

## Training on Introduction to Platforms and Utilization of Social Media in Online Business for MSME Actors Students of SMK Alwashliyah 2 Simalungun Regency

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### Abstract

*Given the blossoming essence of social media marketing, literature does not delve into the complexities and consequences of small and medium-sized enterprises (SMEs). This paper seeks to advance awareness and provide an extensive analysis of the inspiration and efficiency benefits of social media provided by small and medium-sized businesses through a digital economy analysis. The conceptual analysis shows that interactivity, compatibility, and cost-effectiveness are reasons for social media use, ultimately providing advantages. SMEs of Facebook and Twitter profiles are used to analyze the conceptual paradigm suggested. This research reveals that the interdependencies of social media's motives and the consequences of social media use are optimistic but sporadic across small and medium-sized companies. SMEs selling physical goods prefer to use social media on cost-effective motivations, whereas small and medium-sized businesses tend to see interactivity as the main incentive. Furthermore, the study results indicate that Facebook and Twitter in a two-site story generate success gains for small and medium-sized enterprises' users. The study offers future analysis and management priority problems that strongly affect the academic and practice culture. Obviously, despite any bottlenecks in use, SMEs in developing markets tend to reap expanded social media gains through multi-platform marketing activities.*

### Keywords

social media; interactivity; cost-effectiveness; compatibility; small-medium enterprises



## I. Introduction

Advances in information technology have led to a revolutionary business boom (Ostrom et al., 2015). Evidently, the internet's prevalence also gives consumers a large amount of usage on the web, resulting in significant business behaviour changes by companies. Recently, social media and social networking sites have become leading platforms for building and managing transactional and relational activities within companies and managing and communicating brands (Kaplan and Haenlein, 2010; Kumar et al., 2016; Ashley and Tuten, 2015). Therefore, the nature of evolving phenomena requires more studies at several levels of business, sectors, and contexts in examining the adoption, use, strategies, and social media outcomes aimed at developing concepts (King et al., 2014; Ratchford, 2015). A large number of empirical works on the subject of social media, from a corporate and consumer perspective, have been reported (Ainin et al., 2015; McCann and Barlow, 2015; Whiting and Williams, 2013; Dessart et al., 2015). For example, other studies provide a systematic review of this evolving concept (Zeng and Gerritsen, 2014; Knoll, 2016).

Despite its increasing popularity, the literature reveals there are still major shortcomings. For example, inconclusive findings are generally based on contextual differences (Knoll, 2016). There is little evidence available on the problem of small and medium enterprises (SMEs), especially from emerging markets (Ainin et al., 2015). Therefore, the need to learn more about social media use nuances may not be exhausted, especially with its growing application in the business world.

The marketing literature is also abundant in empirical works that show that companies operating at such a growing economic level tend to avoid these constraints and use contemporary marketing practices to succeed in their markets. Amazingly, academics also reflect on whether current marketing will drive emerging market markets in the future or future marketing practices driven by corporate activity from emerging market markets (Gu et al., 2008; Sheth, 2011).

Abou-Shouk et al. (2013) argue that SMEs, especially from developing countries, are passive technology users, especially those related to e-commerce. Nevertheless, lately, roads like social media can be used by small businesses in developing and advanced countries for various functions, but not limited to marketing and customer relationship management.

## **II. Review of Literatures**

Communication is the process of delivering messages by someone to other people to tell, change attitudes, opinions or behavior either directly orally or indirectly through the media (Hasbullah et al, 2018). Internet-based communication media has supported many organizations to run their businesses from anywhere in the world. For example, social media has become a part of human life, especially among internet users (Knoll, 2016). At the corporate level, the use of social media among multinational corporations continues to surge every year (McCann and Barlow, 2015), which have a beneficial impact on companies and consumers to transact and interact with each other in a conducive way and mutually beneficial (Kumar et al., 2016).

### **2.1 Interactivity**

Interactivity is the extent to which two or more parties communicate can interact with each other on communication and message media and how these influences are synchronized. Interactivity will embrace the ability of users to provide content in response to communication partner resources. Thus, interactivity is characterized by two-way communication between companies or customers (Goldfarb and Tucker, 2011).

The context of social media emphasizes interaction at the individual / interpersonal level or between collective groups that often requires some level of response, especially from the company (Kietzmann et al., 2012). In such cases, virtual presence requires synchronizing and engaging with consumers in real-time and obtaining effective and impactful interactions (Elaluf-Calderwood et al., 2005).

Although characterized as interactive, the differences between social media with the nature of the interactions they support produce a variety of satisfaction in some organizations (Quan-Haase and Young, 2010). Literature shows, there are two main classifications of interactivity: functional interactivity - consisting of features found on social sites that allow users to interact in multiple modes; and contingency interactivity - which occurs when user roles can be exchanged and their interactions respond to each other (Sundar et al., 2003).

The Contingency interactivity among the public by offering communication that builds relationships are often lacking in websites, such as by presenting social media (Saffer et al., 2013). Social media presence alone is not enough for organizations, and this should be complemented by customer interaction. This case shows that contingent interactive features such as replies and mentions allow organizations to communicate with their customers (Lovejoy et al., 2012), which ultimately bridges the gap created by time and geographical location differences (Michaelidou et al., 2011).

## **2.2 Cost-effectiveness**

Marketing spending to deliver a message is often done in cash and is generally viewed as a decadent expense (Weinberg and Pehlivan, 2011). However, there are currently a variety of free or low-cost solutions that can be used effectively. Through social media, strategies may not require large estimates (Hanna et al., 2011).

Academics have recommended social media outlets as a cost-effective and efficient platform available to marketers as these outlets have become relatively free in terms of accessibility for companies and consumers (Ainin et al., 2015; Hanna et al., 2011). Besides, generating target groups and systematically distributing ads and promotions to these groups is possible at a relatively lower cost through social media (Dong-Hun, 2010). Because most social media sites are free to sign up, the cost is often associated with posting/posting blog status messages and responding to customer comments (Zappe, 2010).

In addition to being a relatively inexpensive platform, social media allows for a good expansion in sharing collaborative content with many people across geographical distances (Korda and Itani, 2013). The cost of reaching customers beyond these limits can be higher through traditional media. With over 1 billion users on Facebook and Twitter, consumers are now switching from traditional media to information about products and services. As such, companies now have the advantage of disseminating innovative strategic brand communications that effectively engage and reach their customers in countless ways through platforms that do not require expensive media spending and creativity (Hanna et al., 2011). The adoption of social media may result in significant cost savings (Hoffman and Fodor, 2010).

## **2.3 Compatibility**

Social media platforms offer functions/features that may not have existed before and enhance traditional marketing media in meeting consumer preferences and market needs. By integrating social media activity in business operations in a manner consistent with the organization's values and goals, companies can effectively and efficiently target their target customers by sharing the content of their products/services almost instantly (Derham et al., 2011). Consumers consider new platforms such as the social media landscape, as a reliable source of communication and company information about products and services (Foux, 2006), especially from verified company accounts. In-depth, it seems that companies are more likely to consider the adoption and use of social media based on its compatibility with company values and goals (Ainin et al., 2015).

Social media researchers have mentioned several uses of social media by most companies. Among its uses is searching to attract new customers, build relationships, raise awareness, communicate brands online, and receive feedback from customers and business partners (Michaelidou et al., 2011). The benefits of social media associated with its use are extensive and diverse, such as the use of Facebook such as increasing sales of a restaurant chain (Kwok and Yu 2013) or the benefits of using Twitter have also been provided by other academics (Wamba and Carter, 2014; Aladwani, 2015). However, user behaviour varies across individual social media platforms, possibly resulting in differences across companies (Hughes et al., 2012).

### III. Discussion

This paper demonstrates the motives of SMEs in social media and the outcomes associated with their application. In general, the researchers reported that interactivity, cost-effectiveness, and compatibility are considerations related to social media use, thereby resulting in performance benefits for small and medium-sized businesses. This concept is consistent with previous research done in other contexts in all dimensions. Prior research has shown that social media's interactive aspect is key for businesses who select to execute their marketing activities on those channels.

This study has expanded the argument by supporting similar scientific findings. In line with current studies, social media now seems to give small and medium-sized businesses a better cost alternative than conventional media. Thus, the relatively low cost of using social media offers a benefit for small and medium-sized businesses to conduct marketing practices within the resource-controlled environment.

More fundamentally, the degree of consistency between social media and businesses' desires and the experience becomes an undeniable factor for the use by small and medium-sized companies. Facebook and Twitter are compliant with most businesses' networks with any internet access, even mobile, as they are very simple and easy to adopt by any businesses.

Our results have shown the disparities between small to medium-sized companies selling physical goods and those offering services. In contrast, interactivity motivated small and medium-sized businesses to deliver services, and cost-effectiveness motivated small and medium-sized enterprises. Then the intangible essence of service allows SMEs to do something for their clients and customers.

Social media, therefore, provide good recipes for the dimension of interactivity. Furthermore, the fact that profitable small and medium-sized businesses are burdened by production costs and would likely use cost-cutting means of communication may justify the second example. In comparison, our analysis revealed differences in SMEs' results that only use Facebook, Twitter, and a mixture of the two platforms. Our data suggest using SMEs that both Facebook and Twitter work mutually to have better efficiency than those who independently use each media.

In line with previous research, different findings are therefore available to small and medium-sized businesses as they start marketing through social media. In general, the study results lead us to infer that considering the bottlenecks purchased, social media as a strategic instrument for maximizing corporate success seems to be prevalent among small businesses even in the emerging market climate. In a background in which companies are believed to be late adopters of electronic dealing technologies, the study reports indicate that social media improves SME marketing practices.

When customer-generated experience has greater voices in brand activism, it is reasonable for businesses to include end consumers on multiple levels and use unorthodox methods. Web 3.0 networks' introduction provides new approaches to companies to build partnerships and strengthen interactions with clients and business partners. Companies covering social media across all organizational and economic environments now have many ways to target and promote superior relations and consumer experiences. According to our data's findings, Facebook has shown Twitter's advantage in terms of success among SME users in a two-site account. However, all media have recently become viable pathways to communicate with clients at a more intimate level to deliver direct knowledge and responses in real-time.

## IV. Conclusion

Previous research has shown that social media's interactive nature is a significant consideration for companies that select and distribute their marketing activities on the platform (Michaelidou et al., 2011; Ainin et al., 2015). Interactivity provides richer benefits for companies in obtaining feedback through two-way communication and instilling responsiveness and a better flow of reciprocal information (Sundar et al., 2003; Kietzmann et al., 2012).

Previous research has emphasized the indispensable role of cost-effectiveness and compatibility as other key factors leading to social media use (Hawn, 2009; Hanna et al., 2011; Hsu et al., 2007; Wang et al., 2010; Odoom, Anning-Dorson, & Acheampong, 2017). It seems that social media now offers SMEs a better low-cost option than traditional media and provides a lucrative way for SMEs to conduct their marketing activities within a limited-resource environment (Odoom et al., 2017).

Although there are obstacles in its implementation, social media as a strategic tool in optimizing company performance seems to be common among SMEs in the regulation of emerging markets (Odoom et al., 2017). In the context in which companies are believed to be slow adopters of technology related to electronic commerce (Abou-Shouk et al., 2013).

The existing literature on social media marketing nuances shows fewer studies that integrate the benefits of using social media, especially from SMEs' perspective. Theoretically, the interconnection of social media motivation and the influence of social media on SMEs' uncertain performance.

The benefits that companies get from their social media marketing activities are enhanced through various platforms. However, it is relevant to point out that adopting social media (which gives companies sufficient control and choice of marketing messages) alone may not be enough if companies cannot use the media following their marketing goals would be mistaken to assume that the antecedents and results tested in this study are unchanged for all companies.

Increasing marketing efforts for SME managers/owners through various social media platforms should be used, as each media can offer unique benefits during its use. The real impact of integrating social media provides enhanced performance benefits.

Company owners or managers may not optimally maximize their social media presence if their sole purpose is simply to have an existing account without exploiting it for any marketing activity. Ease of use, speed, interactive nature, and their ability to reach a more extensive customer base regardless of their geographical location make such social media necessary for SMEs to invest time and resources in it regularly. Creating and sharing content, engaging existing customers and potential customers, and monitoring competitor content through such media are some of the possible benefits available to companies embracing social media marketing activities.

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