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SOCIAL MEDIA MARKETING AND SURVIVAL OF SMES IN EBONYI STATE

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ABSTRACT

This study investigated social media marketing and survival of SMEs in Ebonyi State. The study employed survey research design to study a population of 850 SMEs operators in Ebonyi state. A sample of 20 respondents were randomly selected from four (4) major towns in Ebonyi State which include; Abakaliki, Afikpo, Amassiri and Onueke. This gave a total sample of 100 respondents. Structured questionnaire was used as the instrument for data collection. The data collected was analyzed with tables and mean while Hypotheses of this study were tested with chi-square at 0.05 level of significance. This study found that social medial marketing through Facebook, Whasapp, Twitter, Instagram and YouTube has aided the survival of SMEs in Ebonyi state. The study concluded that social media marketing has benefited SMEs in Ebonyi state as it increases their sales volume, sales ratio, profit, sales revenue, market share and sale turnover rate. The study recommended among others that SMEs should in no doubt recognize the need to incorporate social media marketing platforms in their business operations. Also, SMEs operators should improve their knowledge of new technologies through seminar, workshop and conferences, and embrace innovations in order to harness the full potential benefits of social media marketing.

Keywords: Social Media; Marketing and Survival; Small and Medium Enterprises

Introduction

The world is a global village. The advancement in information technology has revolutionized human activates. The activity of sharing and receiving information, marketing of products and making of profits has been transformed by information technology. The social media through the internet has been perceived as a great instrument for facilitating business transactions. The social media is a set of online word of mouth to form social networks, it is used to discuss and share information among people and business (Mangold & Faulds, 2009). Hill and Joe (2013), defined social media as an arrangement of electronic show innovations that permits the democratization of substance, empowers individuals to rise up out of customers of substance to publisher, it includes the essential utilization of electronic media for individuals in contact through online communities. Evans (2008) defined social media as the usage of online tools and websites that allow interaction between users to share information, opinion and interactions, it is the layout of applications and technologies that ease the productive interaction between new business forms, the encouragement of social forms and technological presentation using humans, content and data. It is an online platform where the participants convey their ideas, mutual interest and experiences by conversing with each other in a natural and sincere way. Kaplan, Andrean, Haenlein and Michael, (2010) opined that social media is a group of Internet based applications that were built on the ideological and technological

foundations of Webs and allow the creation and exchange of user generated contents.

The social media marketing is a current innovation and business practice which deals with marketing of products, services, concepts and fact via internet through mobile phones, laptop and extranets. It is the use of information technology to communicate, create and deliver values to customers, manage and maintain customer relationships (Strauss & Frost, 2001). The social media marketing is a strategy adopted by enterprises for the purpose of advertising their goods, services as well as improving customers through electronic channels facebook, twitter, whasapp among others. Odoom and Acheampong (2017) added that the social media platform commonly used by enterprises comprises facebook, whatsapp, instagram, twitter and youtube which can be accessed by millions of people at a time. The social media marketing offers vast potential as an antidote to the challenges of the business environment and improvement in performance of SMEs during times of high competition (Abdurrahman, Sayyid, Kurniawati, Alfpinka & Rinaldi, 2022). Turner, Cardinal and Burton (2015), maintained that the emerging social media marketing has turned to be an important part of many firms marketing mix, because of its rapid increase number of people accessing internet daily and the digitization of various aspects of daily lives like education, shopping, communication and government services. Morrish, Miles and Deacon (2010) further noted that the increasing intensity of competition necessitates SMEs to become more flexible and proactive. So, the activity of social media marketing is a potential driver of SMEs' survival.

In other words, small and medium-sized enterprises (SMEs) can be defined as business units that employ 1 to 300 persons. The CBN (2014) defined Small and Medium enterprises as those enterprises with annual revenues of less than N 100 million and or fewer than 300 employees in Nigeria. SBA (2017), sees SMEs as firms employing 500 or fewer persons. Small and medium-sized enterprise have be the most common business in Nigeria. The small scale enterprises are those businesses which are independently owned and operated requiring limited capital with few employees and non-sophisticated technology and which is not dominant in its field of operation. The examples of SMEs include service or retail operations such as delicatessens, hairdressers or convenience stores, small grocery stores, bakeries trades people (e.g., carpenters, electricians), very small-scale manufacturing and Internet-related businesses (Ambler, Kokkinaki & Puntoni, 2014). Small business can be started with very minimal capital and without any formality. Many small enterprises are operated as family business and can be combined with regular employment. A survey conducted by Oyelaran-Oyeyinka (2014), revealed that of out of 100% business enterprises in Nigeria, 96% were SMEs. This shows that SMEs are dominating the Nigeria economy. However, considering the position of SMEs in Nigeria, they are the engine of economic growth and development as they are self-employed and also create employment for others. So, SMEs constitute the most viable and veritable vehicle for self-sustaining industrial development (Oyebamiji, Kareem & Ayeni. 2013). They aspire to survive, make profit and achieve their business goals.

However, Pojasek (2007) opined that SME survival is the way of attaining firm's vision and mission. It is the application of information, skills, tools and processes to improve performance. Mensah (2016) defined SMEs survival as any method by which SMEs apply to achieve its mission and vision by performing its business activities in such a way that it does not harm the society in which it works while also preventing the firm from

dying prematurely. SMEs survival, refers to SMEs capacity to effectively manage obstacles, adjust to evolving market conditions and maintain operations for an extended period. Thus, due to the existence of high level competition in today's business environments, most SMEs in Nigeria especially in Ebonyi state decided to employ social platforms such as Facebook, WhatsApp, Instagram,Twitter and YouTube for their marketing operations. They often place advertisements in the form of videos, pictures and graphics on social media sites targeting customers. They equally sample their products and services via social media sites. This reduces the cost of advertisements, promoting brands and increases interaction between small scale businesses and customers. In this regard, Social media has become a leader in the world of marketing looking at its effect on the survival of small scale businesses (Mourtada & Alkhatib, 2014). The social media marketing improve the customer size and profit of SMEs as well as helping them to earn a living. The social media marketing is cheaper and more convenient for SMEs and customers to facilitate businesses when compared with traditional communication channels. It helps small scale firms to access their target customers more easily and faster. Marketing through social media platform also shifts the way in which SMEs increase its customers size, market share, market value and business relation with customers.

In a the same vein, Jagongo and Kinyua (2013), maintained that social media marketing has changed the way in which people interact, participate, cooperate and connect with each other. The authors further stated that SMEs can utilize social medial for different purposes, it is mainly use for customer relationship management, selling products, entering new markets and gathering data from customers. Also, Swani (2014), argued that the social media has become an important aspect in SMEs development through customer relationship management and it also guides entrepreneurs while allocating their market resources. Furthermore, Swani (2014), suggested that social medial increases the brand loyalty through increasing brand awareness and testing to increase an SMEs profitability and sales. More also, Wang Pauleen and Zhang (2016), maintained that social media has created a platform for SMEs to embark on research and new opportunities for business and this has contributed to the creation of partnership and to establish new business relations. Also Wang (2016), asserted that social media is perceived as a productive and adequate tool for SMEs survival since it aids the SME business managers to communicate with customers quickly and cheaply, and to build a customer database for the purpose of growing their businesses. Thus, it can help small scale enterprises to increase the access to communicate with customers and suppliers to cultivate strategic partnerships and to grow the worthiness. Fourmier and Avery (2011), added that social medial aids SMEs improving sales, consumers brands, boosting brand awareness positive associations and enhancing consumer loyalty towards a brand. In addition, managing social media properly can help SMEs to attract a lot of consumers and when they are satisfied well-being in more through referral which will enhance profitability. Hence, the aim of this study is to investigate social media marketing and survival of SMEs in Ebonyi State.

Statement of the Problem

Social media marketing is every important for the survival of small and medium enterprise in Nigeria and Ebonyi state in particular. Despite of this, it has be discovered that most Small and Medium Enterprises (SMEs) in Ebonyi state have not performed creditably well in this age of new

technologies where business is challenging due to competition. Beside, most SMEs in Ebonyi state lack the requisite knowledge to operate technology. Most of them do not have little knowledge of technology, lack the financial resources needed to integrate new technology facilities in their businesses in order to operate social media platforms such as Facebook, WhatsApp, Instagram and Twitter YouTube. The outcome of these are low size of customers, poor marketing, poor market share, poor customer relation, poor profits and eventual dying off of most small scale enterprises in Ebonyi state.

Purpose of Study

The major purpose of this study is to investigate social media marketing and survival of SMEs in Ebonyi State. Specifically, this study aims to:

1. Examine the social media marketing tools used by SMEs in Ebonyi state.
2. Examine social media marketing and sales volume of SMEs in Ebonyi state.
3. Examine social media marketing and profitability of SMEs in Ebonyi state.

Research Questions

1. What are the social media marketing tools used by SMEs in Ebonyi state?
2. To what extent does social media marketing improve sales volume of SMEs in Ebonyi state?
3. To what extent do social media marketing improve profit of SMEs in Ebonyi state?

Research Hypothesis

$H0_1$: There is no significant relationship between social media marketing and improved profit of SMEs in Ebonyi state.

$H0_2$: There is significant relationship between social media marketing and improve profit of SMEs in Ebonyi state.

Research Method

This study used primary data collected through questionnaire. Survey research design was employed to carry out investigation on social media marketing and survival of SMEs in Ebonyi State. The population of the study was 850 SME operators from Ebonyi state. Random sampling technique was used to select a sample of 25 respondents from four selected towns that are well developed in Ebonyi state. The towns include Abakaliki, Onu-Eke, Afikpo and Amassiri. This gave a total 100 respondents as sample size. The scale of measuring the instrument was strongly agree (SA), Agree (A), disagree (D) and strongly disagree (SD), very high extent (VHE), high extent (HE), low extent (LE) and very low extent (VLE). The scale for ranking the instrument as follow 4, 3,2 1nd 1. The instrument was validated by two experts in the Department of Business Education in Nnamdi Azikiwe University, Awka. The researcher administered 100 copies of questionnaires to the respondents in the selected towns with the help of two research assistants. The research administered the questionnaires to the respondents while the two research assistants educated the respondents on how to fill the questionnaire. At the end of the excise which took two weeks, out of 100 copies of questionnaire administered, 80 copies were properly filled, retrieved and used for data analysis. The data collected was analyzed with tables, frequencies and mean rating. 2.5 score was set as a point for accepting the mean response of the respondents otherwise reject the mean.

Results and Discussion

Q 1: What are the social media marketing tools used by SMEs in Ebonyi state?

Table 1: Mean responses on the social media marketing tools used by SMEs in Ebonyi state.

S/N	Items	SA	A	D	SD	X	Remarks

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1	Facebook is one of the social media platforms used for marketing and advertisement by SMEs operators.	40	39	1	0	3.5	Agreed
2	Youtube is one of the social media platforms used for marketing and advertisement by SMEs operators.	43	37	0	0	3.5	Agreed
3	WhassApp is one of the social media platforms used for marketing and advertisement by SMEs operators.	36	34	6	4	3.3	Agreed
4	Instagram is one of the social media platforms used for marketing and advertisement by SMEs operators.	42	38	0	0	3.5	Agreed
5	Twitter is one of the social media platforms used for marketing and advertisement by SMEs operators.	39	39	1	1	3.4	Agreed
	Grand total					3.4	Agreed

Table 1 above, analyzed data on social media marketing tools used by SMEs in Ebonyi state. In the opinion of the respondents SMEs operators used facebook, Instagram, Twitter, WhassApp and Youtube in the sales of their products. They also, use those platforms for advert and reaching of wide range of customers. This was true as the grand mean of the respondents at 3.4 is greater than 2.5.

Q2: To what extent social media marketing improve sales volume of SMEs in Ebonyi state?

Table 2: Mean responses on the extent social media marketing improve sales volume of SMEs in Ebonyi state.

S/N	Items	VHE 4	HE 3	LE 2	VLE 1	X	Remarks
1	Social media marketing increases the size of customers for SMEs business.	37	36	7	0	3.4	VHE
2	Social media marketing creates high level awareness of SMEs products and services.	35	35	5	5	3.3	VHE
3	Social media marketing segments markets for SMEs products and services.	38	38	3	1	3.4	VHE
4	Social media marketing convinces customs to purchase SMEs products and services.	38	37	3	2	3.4	VHE
5	Social media marketing enhances customer loyalty and repeat purchase.	44	36	0	0	3.6	VHE
	Grand total					3.4	VHE

In table 2 above, our data analysis indicated that the grand of the respondents was 3.4 greater than 2.5. This shows that respondents agreed that the extent by which social media marketing improves sales volume of SMEs in Ebonyi state is high. This is because social media marketing increases the size of customers for SMEs business at 3.4 mean point, creates high level awareness of SMEs products and services at 3.3 mean value, segments markets for SMEs products and services at 3.4 mean point, convinces customs to purchase SMEs products and services at mean of 3.4 and enhances customer loyalty and repeat purchase at 3.6 mean point.

Q 3: To what extent social media marketing improves profit of SMEs in Ebonyi state?

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Table 3: Mean responses on the extent social media marketing improves profit of SMEs in Ebonyi state

S/N	Items	VHE	HE	LE	VLE	X	Remarks
1	Social medial marketing increases the sales ratio of small scale enterprises.	39	39	1	1	3.4	VHE
2	Social medial marketing increases sales revenue of small scale enterprises.	44	36	0	0	3.6	VHE
3	Social medial marketing increases the market share of small scale enterprises.	38	38	3	1	3.4	VHE
4	Social medial marketing increases sale turnover rate of small scale enterprises.	38	37	3	2	3.4	VHE
5	Social medial marketing increases product ratio of small scale enterprises.	36	34	6	4	3.3	VHE
	Grand total					3.4	VHE

Table 3 above, analyzed data on the extent social media marketing improves profit of SMEs in Ebonyi state. From our data analysis, the result indicated that the grand mean of the respondents is 3.4>2.5 point for acceptance. Thus since mean of the respondents from item 1 to 5 was greater than 2.5, the respondents agreed that social medial marketing increases the sales ratio of small scale enterprises, increases sales revenue of small scale enterprises, increases the market share of small scale enterprises, increases sales turnover rate of small scale enterprises and increases product ratio of small scale enterprises.

Hypotheses Test

$H0_1$: There is no significant relationship between social media marketing and improved profit of SMEs in Ebonyi state.

$H0_2$: There is significant relationship between social media marketing and improved profit of SMEs in Ebonyi state.

Contingency table 4: Chi-square test

Respondents	**Feq.**				**N**
Resear_/statis_infor.	44	36	0	0	80

Using $X^2 = \sum (o-e)^2$
2

Where X^2 = Chi square

O = Observed frequency

E = Expected frequency

df = (c-1) (r-1)

5-1 X 2-1 = 4 X 1= 4

$= \underset{20.75}{(44-20.75)^2} + \underset{20.75}{(36-20.75)^2} + \underset{20.75}{(0-20.75)^2} + \underset{20.75}{(0-20.75)^2}$

= 26.05 + 11.21 + 20.75 + 20.75 = 78.76

Table value = 0.549.
Calculated value = 78.76

In table 4 of the hypothesis test, the calculated value at 78.76 > table value at 0.549. So we reject null hypothesis and accept alternative hypothesis which stated that there is significant relationship between social media marketing and improved profit of SMEs in Ebonyi state.

Discussion of Findings

Based on the result of the chi-square test conducted in table 4 to confirm whether there is significant relationship between social media marketing and improved profit of SMEs in Ebonyi state, it was found that the critical value of chi-square was 78.76 which was greater than the table value at 0.549. Hence, our result found that social medial marketing is an effective tool that aids the survival of SMEs in Ebonyi state. This is true as social media marketing sites such as Facebook, WhatsApp, Twitter, Instagramm and Youtube increases the sales ratio of small scale enterprises, increases sales revenue of small scale enterprises, increases the market share of small scale enterprises, increases sale turnover rate of small scale enterprises and increases product ratio of small scale enterprises.

Conclusion

This paper deals with social media marketing and survival of SMEs in Ebonyi state. This paper used survey method to study a population of 850 SMEs operators in Ebonyi state. The size of 100 SMEs operators was selected through random method. The social media platform commonly use by SMEs include facebook, YouTube, Twitter, Instagram and WhatsApp. The study concluded that social media marketing has benefited SMEs in Ebonyi state as it increases their sales volume, sales ratio, profit, sales revenue, market share and sales turnover rate.

Recommendations

Based on the findings of this study, the following recommendations are made;

1. SMEs should in no doubt recognize the need to incorporate social media marketing platforms in their business operations.
2. SMEs operators should improve their knowledge on new technologies through seminar, workshop and conferences and embrace innovations in order to harness the full potential benefits of social media marketing.
3. Government should support SMEs financially to be able to integrate new technology facilities in their businesses so as to operate social media marketing effectively.

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