twitter, Instagram, Whatsapp, and LinkedIn allows businesses to market their products in multifaceted ways and achieve the attraction of consumers of all kinds. Below mentioned are the marketing models of certain platforms that can be adopted by SMEs:

- **Facebook:** Facebook has a global presence of 2 billion; marketing through Facebook builds trust and motivates users to sign up instead of selling directly. Facebook's marketing model includes sharing videos, posts, stories, and demographics-based targeting and paid models for boosting pages and ads (Nayar, 2019b).
- **Instagram:** It has a base of 700 million active users per month; with multiple features like stories, IGTV, posts, reels, insights, and many more that Instagram launches. It serves as a great platform for local businesses, B2C businesses, lifestyle brands, etc. to maximize their reach, keeping in mind the target audience is millennials and teens (Nayar, 2019b).

- **Whatsapp:** The monthly active users on WhatsApp exceed 1300 million; it serves as an amazing platform for e-commerce, travel & tourism, individual service provider businesses to connect with their customers. With the rollout of payment options alongside Paytm, Google Pay, etc. it has served to be a very efficient and accessible platform to conduct business. In research from Nayar (2019b), it was stated that ‘Whatsapp maps user’s behavioural data by using it as a data repository by Facebook which is then used to focus on relevant products to leads’.
- **Youtube:** Youtube has monthly active users of 1.5 billion which serves as the best video sharing platform for local and B2C businesses. Through the use of videos, gives credibility to the product with honest reviews and customers get the benefit of availing themselves of this opportunity for cross verification before purchasing. The marketing model includes sharing of content through transitional videos to increase engagement and views (Nayar, 2019b).

2.3 Social Media Marketing Strategies for SMEs

Pertaining to the data cited above, one can identify that social media has become a part and parcel of everyone’s lives not only as a source of entertainment but also as a generous platform for SMEs. While initially, SMEs tended to only focus on traditional methods of marketing, with the rise of digitization the focus has been shifting towards social media marketing. Since SMEs are the backbone of the Indian economy, they must understand globalization and partake in the trend of social media marketing. While digital marketing has been changing the entire scenario of the marketing industry, it varies from business to business. The key difference between B2B and B2C digital marketing is the audience. While in B2B, customers want to know about all the information which is packed accompanying the technical aspects of it, in B2C, the customers want to know about the product/service in a more colloquial manner (Singh, 2019).

Therefore for SMEs, it is of extreme importance to assess the business model owing to which accurate communication and marketing strategies can be implemented.

- **Digital Marketing for B2B SMEs:** Marketing products on social media in B2B is quite tricky. The initial key task is to identify the medium to reach the target audience efficiently as the audience will not be present equally on all platforms. SMEs choose social media marketing majorly for lead generation and LinkedIn identifies itself to be the most suitable option but it does not change the fact that other social media platforms are equally significant. Even though the most crucial work for B2B is to generate leads, all hands on deck should focus on branding. Social Media Examiner found that 89% of B2B marketers use LinkedIn, followed by Facebook 88% and Twitter 83% and surprisingly 61% rely on Google+ for their marketing. The rest then use YouTube, Instagram, and Pinterest (Singh, 2019).

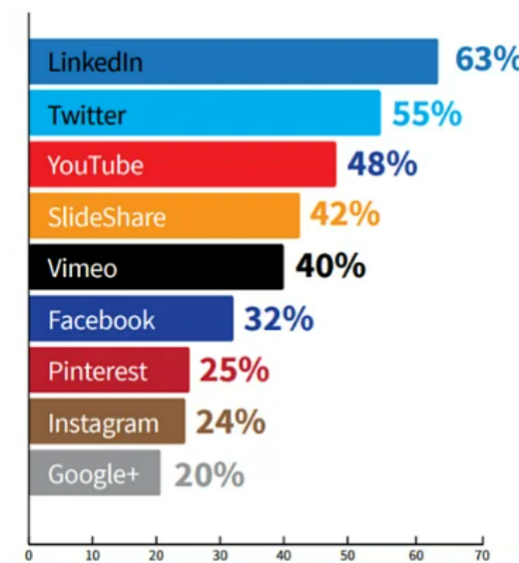


Figure 4.0: Effectiveness ratings for B2B social media platforms

Source: SMBStory, 2019

From the chart, it can be deciphered that, B2B business models prefer LinkedIn over any other platform due to the efficiency and potential to reach the target audience which is around 63% followed by Twitter and Youtube with 55%, and 42% respectively. In contrast, the effectiveness ratings of Google+ are as low as 20% in comparison to the

preference of the B2B owners choosing Google+ as their social media marketing platform. Thus, B2B marketers should channelize multiple platforms for increasing effectiveness and would also allow SMEs to compete with big market players.

- **Digital Marketing for B2C SMEs:** Due to the limiting financial resources paired with complex bank credit procedures, SMEs fail to harness the potential of social media. Along with the focus on the adoption of the latest technology, B2C SMEs should not distance their focus from using social media marketing strategy. Insights, increasing the customer base, better understanding are some out of a whole lot of benefits from using social media. Facebook has the most relevant features while communicating with the consumers of the B2C business model and along with it, SMEs can achieve their target on other social media platforms through the right kind of messaging (Singh, 2019).

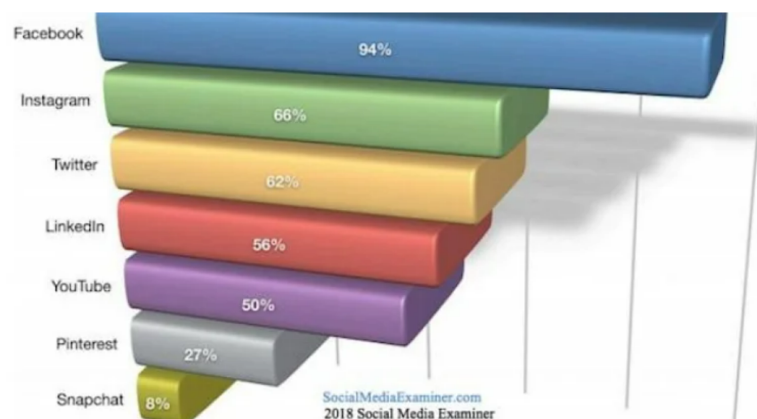


Figure 5.0: Best performing social media platforms for B2C business models

Source: SMBStory, 2019

On account of social media marketing strategies, to generate more leads and increase sales, targeting the specific audience is of prime importance, otherwise, the strategies would fall flat. Below mentioned is a brief analysis of 4 different social media platforms via SMEs that could leverage the use of social media marketing strategies of the respective platforms:



Figure 6.0: Small Business goals for using Social Media

Source: Quicksprout, 2021

2.3.1 Facebook

Connecting over 2 billion people worldwide, Facebook has more than 65 million SMEs associated with it, out of which more than 2 million SMEs like Desam Organics, Surabhi Handcrafted, Craftsreet, etc are operating in India. With a growth rate of 70% year on year and over 2.4 billion interactions being generated between businesses and people, SMEs are flourishing in India. As stated by Esme Dean, lead from SME India, 41% of people are connected to at least one business in a foreign country and 59% of people in Facebook in India are connected to at least one SME. SMEs prefer to use Facebook because they know how accessible and easy to use it is. Opening a page on Facebook is as simple as setting up a profile. SMEs also advertise heavily on Facebook because it helps them in reaching the right audience with fewer costs and greater returns and generating much-needed leads for their businesses (Chaturvedi, 2017).

Facebook understands the significance of SMEs for the economy and provides a vast range of opportunities for their growth. It has multiple features which help SMEs manage their businesses over Facebook, for instance, through the Ads Manager App, the business can manage ads and get real-time insights as to how their page(s) are performing and also as to how their ads performed

in comparison to weeks. It also supports the actions that can be taken to improve their ad performance which can further boost their business. To help businesses create faster, easier, and cost-efficient content for their business, Facebook has created Mobile Studio which guides them in creating creative ads and increasing the efficacy. The ways to communicate with customers and build relationships with them have also gotten a lot easier and accessible through mobiles as well as desktops. Along with all of this, Facebook has created Facebook Small Business Council which helps businesses from India, Brazil, Germany, etc to communicate and engage with like-minded business owners and get to learn from them. A learning platform called Blueprint eLearning courses provides businesses the opportunity to learn the best practices for their business which will help them grow and increase their engagement (Chaturvedi, 2017).

For further incentivization, when the pandemic hit, and it took a toll on the SMEs of the country, Facebook India launched a ‘Small Business Loans Initiative’ across 200 cities. As stated by Ajit Mohan, VP and MD of Facebook India, “More than a third of the small businesses whom we spoke to said that cash flow was a big challenge for them. Access to timely capital is more important than ever as it can help them jumpstart their recovery and drive big growth. The challenges around securing credit and timely credit inspired us to design this programme” (Dewan, 2021).

2.3.2 Instagram

Instagram is a popular social media platform that serves as a great marketing tool for SMEs. Instagram keeps on rolling multiple features from gathering insights to selling products for supporting small businesses. The platforms bring communities together and offer to shop online instead of in-store shopping through high-quality photo posts or interactive video experiences (Driver, 2020).

Multiple features offered by Instagram to SMEs to conduct their business include interacting with the audience through frequent reels, stories, and live videos (Farooqui, 2021). These features help the customer in verifying the product along with helping the owners to build relationships with them. Users get to navigate better through creating highlights and guides,

which helps SMEs to provide the customers with an effortless and smooth shopping experience (Chen, 2021). While many users might not follow the account, they might land on the page if they search through hashtags, and therefore using the right hashtags along with the posts can help achieve a wide reach and might blow up the business (Driver, 2020). Collaborating with other businesses and conducting giveaways attract a lot of customers and user engagement, further helping the SMEs. Along with all of these strategies, tracking analytics is of utmost importance for measuring the progress of the profile and reach of the business (Chen, 2021).

During Covid-19, Instagram rolled out ‘Small Business Sticker’ in support of SMEs, further increasing their reach and helping out the entrepreneurs. Through this sticker, the users can mention the business directly to give their followers a preview of the business account. This was done in view so that businesses can reach new customers and stay connected to the people they serve (supporting small businesses on Instagram, 2020).

2.3.3 Youtube

Youtube reaches 225 million monthly active users (*Youtube Users*, 2021) in India and has played a pivotal role in the circulation of video content. People use Youtube for a variety of content from how-tos and product reviews to even for the purchase of products (Borpuzari, 2019). Due to this growth factor of online videos and the scale of YouTube, SMEs have started to use this medium. Any SME that is looking to drive their business results should include YouTube in their overall marketing mix. Youtube says that it helps advertisers and businesses find more valuable customers by using the power of Google’s data and insights, capturing and converting this audience’s attention, and measuring the impact on their business (Borpuzari, 2019). But it should also be kept in mind that the cost associated to market the product/service on YouTube is comparatively higher than other platforms of social media.

It offers a lot of advanced features through which SMEs can use signals like Google search, Maps Search, and app downloads to predict the target audience and deliver business results.

YouTube can promote the growth of SMEs because it can flexibly measure what is most important to them. One can optimize and drive results for their business and it also provides third-party offline sales solutions to verify YouTube's impact on sales goals (Borpuzari, 2019).

2.3.4 Whatsapp

Although every other platform exists, the one platform that has changed the whole scenario of mobile communications is Whatsapp. Populations spanning from all age groups are a part of its user base and with more than 400 million users, India is one among the major markets of WhatsApp. Be it for general communication through texts or videos or the conduct of business, it comes for the rescue of all. According to a WhatsApp survey, it has helped 77% of Indian SMEs to conduct their business and connect with new customers. Further 62% of businesses have claimed that WhatsApp has helped them achieve greater sales and now is an integral part of their business conduct. As WhatsApp business accounts require no subscription fee, it is attracting SMEs in large numbers (Soni, 2019). From ice creams to handicrafts, WhatsApp has served as a helping hand to owners as well as the customers.

Multiple features set WhatsApp apart from other platforms which include, the ease of use integrated with merchant focussed features, business profile tags with fields, automated messages and greetings, message labels, and templated messages saved by the businesses beforehand (Soni, 2019). With the rollout of the WhatsApp Payment feature, it will immensely help the Indian SME ecosystem by providing the customers and businesses to complete their transactions within the app only.

Even after the pandemic hit, in March 2020, WhatsApp became one of the 30 most downloaded apps in India. From local vendors to businesses having multiple stores, WhatsApp helped them revive their small & medium businesses. The potential of WhatsApp as a business tool has led to a growing trend of companies building products around the messaging app and hand in hand the company is also benefiting from the growing popularity (Sharma, 2021).

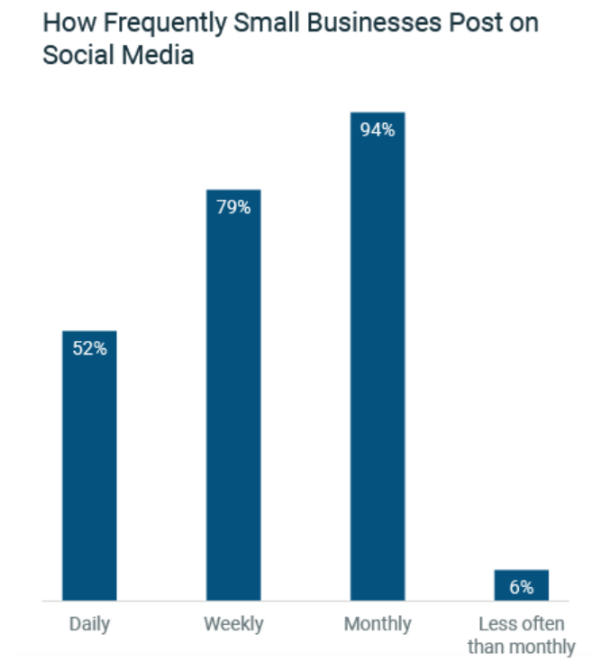


Figure 7.0: Frequency of Small Businesses posting on Social Media

Source: Quicksprout, 2021

2.4 SWOT Analysis

STRENGTHS (3)	WEAKNESSES (3)
<p>1. Increase in Revenue: Upgradation of technology and creating a digital presence along with strategies utilized for SMM can help SMEs to increase their engagement rate in addition to reaching out to the customers locally as well as globally. Diversified customers can decrease the risk potential across different locations and could drive sales to umpteen amounts, hence increasing revenues for SMEs (Ph.D. Chamber Of</p>	<p>1. Lack of Knowledge about Tech-Enabled Services: Most of the SMEs in India, exist in rural and semi-urban areas and the owners are still unaware of the tech-enabled services. Lack of knowledge with a mix of scepticism results in low engagement towards social media platforms. A lot of SMEs are missing out on opportunities and hence the government took the initiative of Digital India, which focuses on bringing SMEs to an</p>

Commerce & Industry And Mazars, 2016).

2. Accessibility to a wide customer base:

Through cost-effective methods, and increased digital engagements, SMM of SMEs allows them to outspread geographical boundaries, engage in improving customer experience, and provide support for better supply chains (Ph.D. Chamber Of Commerce & Industry And Mazars, 2016). In addition to this, the insights through SMM provide the customer database which allows them to identify the target audience and accordingly to enhance the experience and increase customer engagement.

3. Operational efficiencies: Optimum and efficient use of SMM strategies by SMEs can decrease overall expenditure which was further directed towards traditional marketing practices. A study conducted by Snapdeal found that 60% to 80% of the total costs of SMEs could be optimized in marketing along with IT-driven techniques, which could make them more competitive (Ph.D. Chamber Of Commerce & Industry And Mazars, 2016).

the online platform and allowing them to extract optimum use of it (Ph.D. Chamber Of Commerce & Industry And Mazars, 2016).

2. Poor infrastructure and insufficient funds:

With rising tech giants and startups, the cost of enabling tech-related services has reduced drastically (Ph.D. Chamber Of Commerce & Industry And Mazars, 2016). But the lack of awareness still makes them think that these are a costly affair in addition to the Total Cost of Ownership (TCO) and hence with inadequate infrastructure and financing capital, it is as similar as an extra burden (Ph.D. Chamber Of Commerce & Industry And Mazars, 2016).

3. Lack of knowledge of inherent technological capabilities: Even though some SME owners might be aware of the services available to them, they lack the knowledge to build and manage the platforms which result in hesitation towards using them (Ph.D. Chamber Of Commerce & Industry And Mazars, 2016). Therefore the Ministry of MSMEs has set up various incubators, kiosks, hubs, and clusters to encourage training which could help SMEs to ensure resources and help

	<p>answer their queries throughout the business cycle (Ph.D. Chamber Of Commerce & Industry And Mazars, 2016).</p>
<p>OPPORTUNITIES (3)</p>	<p>THREATS (3)</p>
<p>1. Business Visibility: Social media marketing through various channels works as a word of mouth for SMEs and can increase the visibility and exposure of the businesses. It provides a platform to connect with businesses with the same niche, collaborate, and creatively market their products. The accessibility, interactivity, and compatibility of SMM works as a win-win strategy for both customers as well as owners (Dua, 2017).</p> <p>2. Higher rate of conversions: This is only possible when relationships with loyal customers are well maintained because these customers tend to spread the word about the business and rope in more customers for the SMEs. Therefore, it is necessary to implement humanizing effects which means putting people first and personalizing the business(Dua, 2017). Hence through social media marketing, it gets easier for the managers to build relationships with existing as well as future customers by making them</p>	<p>1. Customer Power: Social media is a platform where the public can get real-time information faster than ever before and it might pose a risk for SMEs owners (V. et al., 2017). The customers have the reach and power to influence the public and any negative feedback or information regarding faulty products could lead to drastic effects hampering growth, sales, and future contingencies (V. et al., 2017).</p> <p>2. Confidential threat & cyberbullying: Social media marketing requires attention to details and if by any mishandling there might be a possibility of reveal in confidential documents and privacy is at risk (V. et al., 2017). Along with it, the owners and managers are always exposed to the risk of cyberbullying that could even potentially hamper their mental health.</p>

<p>perform any call to action and convert this opportunity into generating more leads (Dua, 2017).</p> <p>3. Sustainability: When a business adopts social media marketing over traditional methods, it significantly helps in reducing carbon footprints through less generation of wastage. Therefore, when SMEs use the strategies of social media marketing they somehow take an approach towards sustainability and create opportunities for the generation of positive outcomes for the environment.</p>	<p>3. Competitive Disadvantage: While SMEs are leveraging the power of social media for their marketing strategies, coupled with transparency and cost efficiency, their reach can be hampered by the SMEs/brands who are doing better under similar niches. This comes off as a competitive disadvantage on the part of SMEs which have just begun to use SMM and are not completely aware of the methods and techniques (Ph.D. Chamber Of Commerce & Industry And Mazars, 2016).</p>
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Through the SWOT analysis, it can be concluded that the use of SMM for SMEs comes with both pros and cons but with the growing techno-savvy consumer market and demand for products made by small and medium enterprises, the influential weightage of strengths and opportunities lie more than the weaknesses and threats which will help in the potential growth of SMEs in India.

3.0 Smart Bazaar: A Case Study on a Medium Enterprise - ‘Safety Bazaar’

Before the pandemic, most SMEs were operating by implementing affordable traditional methods of marketing. However, when businesses came to a halt due to the nationwide lockdown with no other source left out, SMEs had to change their route of marketing strategies in and around digital media. A very small-scale primary research was conducted where an interview was scheduled with the owner of an SME - Safety Bazaar which sells safety equipment with

Evion Industries Ltd. being their manufacturing unit to get insights on how SMM changed the narrative for their business. Before the lockdown, their business was functioning quite well being dependent only on traditional marketing practices, with their products being sold at IndiaMART and TradeIndia. Later with their business being severely affected with initial sales dropping down to almost 80% from the initial level in April, further declining their net profits up to 30%, they had to adopt SMM as their way of sustaining their business. Initially, it was difficult for the owner as well as workers to adopt pertaining to their limited knowledge of SMM. Due to the financing limitations, the SME opt-out from hiring people, and instead of providing a monthly salary to the workers, the workers are now receiving commission based on the number of sales they make. They also expanded their e-commerce platforms and for the sales in B2B business model IndiaMart, Justdial, TradeIndia, NowFloats, and Exporter India are being put to use while for the B2C business model Amazon, Flipkart, and Industry buyer are used. To generate leads and bring more awareness to the customer and clients about the product, SMM strategies are being used through the platform Instagram, Twitter, Facebook, and LinkedIn. In addition to the previous customers, the response of new customers came along and B2B flourished more in comparison to B2C.

The SME upscaled their SMM strategies through product photography, consistent content creation through posts, reels, and short videos which boosted their SME and helped in regaining their financial stability. According to the reports, the SME also diversified its business through the production of masks which catered to gaining profits alongside the decline in margins from 15 - 20% in trading to 5- 8%. SMM helped a lot in the growth of their business. They also expanded their business into international sites for B2C and B2C: 'Trading' of UAE. Out of all the platforms in existence, Instagram served as the most fruitful for their SME and which gained them in getting inquiries from international clients based out in Qatar, UAE, Turkey, and Hungary. Further, they cited that social media marketing served as a blessing in disguise and they look forward to being more focused on content creation on social media platforms generating more leads, expanding customer base, and outreach of their business.

4.0 Impact during the Pandemic

Due to the COVID-19 pandemic, small businesses across the countries have shown an adverse impact on their day-to-day functioning, overall productivity, and income stability of workers (P., 2021b). Customers as well entered a new situation where they could not go to stores because of social distancing and had to buy their necessities mostly online. These changes in habits have impacted both the lives of workers and consumers differently and below is a brief account of it.

4.1 On the Workers

From April 2020 to February 2021, more than 10,000 companies in the country voluntarily closed down, severely disrupting economic activity during the coronavirus pandemic and subsequent lockdown (P., 2021a). Over three-fourths of SMEs were impacted during the pandemic year (82%) according to a survey conducted by data firm Dun and Bradstreet. Due to the COVID 19 pandemic, the government took certain steps to diminish the spread of the virus because of which as a consequence SMEs to suffer diminishing demands and paid the price of decreased business activities, lack of funds, liquidity, and technology adoption.

The lack of technological knowledge was a major difficulty for SMEs, combined with little appreciation of the benefits of e-commerce. The impact of SMM on SMEs depends on an innovative type of management that can help increase resources in the direction of new technology and the adoption of innovative projects. If the workers of SMEs are proficient in the use of technology and enthusiastic about emerging technologies then it will lead to a positive impact for the business while on the contrary, management that uses a conservative approach will lead to a negative impact on the benefit of SMM due to lack of knowledge as they do not know how to utilize these platforms. Based on this, it would be fair to conclude that the adoption of SMM depends on the factor regarding the technological knowledge workers have employed within the SMEs. Transfer of knowledge is required to make use of the tools (Mohd Irwan Dahnil Et Al., 2014).

SMM is quite helpful in getting closer to a large audience and is cost-effective too, at the same time. For instance, the Instagram and Facebook ads cost varies between only Rs. 350 - 830 per day (Rankon technology, 2021). This unforeseen situation of the pandemic has surely encouraged many SMEs which lacked exposure to SMM to invest more in digital marketing.

4.2 On the Consumers

The pandemic changed consumer habits as they learned to improvise and adopted new shopping habits. They couldn't go to stores due to physical restrictions laid by the government so the stores had to come home to them. Consumers relied on the information provided online and the opinion of others too for purchasing goods. While certain products' demand turned low, the demand for products like masks and sanitisers grew that they were at times out of stock (Kadam & Atre, 2020).

While on the one hand social media marketing helped to gather information about different products and services at the same time some, fake claims about the use of herbal and immunity boosters were spread across these platforms. Certain claims caused panic among the public and religious and spiritual ways of preventing and treating the virus were widely spread, adding to the confusion (Kadam & Atre, 2020). Only those who had the correct knowledge and information kept themselves away from fraudulent businesses. But this helped them in better decision making and read up on the products they wished to purchase and prefer favourable brand content. Consumers can make better choices for themselves when they prefer to read reviews and comments of others. 64% of consumers will wait until the product is available for sale before buying, and 49% of consumers will seek reviews from social media influencers before making a purchase decision (Cloutrack, 2020).

Customers spend an average of 145 minutes online per day on social media platforms (Statista, 2021b). With 1.2 billion telecom subscribers, India is the second-largest telecom market and has the third-largest Internet market with approximately 500 million users (Statista, 2021a), social media platforms are quite accessible for consumers in India. As such, India provides significant

opportunities for digital marketing growth. Certain incentives like gifts or discounts were provided by sellers on the usage of net banking, certain online wallets, etc since cash-on-delivery (COD) was also restricted to have contactless delivery of products for safety purposes ensuring the virus does not spread.

5.0 SMM, SMEs & Sustainability

With the ever-increasing SMEs within the country, production is also increasing, and indulging in sustainable production practices can change a whole lot for the environment (Kumar & Ayedee, 2019). While businesses and marketing go hand in hand, adopting social media marketing techniques by SMEs can improve the score of sustainability along with being a less costly affair to the SMEs (Kumar & Ayedee, 2019). Although SMEs are the key drivers of the economy in the country with the number of SMEs increased by a CAGR of 18.5% from 2019 to 2020 (IBEF, 2021) despite the pandemic and everything shifting to the digital medium, the SME sector still faces the problem of increased competition, limited finance & shortage of other resources as well (Kumar & Ayedee, 2019). Hence, social media marketing along with helping SMEs in multifarious ways also helps in achieving sustainable goals within limited finances.

SMEs face competition from big companies because they cannot afford to market their products rigorously, which is why social media marketing can give them an edge through branding and content creation while keeping in mind the sustainability check of the environment (Kumar & Ayedee, 2019). There exists resistance towards shifting from traditional methods of practices to social media promotion practices even though social media marketing enhances their relationship with the customers, increases visibility, more transparency, and fewer costs which further leads to sustainability within the business. It can also help SMEs in establishing sustainable performance through communication with the dealers, agencies, customers, and other sections of society (Kumar & Ayedee, 2019). Social media tools can help them achieve this communication. SMEs can also leverage the use of sustainable social media marketing strategies to communicate about sustainable green practices of their products while establishing two-way communication between both parties through the feedback of posts or videos.

Further for sustainable development, it is quite important to reduce wastage, and also according to some researchers, it has been found that social media marketing could help in reducing the wastage to zero levels when in comparison to the traditional practices of marketing. For various business purposes, social media marketing can help reduce costs and create positive environmental impacts (Kumar & Ayedee, 2019). Although many parts of India are still unaware of the marketing of SMEs through social media, the fact that positive outcomes it could bring towards sustainability cannot be ignored. There is a long way to go in implementing the practices yet it establishes a substantiality over the fact that the smallest of efforts could bring outcomes in the most unexpected ways.

6.0 Recommendations

SMEs have huge potential to grow and make their market bigger with accurate utilisation of social media marketing techniques and below are some suggestions as to how social media marketing can be made more accessible and user-friendly for SMEs owners:

- More emphasis should be made on investing in social media marketing as an alternative to traditional marketing methods. Workshops or training programs can be inducted by the SMEs to educate the workers about social media marketing to promote business locally as well as grow enough to build it up on an international scale too.
- Managers/entrepreneurs should give more focus to SMM for the promotion of products or services as many SMEs are yet not aware of its usage for effective and cheap marketing and to build long-lasting connections with customers, SMM needs to be frequently used to draw attention and at the same time develop brand awareness for new customers.
- Separate groups/communities can be made on social media sites to establish two-way communication with the customers, communities, dealers, and other stakeholders. SMM can be used for all promotion activities thus minimizing the use of papers or traditional marketing (Kumar & Ayedee, 2019).
- Positive feedback /experience should be shared more so the prospects planning to buy it

can feel reassured and be loyal customers of the brand and influencers can be hired by SMEs to make their products viral on Social media so that they can be portrayed as more ‘influential’ than other competing brands (Varghese, 2021).

7.0 Conclusion

SMEs are a major contributor to the economy of India. These small units serve as a backbone for the economy and therefore their businesses need to grow. In addition, a billion users on social media platforms are greatly influenced by the content specifically designed to attract customers. Social media marketing holds a gateway of opportunities for small businesses to generate leads, make huge profits, and even reach for an international platform for their products. While there are multiple strengths and opportunities of SMM to the SMEs, it was found that they possess some weaknesses and threats as well, and hence while some SMEs can perform better, some cannot. Because of the lack of knowledge on the functioning, utilization of SMM and lack of innovative management and knowledge, not all SMEs could adapt to these platforms and for some who had very basic knowledge about SMM but lacked in a professional sense and as a result, could not live up to their full potential. There is a need for SMEs to explore SMM as a tool for greater benefits. Workshops or training programs can be inducted by the SMEs to educate the workers about social media marketing to promote business locally as well as grow enough to build it up on an international scale too. However, through SWOT analysis and case study conducted, it can be concluded that with several SMEs operating in India and a great number of social media users, the positive impact of SMM weighs over the negative ones.

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