

Marketing Communication through Social Media: A Exploratory Case Study of SME's in Pakistan

Omer MM*

Government College University, Lahore, Pakistan

Abstract

It needs to be investigated if SME's in Pakistan are accustomed to usage of internet. It is emphasized that major economies of the world are getting a sizeable contribution from E-Commerce. This study shall explore the penetration of E-commerce and readily acceptance or otherwise of E-commerce in SME's Pakistan. How SME's are increasing revenue, reducing cost and adoption of E-commerce as their business strategy.

Keywords: Social media; SME; Marketing; Communication; Pakistan

Introduction

Small and medium size enterprises are widely known as an important part of any country, not only for national but also for international market [1]. These SME's contributed in the local communities and national economies for continuous growth and development [2]. SME's contribute significantly to the economies [3] and estimated about 80% worldwide economic expansion [4].

The communication technologies like internet, telephones etc are playing their vital role in the business competitiveness, as they provide the opportunity to compete on equal terms with large organizations [5]. For the last decade the use of e-commerce growing in all over the world, as it uses as an integral force for the growth of SME's [6]. For survival of any company there is a need for day-to-day improvement in products and services to gain competitive edge. Thus firms should resist for its growth on continuous basis, to ensure their survival [7]. The role of the internet facilities in identifying the difference and the space to improve for the future specifically in SME's is the area needed to be explored. Many empirical studies have been done in past to explore the impact of internet in SME growth and the strategies adopted by the same owner for the success of the business. Thus the idea of the study is to contribute in satisfying the gap by identifying the dynamics of the internet in connection with small and medium enterprises.

Literature Review

SME's in Pakistan are a source of employment, adding value to GDP, source of intermediary in channel of distributions; they are a source of larger concerns as they are sub-contracting them. SMEDA defines an SME as an organization with employment size 250, Capital 25 Million, Annual Sales up to 250 Million. There are multiple sectors in which SME's of Pakistan are serving [8].

E-commerce has boosted the economy and fostered the transactions taking place globally. E-commerce is giving hard competition to traditional retailers and wholesalers and the SME's that are adopting E-commerce there sales are on rise [9]. E-Cluster and development of E-enterprises can be development of a new era. Their mutual inter-singleness can help in strengthening e-ventures. Collaborated effort of SME's and integrating through e-commerce can help to reduce wasteful competition and reinforced effort in penetrating markets [10]. The book emphasizes that SME's need to develop an understanding about synergetic effect of E-Commerce rather working in isolation [11]. SME's can best reach their clientage through a spread of word of mouth in social media, here lies the need for creating awareness

of marketing their firms and giving voice to their Brands. Increasing number of customers can be reached through emailing [12]. Internet branding strategies are helping the small and large firms by quicker adaptation to the requirements of customers and an unprecedented communication which is enhanced by development of interactive web pages [13]. Companies are heavily relying on outsourcing those skills in which their competencies are facilitated by e commerce.

Industry and Universities linkages with special emphasis on SME's [3]. Share prices of face book are on rise it indicates that investors are finding face book a safer place to get higher return on investment. Facebook generates the vast majority of its revenue from advertising. In 2009, 2010 and 2011, and the first quarters of 2011 and 2012, advertising accounted for 98%, 95%, 85%, 87%, and 82%, respectively, of Facebook's revenue.

Research Methodology

Primary Data was collected using online survey. Survey was targeted at profiling gathered from Top 100 managers magazine. Successful entrepreneurs were mailed a questionnaire based on following enquiries. If social media networking had helped the SME's in building up their e linkages from common platforms like twitter, Facebook and linked in. If these portals were playing an integral role in developing a product and market expansions then it is a low cost medium to penetrate the market for introduction and growth. If it's just a virtual world to which mass market is still aloof. If it has contributed to internationalization of SME's the respondents have been socially recognized for their fastest growing businesses. Following observations are based on the responses mailed back to us by twelve entrepreneurs.

Hypothesis

It is demanding to determine a predictive behavior as such. Heterogeneity of SME's is a challenge to synthesize a theory and apply to all [14].

*Corresponding author: Omer MM, Government College University Lahore, Pakistan, Tel: +92 42 111 000 010; E-mail: umarmirza9@gmail.com

Received July 16, 2014; Accepted June 30, 2015; Published July 14, 2015

Citation: Omer MM (2015) Marketing Communication through Social Media: A Exploratory Case Study of SME's in Pakistan. Arabian J Bus Manag Review 5: 141. doi:10.4172/2223-5833.1000141

Copyright: © 2015 Omer MM. This is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original author and source are credited.

Ho: Ecommerce has wider implication in channels of Distribution

Hi: Ecommerce has no implication in channels of Distribution

Ho: Social media a best marketer

Hi: Social media a poor marketer.

Problem Discussion

E-intermediaries

After referring to about us links of the web pages of the SME's and thoroughly examined case by case. All the SME's are aiming to increase their e markets, increasing sales and channelizing e intermediaries.

E-market segmentation

They have developed their expertise in their respective businesses. They have well studied their target e-market. Their e-market is well segmented. There processing is inclined to the buying capacity of their prospective e- customers. Joining groups of top influencers on linked in and Facebook is helping in promoting business.

Growth strategy

All SME's are aiming at growth strategies. Cross promotion that is promoting complimentary goods and services and easy navigational pages are winning sales to SME's.

Focus strategy

All SME's have focused strategy and they are capitalizing on goods they have.

Bundled services

SME's are offering bundled services to attract their e-customers.

Exclusive role of internet

Let us see how internet business has contributed towards the expansion of business by developing linkages between distributors, buyers and subcontractors. Browsing through their websites they can explore their e-brochures and e-quotations to proceed further with minimum wastage of time.

E-market development

Markets are targeted by SME's by uploading their product promos and customer responses from their channels and subscribers are offered discount and reward points for future purchases. SME's are targeting Twitterholics they submit weekly feeds on new launches, outlets and offers on special occasions.

E-product development

Internet has given a platform to e suppliers to get into linkage with e distributors and e retailers. At the same time internet helps in easy discovery of new product launched in any part of the world and can be ordered if desired. Email of brochures and catalogues at the click on mouse can be mailed to thousands of targeted e customers. On a password protected login product can be ordered for e -transactions normally through visa credit cards. SME's transaction gives dual security to buyer and seller by the incorporation of V security protection. Discussions are generated on linked in and Facebook pages and invitations are sent to prospecting customers to read and comment. At least this becomes a reason for visitors to be directed to their page.

E-brand management

Brand application with major events relating to Brand for example

launches added features and offers are posted and forwarded, initially costly but worth the expense because SME's are generating sales on net.

E-customer support department

Immediate response is generated to customer complaints and inquiry which gives a sense of relating to customer and built up their confidence for future comments. This was endorsed from the thank giving comments of the regular customers of the product and service. User manuals and training videos of how to use the products are uploaded so that current customers can become user friendly and share the link to other prospecting customers.

Intranet and SME's and value chain

A well aligned production; Marketing, Sales, Warehouse and Inventory department are helping SME's to check for their projected scheduled orders and orders in the pipeline. This is helping in keeping the whole organization on one frequency.

Internationalizing the value chain

Internal communication and external communication has improved with the help of email fax and Skype. This is helping the SME's in targeting and developing a liaison with vendors and customers. Webinars and e -groups on Google circle and linked in is helping in bridging the gap between the buyers and sellers and SME's of the same sector are sharing their entrepreneurial experiences. High speed internet facility is acquired by SME's which is helping as cost effective marketing communication tools. SME's are conscious of fruits of internationalization and this globalization is supplemented by social forums like Facebook, Google and linked in and it was found that all locally exiting SME's have their interactive web pages on face book.

SME's are all eyes open to the content and upload of their competitors this gives them future directions to plan accordingly: a reactive strategy of the SME's.

Conclusion

Social media networking minimizes transitory costs and helps to reach the target audience. Ecommerce is providing integral role as e intermediary to facilitate the commercial activity. In today's fast-paced, umber-competitive, information-soaked business environment, technological efficiency and operational simplicity not only provide an edge to your business, but are often the difference between success and failure. Face book has introduced special page for new business start-ups to post their deals and offer. Cross promotion that is promoting complimentary goods and services and easy navigational pages are winning sales to SME's.

Limitations of Research

Findings of one sector may not have direct implications for another Sector. Sharing of information may be limited on the web pages for companies and possibly exaggerated to win sales. Need remains to give the web pages more human touch. Fans of the pages should be made the brand ambassadors. Pages should be designed in the manner that they are engaging and that the visitor remains on the page. It is established that normally 99% of the visitors of the web page only 1% materialize a sale deed but search engine optimization and affiliate marketing [15]; a revenue sharing venture between affiliate and online merchant, can help in increasing the customer out-reach [16].

References

1. Barkley DL, Lamie RD, Markley DM (2007) Case studies of e-commerce in small and medium enterprises: A Review of Literature Southern Rural Development Center.

2. Smallbone D, Wyer P (2000) Growth and development in the small firm. In: Carter S, Jones-Evans D (eds.). *Enterprise and small business*, Haelow, Pearson Education, Financial Times, Prentice Hall, Englewood Cliffs, New Jersey.
3. Poon S, Swatman P (1999) An exploratory study of small business internet commerce issues. *Information and Management* 35: 9-18.
4. Jutla D, Bodorik P, Dhaliqal J (2002) Supporting the e-business readiness of small and medium-sized enterprises: approaches and metrics. *Internet Research: Electronic Networking Applications and Policy* 12: 139-164.
5. Champman P, Fames-Moore M, Szczygiel M (2000) Building internet capabilities in SMEs. *Logistic Information Management* 13: 353-361.
6. Bianchi C, Bivona E (2002) Opportunities and pitfalls related to e-commerce strategies in small-medium firms: A system dynamics approach. *System Dynamics Review* 18: 403-429.
7. Claver E, Andreu R, Quer D (2006) Growth strategies in the Spanish hotel sector: Determining factors. *International Journal of Contemporary Hospitality Management* 18: 188-205.
8. <http://www.smeda.org.pk/main.php?id=2>
9. <http://www.wikinvest.com/concept/E-commerce>
10. Yang J, Shin JW, Park YW, Park J (2008) A study on introduction of intermediary for e-collaboration between SMEs. *Contemporary Management Research* 4: 305-320.
11. Berg LW (2000) *Increasing European SME's take up of e-commerce, e-business*, Sussex: IOS Publishers.
12. <http://www.innovianto.nl/en/ad-module-3-online-merkactivatie-actiemarketing.html>
13. Onojaefe AB, Bytheway A, Erwin G (2005) *Successful e-commerce: The importance of branding*. Proceedings of the 5th International Conference on Electronic Business, Hong Kong.
14. Smallbone D, Leigh R., North D (1995) The characteristics and strategies of high growth SME's. *International Journal of Entrepreneurial Behavior and Research* 1: 44-62.
15. Zimmerman J (2011) *Web marketing for dummies*.
16. Duney P, Haydon J, Krueger R (2012) *Facebook marketing for dummies*.