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## Research Article

# EFFECT OF SOCIAL MEDIA MARKETING ON SMALL SCALE BUSINESS PERFORMANCE IN OTA-METROPOLIS, NIGERIA

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### Abstract

The purpose of this study is to examine the effect of social media marketing on small scale business performance. In today's social media driven environment, it is essential that small businesses understand facebook, twitter, and the strategies behind using social media for growing their business. Unfortunately, many small businesses do not have a strategy when they begin using social media. The objectives of this study include the following: to determine how effective employee training about social media of small to medium enterprises has increase brand awareness, to examine how employee participation in SME's operation has increase sales, to identify how continuous improvement of SME's strategies has improve customer service, and to examine how managerial commitment of SME's has increase the implementation of social media campaigns. One hundred and fifty copies of questionnaire were administered to owner-managers and employees of selected SME's in Ota Metropolis of which one hundred and thirty five of the questionnaires were returned completely filled and fifteen were not returned. Four hypotheses were formulated from the structure of the research questions, ANOVA, Correlation and other statistical tools were used in testing these hypotheses. A descriptive approach is presented, followed by an in-depth structured questionnaire with the small business owners. The study reveals the different strategies the owner uses to build and maintain relationships with consumers and the study concludes with important implications for small businesses. Networking and creating relationships with other businesses, increases brand exposure. By promoting another business or their product, they may promote yours. Engaging others makes your business visible to their audience and has the potential to reach hundreds or thousands of consumers. Focusing more on relationships than sales, increases sales. Social media provides businesses the opportunity to engage their audience on many different levels, including personal. In the beginning, it is important for a business to focus on creating relationships with consumers. An owner can show interest in its audience by commenting on individual's posts or asking questions. Doing so also exposes the business to friends of fans and followers, increasing the business's reach.

**Keywords:** social media; Marketing; Performance; Small business; SMEs strategies

### Introduction

In the highly competitive business environment and unstable economic situation, many small businesses fold up due to many challenges they face in their day-to-day business activities. This has raised many controls, monitoring and forecasting measures as well as the need for businesses to re-orient their business model and operational strategies into a more adaptive model instead of a reactive model. Many businesses struggle to sustain projected business goals, gain competitive advantage and survive today's market where competition is fierce and market situation is ambiguous. In the end, the weak get frustrated and go out of business while others survive by looking beyond their traditional product and service offerings and constantly reviewing their operations to accommodate the challenges. This is explained by Foster (2002) that, as the world must have been created by a planner, there was strategy for launching the planet earth of which people were

required to respond to their environment as well as react to changing challenges they face. In his view, survival was the dominant motivation for most of the people most of the time, and this is applicable to the people in business today. Business goal is what a firm intends to become and to achieve at some point in time; these are often stated in competitive terms. In other words, it is an observable and measurable operational result with objective(s) to be achieved within a period of time. To sustaining a business goal is therefore the condition where a business consistently achieves what it set out to achieve so as to succeed and remain in business.

Typical business goals for small businesses may include survival, growth, customer satisfaction, creating outstanding value for customers and other stake holders, developing new product lines and service offerings, profitability, reduced operating cost and developing a great company amongst others. In other words, these are typical aspirations for the present and the future whose outcome

could well be difficult to achieve due to recurring economic challenges.

By economic challenges, we mean instability and dramatic downturn of the economy, stiff competition, undifferentiated products and services, finance, and unavailability of skilled managers amongst others. Many observers and theorists agree that these challenges are by all means factors that impede businesses from achieving and sustaining their goals. By strategy, we consider alternative choices of business operation for the coordination of business activities towards achieving the desired business goals.

Social media plays a vital role in marketing and creating relationships with customers. With limited barrier to entry, small businesses are beginning to use social media as a means of marketing. Unfortunately, many small businesses struggle to use social media and have no strategy going into it. As a result, without a basic understanding of the advantages of social media and how to use it to engage customers, countless opportunities are missed. The research aims to examine an initial understanding of how a small business recognized for using social media to grow the business, and uses social media to engage customers.

#### **Statement of Research Problems**

Small businesses play a crucial role in economic development and survival, and are strong drivers of new innovation which is an impetus to job creation and economic rejuvenation. Several authors have often stressed the relevance of small businesses towards economic prosperity, economic growth and advancement. Beaver (2002) acknowledged that small firms and entrepreneurial ventures are important and have gained growing recognition due to their contribution to economic vitality, employment generation, innovation and business development. In fact, during the recent global economic downturn, we observed that small businesses form the nucleus of several nations' economic survival and recovery policies. A noticeable consensus effort on the part of Governments around the world was to create conducive and stable business environment for small businesses to operate in order to overcome or cope with the many economic challenges. For instance, President Barack Obama (Reijonen, 2010) emphasized the importance of small businesses in his plans for economic recovery. He firmly believed that economic recovery will be driven in large part by America's small businesses.

This research work is indeed an area worthy of study considering the huge importance of small businesses to nations' economic recovery, growth, competitiveness and performance. The ability of young small firms to creatively and strategically manage and survive challenges facing them is still an issue on discussion. According to Praag (2003), a well-known problem with new businesses is high dissolution rate which has attracted a lot of interest leading to series of research topic in this area. With the reasoning

from Ghauri & Grönhaug (2005) that, we should not accept or reject assumptions and speculations unless we study these assumptions critically and unless we find logical and reliable explanations to accept or reject them'; thus the drive to consider the challenges facing small business operations in meeting its business goals. However, it is important to point out that these challenges are not peculiar to economic slowdowns or recession periods as they generally encounter business challenges especially during the early years of operation.

In general, businesses are often organized in departments or functional areas so as to operate more efficiently and effectively by benefiting from specialization and division of labour with the ultimate aim of seeking growth and financial success. However, there is a difference between the departments a business needs and the departments it can afford, at least during the early years of birth. In fact many small businesses are often without any department and are solely run by owner-managers who perform most of the functions expected of these departments. They are basically running on activities such as administration and management, accounting, communications and marketing, customer service among a few others. This will help owner-managers to make up for what they lack in expertise that comes from having well established functional areas or departments; thus putting them in a good position to keep up with the business goals and improving its adaptability to the challenges in their business environment.

Social network marketing and social media campaigns provide a window to market a product or service on the Internet through different social networks. The most common and successful means of social media marketing are found on sites like Facebook, Twitter, LinkedIn, YouTube and even company blogs.

The lack of research into social media use in a small business environment provides the motivation for the study. The study addresses this gap and contributes to existing literature.

#### **Research Questions**

In the researcher quest to understand the challenges facing small businesses, we pose the following questions:

1. How does a small business employee training about social media lead to increase brand awareness?
2. Does the use of employee participation in social media activities to engage consumers in small business operations increase sales.
3. Does continuous improvement of small business with consumers improve customer service?
4. How does managerial commitment of small business aid to implement social media campaigns.

#### **Literature Review**

Marketing is a crucial activity for that aid survival and success of a going business concern. Businesses in the 21<sup>st</sup>

century today, have more marketing opportunities than compared to those days (Bresciani & Eppler, 2010). In marketing, small businesses relies more on word of mouth validations to win customers (Stokes & Lomax, 2002). In today's economy system, distinguished by relationships, technology, and networks, tend to give support to the characteristics of SMEs (Walsh & Lipinski, 2009).

Social media aid companies to connect with customers with the motive to build relationships and help to take advantage and understand better the needs of customer. Therefore, businesses strife to ensure that their messages reach as many audience and customers as possible. To do this effectively, a business must ensure that they have presence via social media network (Halligan, Shah, & Scott, 2009). Social media bring about numerous opportunities for small businesses to market to consumers and aid to build rapport and provide more profitable interrelationships. Nonetheless, small businesses still strife to access their customers.

Many of the existing small business literature and SMEs includes studies of organizations with the number of employees ranging from one to five hundred people. The research presented here focuses on the typical problems of small businesses and examines why the success of small businesses is crucial to the Nigerian economy. Secondly, it highlights the marketing opportunities and challenges that small businesses face to engage customers. Thirdly, it discusses integrated marketing communications which businesses use to overcome the challenges they face. Fourthly, it examines social media, its significance, merits, and applications, as a means of engaging customers. Lastly, it views social media marketing for small business.

#### **Marketing Opportunities of Small Businesses**

Numerous marketing opportunities exist for small businesses, namely networking and word of mouth marketing. Not only do owner-managers of small businesses rely on their personal contact network, but they rely on the networks of their customers as well. Small businesses often rely on word of mouth recommendations for new customers. Word of mouth marketing provides small businesses with an opportunity to give customers a reason to talk about products, making it easier for word of mouth to take place. Networking is a widely cited marketing activity for SMEs and is important during their establishment, development, and growth (Walsh & Lipinski, 2009).

Siu (as cited in Walsh & Lipinski, 2009) found that in marketing their firms, SMEs rely heavily on their personal contact network. Traditionally, economic structures favour larger firms; however, today's economy is distinguished by relationships, network, and information, favouring some of the characteristics of SMEs (Walsh & Lipinski, 2009; Adegbuyi, 2009). Rather than relying solely on their personal contact network, small businesses rely on the networks of customers as well. Today, these customers can be reached through electronic word of mouth, or eWOM.

Marketing in small businesses relies heavily on word of mouth recommendations for customer acquisition. Stokes & Lomax (2002) claim that "a number of studies have indicated that the most important source of new customers for small firms is recommendations from existing customers".

For many owner-managers, reliance on customer recommendations is more suited to the resources available to their business (Stokes & Lomax, 2002). Word of mouth marketing involves monitoring what is being said for marketing purposes, engaging in brand related discussions, involving people and their social networks for marketing purposes, and more (WOMMA, 2011). The Word of Mouth Marketing Association (2011) recognizes all word of mouth marketing techniques as being based on the concepts of customer satisfaction, two-way conversation, and transparency. The association describes the basic elements of word of mouth marketing as: "Educating people about your products and services; Identifying people most likely to share their opinions; Providing tools that make it easier to share information; Studying how, where, and when opinions are being shared; and Listening and responding to supporters, detractors, and neutrals" (WOMMA, 2011).

In 2011, Linkdex, a company that helps businesses increase online marketing performance, conducted a survey on small and medium-sized businesses in the UK and USA to find out which marketing tools were most important. Of the companies surveyed, 81% considered word of mouth to be the most important marketing tool for SMEs (Straw, 2011). According to Straw (2011) "The perceptions by companies match the changing ways in which consumers find information about the products and services they want to buy." Small firms are generally at an advantage because their small size makes it easier to get close to customers and obtain valuable feedback (Gilmore *et al.*, 1999). Such an advantage enables small businesses to take advantages of the marketing opportunities networking and word of mouth marketing provide. But small business owners face many challenges when it comes to marketing as well.

#### **Marketing Challenges of Small Businesses**

Researchers widely agree that marketing practiced in small firms is different from that of large organizations (Coviello *et al.*, 2000; Gilmore *et al.*, 2001; Hill, 2001; Reijonen, 2010). Small firm marketing has been described as informal, unstructured, spontaneous, and reactive (Gilmore *et al.*, 2001; Reijonen, 2010). According to Stokes (2000), in small firms, marketing is used for Immediate needs and little attention is paid to plans and strategies. SMEs direct their attention to sales in order to survive (Stokes, 2000). For all issues outside of advertising, such as customer satisfaction measurement and improvement and design of customer service and support, the sales function has a slightly greater influence (Walsh & Lipinski, 2009; Harris *et al.*, 2008).



One of the most prevalent areas in which a small business has problems is marketing (Huang & Brown, 1999). This is due to the inability to employ a marketer to carry out marketing activities for the business (Berthon *et al.*, 2008; Moss *et al.*, 2003; Gilmore *et al.*, 2001). Leppard & McDonald (as cited in Hill, 2001) stated that the owner-manager has a significant impact on every aspect of the SMEs marketing activities. The SME owner manager is often responsible for the performance of functions within an organization, such as banking, purchases, advertising, and recruitment. They will often decide which marketing strategies to use because the use of specialists is rare and they do not often have a marketing manager as an employee (Berthon, Ewing, & Napoli, 2008). Moss, Ashford, & Shani (2003) state that "Relatively little is known about SME marketing activities..." There exists a lack of knowledge about marketing activity in small businesses, suggesting that "such functional specialization may rarely exist" (Moss, Ashford, & Shani, 2003). According to Walsh and Lipinski (2009), marketing in SMEs is not as well developed or influential as it is in large firms. Large organizations are often large enough to have a marketing department that permits the delineation of functions and activities. This difference can be attributed to certain limitations that small firms face including limited resources in terms of finance, time, and marketing knowledge (Gilmore *et al.*, 2001; Reijonen, 2010). Complex theories may be considered inappropriate in small enterprises (Hogarth-Scott, Watson, & Wilson, 1996). According to Reijonen (2010) "it is argued that owner-managers of small firms tend to view marketing narrowly". Furthermore, it is argued that SME marketers may consider marketing the same as selling or advertising (Reijonen, 2010).

Traditional marketing theories fail to account for the marketing carried out by small firms (Reijonen, 2010). Rather than viewing the marketing concept as simply a business philosophy, Stokes (2000) also examines marketing as a strategy and as tactics. Reijonen (2010) recognizes "marketing as tactics/methods focuses on the use of marketing mix (4 P's: product, place, price, promotion); in other words, on the implementation of marketing strategy". Because definitions of marketing generally interpret the marketing carried out by large businesses, there is no clear definition of marketing in SMEs (Reijonen, 2010).

One solution to the marketing challenges faced by small businesses is social media. Social media enables small businesses to overcome the challenges of limited budget, lack of expertise, and positioning against larger competitors. Small businesses are not the same as big businesses and therefore cannot be expected to have the same marketing resources. Competitive advantage often has to be sought from other sources and by other means (Gilmore *et al.*, 1999). Several models of marketing exist that provide guidelines for businesses to survive and grow.

However, marketing theory that a large organization uses cannot be generalized to a small business which has different characteristics and requirements. As a consequence, small firms are moving from conventional marketing practices towards more affordable, interactive, and integrated marketing.

### **Social Media Marketing**

Social media has caused a significant change in the strategies and tools companies use for communicating with customers. Mangold & Faulds (2009) argue that "social media combines characteristics of traditional IMC tools (companies talking to customers) with a highly magnified form of word-of-mouth (customers talking to one another) whereby marketing managers cannot control the content and frequency of such information." Companies are limited in the amount of control they have over the content and distribution of information. Ignoring such user-generated content is not an option. Companies must be able to monitor and respond to conversation, both positive and negative, surrounding the brand. There are ways however, that companies can influence discussions in a way that is consistent with the organization's mission (Mangold & Faulds, 2009). Social media marketing enables companies to achieve a better understanding of customer needs in order to build effective relationships. Safko & Brake (2009) observe that social media "refers to activities, practices, and behaviours among communities of people who gather online to share information, knowledge, and opinions using conversational media" Weinberg (2009) notes that social media "relates to the sharing of information, experiences, and perspectives throughout community-oriented websites". Comm (2009) says that social media is "content that has been created by its audience". Safko & Brake (2009) refers to social media as "online applications, platforms and media which aim to facilitate interaction, collaboration, and the sharing of content".

With a definition of social media in place, accurately defining social media marketing is possible. A basic definition is "using social media channels to promote your company and its products" (Barefoot & Szabo, 2010). An expanded definition is "a process that empowers individuals to promote their websites, products, or services through online social channels and to communicate with and tap into a much larger community that may not have been available via traditional advertising channels" (Weinberg, 2009; Adegbuyi, 2013). Nowadays, Social Media Marketing and more particularly Social Networks are becoming increasingly important in consumers' purchasing decisions, mainly because they amplify word-of-mouth. They may even become more important than advertising as a trusted source of information. However, it is important to stress the fact that, in Social Media Marketing, marketers have less control over messaging and positioning.

### ***Small Business Operation and Management***

Small businesses are mostly managed by the owners with much flexibility and less boundaries. That is to say owners manage based on their personal and business objectives, together with their unique management styles, marketing and operational practices. In his article, Beaver (2003) acknowledged from many writers that it is widely accepted that the peculiar characteristics of small firms require different appreciation of management understanding such that the management methods and techniques applied in the corporate sector are neither applicable nor relevant in the small businesses. The management process of many small businesses reflects some characteristics of highly personalized preferences, prejudices and attitudes of the entrepreneur. Management processes in small businesses are often characterized by informal relationship between the entrepreneur and the employees. Appointments and promotions are often made on the basis of closeness to the owner, birth, personal friendship or relationship, rather than on the basis of educational or technical qualifications and abilities. Organizational structures usually develop around the interests and abilities of the entrepreneur and are likely to be organic and loosely structured rather than mechanistic and highly formalized (Beaver & Jennings, 2000).

From the foregoing, it can be said that many small business owners manage their businesses as may suit them with little or no attention to careful management, effective planning and strategizing. This was confirmed in Wickham (2001) research that micro business owner-managers are always guided by some objectives and planning although not systematically developed and carefully managed as in the larger firms. Such styles are easily prone to failure especially in new firms; this was also corroborated by Beaver & Jennings (2000), which according to them, successful business development demands shrewd and careful management, innovative approaches to strategic thinking and decision-making, substantial personal risk and a great deal of hard work. They confirmed that entrepreneur must fulfill a number of basic managerial functions, roles and duties for the business to succeed and achieve a measure of competitive advantage. We therefore infer that one of the key ingredient of small business success and longevity is the managerial competence of the entrepreneur thus lack of attention to the fundamental managerial activities and tasks will, at best, lead to sub-optimal performance and may even threaten the survival of the enterprise.

### ***SMES' Activities in Nigeria***

Small and Medium Enterprises play crucial roles in the development process in most of the developed and developing countries. Many nations have realized the value of small businesses. They are characterized by dynamism, witty innovations, efficiency, and their small size allows for faster decision making process (Akingbolu, 2014).

Over the years there has been a lot of controversy in literature concerning SMES. Nigeria is still struggling to get

a unified definition out of the several inconsistent and ambiguous definition proffered by several industries and agencies such as the 1992 review by the National Council on Industrial Standards that defined small and medium scale enterprises (SMEs) as enterprises with total cost (including working capital but excluding cost of land) above N31m but not exceeding N3, 150m, with a labour size of between 11 and 100 employees. The Federal Ministry of Industries defines a medium scale enterprise as any company with operating assets less than 200 million, and employing less than 300 persons. A small-scale enterprise, on the other hand, is one that has total assets less than 50 million, with less than 100 employees. The National Economic Reconstruction Fund (NERFUND) defines a SSE as one whose total assets is less than 10 million, but made no reference either to its annual turnover or the number of employees (SMEDAN, 2009).

SMEs are known to be very vital to the development of every economy, though small in size they have contributed greatly to the enhancement of the economy. They are considered the back bones of the Nigerian economy due to their multiple contributions. The 2012 Enterprise Baseline Survey reveals that SMEs in Nigeria employ over 32,414,884 people in Nigeria. Employment generation capacity of about 58% of global working population. SMEs constitute major avenues for income generation and participation in economic activities in the lower income and rural brackets of developing societies especially in agriculture, trading and services. According to (Alochenu, 2012), SMEs contribute up to 46.7% of national GDP in nominal terms. They also offer veritable outlets for technological advancement especially in businesses with rudimentary technology requirements.

In fact, SMEs are generally regarded as the driving force of economic growth and development, thus in order to aid and sustain SMEs, the Federal Government has put in place some facilities such as The Establishment of the Small Scale Industries Credit Scheme (SSIC) – In 1971, the then Federal Military Administration started to provide a more direct form of financial assistance to SMEs (SMEDAN, 2009). As a first step, government established a Small Industries Development Program to provide technical and financial support for the SMEs. Later, Small Industries Credit Committee (SICC) was established to administer Small Industries Credit Fund (SICF) all over the federation. The establishment Of Industrial Development Centre (IDC) was another important effort of the Federal Government to promote SMEs under the second national development plan (1970 – 1975). Under the plan, N800,000.00 was allocated for setting up IDCs in various parts of the country (Ade, 2012).

Despite these new initiatives and repeated attempts by both the government and the private sectors to promote the activities of SMEs in Nigeria, research still documents that 70% of SMEs fail in their first three years of operation in

Nigeria (Akingbolu, 2014). SMEs in Nigeria continue to face numerous problems such as, unstable macro-economic environment. This results in costly operating environment due to high inflation and high import dependency, high debt burden on the Nation, lack of access to technology and best of breed business solutions, business services, consulting and training. Government bureaucracy, which increases SMEs operating costs, such as unfriendly judicial process, regulatory and business environment. Lack of managerial facilities and enterprise support services such as limited capacity to business associations, for example Chambers of Commerce (Ade, 2012; Alochenu, 2014).

**Research Methods**

The researchers choose a quantitative research method to explore the subject because it is most suitable for exploratory research aiming to further understanding. The problems under scrutiny would be difficult to understand if removed from their social context so we decided to follow the quantitative approach. Our primary data was collected through questionnaire and observation which are then used to formulate adaptability and survival strategies. The study made use of statistical tools such as descriptive statistics and simple frequency analysis in testing the statements on the questionnaire. Furthermore, all the hypotheses were tested using model summary, analysis of variance (ANOVA) and co-efficient table in testing the research hypotheses.

**Research Questions**

Four research questions were raised and tested in this study

**Table 1:** Research Q.1: How does a small business employee training about social media lead to increase brand awareness?

	Increase brand awareness	
	High	Low
High employee training	76 (56.3% )	31 (22.9%)
Low employee training		38 (20.8% )

The employee training was cross-tabulated with increase brand awareness. The findings revealed that 76 participants representing 56.3% who reported high employee training also reported high brand awareness, 31 participants representing 22.9% who reported high employee training also reported low brand awareness and 38 participants representing 20.8% who reported low employee training also reported low brand awareness. This implies that employee training has an impact on increase brand awareness.

**Table 2** Research Q.2: Does the use of employee participation to engage consumer in small business operations increase sales?

	Increase sales	
	High	Low
High employee participation	93 (68.8% )	16 (11.8%)
Low employee participation		26 (19.3% )

The employee participation was cross-tabulated with increase sales. The findings revealed that 93 participants representing 68.8% who reported high employee participation also reported high sales, 16 participants representing 11.8% who reported high employee participation also reported low sales, 26 participants representing 19.3% who reported low employee participation also reported low sales.

**Table 3:** Research Q.3: Does continuous improvement of small business with customers improve customer service?

	Customer service	
	High	Low
High continuous improvement	70 (51.8% )	22 (16.3%)
Low continuous improvement		43(31.9% )

The continuous improvement was cross-tabulated with customer service. The findings revealed that 70 participants representing 51.8% who reported high continuous improvement also reported high customer service, 22 participants representing 16.3% who reported high continuous improvement also reported low customer service and 43 participants representing 31.9% who reported low continuous improvement also reported low customer service.

**Table 4:** Research Q. 4: How does managerial commitment of small business aid to implement social media campaigns?

	Implement marketing campaigns	
	High	Low
High managerial commitment	81 (60% )	21 (15.6%)
Low managerial commitment		33(24.5% )

The managerial commitment was cross-tabulated with implement social media campaigns. The findings revealed that 81 participants representing 60% who reported high managerial commitment also reported high marketing campaigns, 21 participants representing 15.6% who reported high managerial commitment also reported low marketing campaigns and 33 participants representing 24.5% who reported low managerial commitment also reported low marketing campaigns

**Test of Hypotheses /Results and Discussion**

**Hypotheses**

Four hypotheses were raised and tested in this study. The findings are presented in the tables below. The significant level of 0.05 was set to either retain or reject

**Hypothesis 1:** Employee training about social media has no impact on increase brand awareness

**Table 5: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.333(a)	.111	.104	1.65514

a Predictors: (Constant), employee training

The model summary (Table 5) provides helpful information about the regression analysis. First, the ‘R’ column is the correlation between the actually observed independent variables and the predicted dependent variable (i.e., predicted by the regression equation). ‘R square’ is the square of R and is also known as the ‘coefficient of determination’. It states the proportion (or percentage) of the (sample) variation in the dependent variable that can be attributed to the independent variable(s). Further explanation is given under the Table 6.

**Table 6: ANOVA (b)**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	45.354	1	45.354	16.556	.000(a)
	Residual	364.350	133	2.739		
	Total	409.704	134			

a Predictors: (Constant), employee training

b Dependent Variable: brand awareness

In this study 11.1% variation in brand awareness. The first hypothesis which stated that” employee training has no impact on increase brand awareness was rejected at  $R=0.33$ ,  $R^2=0.11$ ,  $F_{(1, 134)}=16.556$ ;  $p<.05$ . The first hypothesis is therefore rejected. This implies that employee training about social media has impact on increase brand awareness. **Hypothesis 2:** There is no significant effect between employee participation in social media activities and increase sales.

**Table 7: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.342(a)	.117	.111	1.16166

a Predictors: (Constant), employee participation

The model summary (Table 7) describes the proportion (or percentage) of the (sample) variation in the dependent variable that can be ascribed to the independent variable(s). Further explanation is given under the Table 8 below.

**Table 8: ANOVA (b)**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	23.825	1	23.825	17.655	.000(a)
	Residual	179.479	133	1.349		
	Total	203.304	134			

a Predictors: (Constant), employee participation

b Dependent Variable: increase sales

In this study 11.7% variation in increase sales. The second hypothesis which stated that” there is no significant effect between employee participation and increase sales was rejected at  $R=0.342$ ,  $R^2=0.117$ ,  $F_{(1, 134)}=17.655$ ;  $p<.05$ . The

second hypothesis is therefore rejected. This implies that there is a significant effect between employee participation in social media activities and increase sales.

**Hypothesis 3:** There is no significant impact between continuous improvement and improve customer service.

**Table 9: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.125(a)	.016	.008	1.25837

a Predictors: (Constant), continuous improvement

The model summary (Table 9) describes the proportion (or percentage) of the (sample) variation in the dependent variable that can be ascribed to the independent variable(s). Further explanation is given under the Table 10 below.

**Table 10: ANOVA (b)**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	3.367	1	3.367	2.126	.147(a)
	Residual	210.603	133	1.583		
	Total	213.970	134			

a Predictors: (Constant), continuous improvement

b Dependent Variable: improve customer service

In this study 1.6% variation in improve customer service. The third hypothesis which stated that” there is no significant impact between continuous improvement and improve customer service was retained at  $R=0.125$ ,  $R^2=0.016$ ,  $F_{(1, 134)}=2.126$ ;  $p<.05$ . The third hypothesis is therefore retained. This implies that there is no significant impact between continuous improvement and improve customer service.

**Hypothesis 4:** Managerial commitment does not have a positive impact on implement social media campaigns.

**Table 11: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.246(a)	.061	.054	1.05751

a Predictors: (Constant), managerialcommitment

The model summary (Table 11) describes the proportion (or percentage) of the (sample) variation in the dependent variable that can be ascribed to the independent variable(s). Further explanation is given under the Table 12 below:

**Table 12: ANOVA (b)**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	9.589	1	9.589	8.574	.004(a)
	Residual	148.737	133	1.118		
	Total	158.326	134			

a Predictors: (Constant), managerialcommitment

b Dependent Variable: social mediacampaigns

In this study 6.1% variation in marketing campaigns. The fourth hypothesis which stated that” there managerial commitment does not have a positive impact on implement marketing campaign was rejected at  $R=0.246$ ,  $R^2=0.061$ ,  $F$



(1, 134) = 8.574;  $p < .05$ . The fourth hypothesis is therefore rejected. This implies that managerial commitment has positive impact on social media campaign.

## Recommendations

Researchers in the future may conduct a similar study with numerous small businesses in order to be able to generalize the findings and compare the techniques used among owner managers. Further study can also be conducted on small business which has viewed its social media effort as not to be effective. Although, a study of the owner manager's strategy and the business's social media posts, will assist to identify the rationale behind the business ineffectiveness in its social media pursuits.

## Conclusions

This study examines how a small business uses social media to build relationship and engage customers. A survey research focused on selected SMEs was proposed. Both descriptive and ANOVA analysis were employed in data collection. Data from the research was presented. The results revealed that the business employs a numerous strategies to build and maintain relationships with others and sustain consumers. It contributed to theory and take advantage of it to the best of their ability. The study ascertains the vantage position a business has in propelling how to engage consumers and emphasize the need why each strategy should be employed.

The literature posited that often SMEs do not have a strategy when they start using social media. This can erode time and effort employed. Nevertheless, it is essential that businesses recognize what goal they want to derive from social media usage. It is not sufficient to create a Facebook or Twitter page and post messages there a week. Businesses must be find active on these social media network and to adhere they should have some fundamental know-how on how to use them, including techniques to maintain and sustain the consumers.

In today's information and communication driven environment, it is apt that small businesses understand Facebook, Twitter, and the techniques employed to use social media. With this well regulated medium, businesses still have the opportunity to inform a wide array of prospects. Consequently, knowing how small business used social media network to engage consumers is very crucial for success. For many new small businesses, social media may be what has come to stay. The small businesses learn through participation which may be a major task for those without a sound foundation and understanding of the benefits that emerged from such offer. Small businesses require knowing how to use social media sites to engage consumers and build relationships that will project the growth of their business.

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