

The Importance of Social Media Marketing on the Growth and Sustainability of Small Businesses

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ABSTRACT:- Social media has emerged as a critical tool for small businesses, offering unparalleled brand visibility, customer engagement, and business growth opportunities in today's digital landscape. This paper examines the importance of social media to small businesses, highlighting its transformative impact on marketing strategies, customer relationship management, and overall business success. Through a review of literature and case studies, the paper explores how small businesses leverage social media platforms to enhance brand awareness, reach target audiences, and drive sales. The paper uses a real estate sector study to demonstrate social media's importance to independent real estate brokers. This paper demonstrates how social media impacts the growth and sustainability of small real estate brokers who don't possess the resources of larger firms to reach and grow their businesses. Additionally, the paper discusses the opportunities associated with social media marketing for small businesses, including resource freedoms, algorithm changes, and evolving consumer preferences. Overall, the findings underscore the significance of social media as a cost-effective, scalable, and indispensable tool for small businesses seeking to compete and thrive in the modern marketplace.

I. SMALL BUSINESS AND MARKETING

Small businesses can fail for various reasons, often insufficient; it's not due to a single factor but a combination of several. Small businesses fail due to insufficient capital, poor management, or high competitionⁱ. The data also indicated that in many studies, one of the primary reasons many small businesses fail is due to ineffective marketing and sales. The study also noted that Even with a great product or service, businesses can struggle if they fail to market and sell their offerings effectively. Poor marketing strategies or insufficient sales efforts can lead to low customer acquisition and retention rates. Similar to large businesses, marketing is critically important to the success of a small business for several reasons:

- 1. Building brand awareness:** Effective marketing helps small businesses increase their visibility and brand recognition among their target audience, essential for attracting new customers and differentiating the business from competitors.
- 2. Driving customer acquisition:** Marketing activities can help small businesses attract new customers and expand their customer base.
- 3. Fostering customer loyalty:** Marketing is not only about attracting new customers but also about retaining existing ones.
- 4. Generating revenue:** Ultimately, marketing aims to drive sales and generate revenue for the business. Effective marketing strategies can help small businesses increase sales, boost profitability, and achieve financial goals.
- 5. Facilitating business growth:** Marketing plays a crucial role in enabling small businesses to grow and expand over time. By reaching new markets, launching new products or services, and scaling operations, marketing helps small businesses achieve sustainable growth.
- 6. Adapting to market changes:** Marketing involves staying attuned to changes in the market, consumer preferences, and competitive landscape. Small businesses investing in marketing are better positioned to adapt to these changes and capitalize on new opportunities.
- 7. Maximizing resources:** Effective marketing allows small businesses to maximize their resources by targeting the right audience with the right message through the most cost-effective channels, which helps small businesses achieve better results with limited budgets.

While marketing is essential for any business, small businesses lack the capital and resources to compete with the larger organizations in their sectors. According to the digital branding agency Evolv, social media marketing has revolutionized the way small businesses promote themselves, shifting away from traditional reliance on word-of-mouth referrals or costly advertising endeavors to reach their desired target audienceⁱⁱ.

II. SOCIAL MEDIA MARKETING

The development and advancement of the Internet have led to the advent and use of social media websites and applications. Sajid noted that social media was created to fulfill various social, communication, and networking needs. Still, it also revolutionized the way people interact, share information, and engage with

the world around them in the digital ageⁱⁱⁱ. These social media websites and applications have also significantly changed how organizational leaders market to consumers^{iv}.

In recent years, the widespread adoption of social media has transformed the digital media landscape and revolutionized how organizational leaders communicate with the public. Business executives leverage social media platforms to connect with past, present, and prospective customers, establishing meaningful relationships and nurturing a community. This approach facilitates engagement and interaction, potentially driving increased sales and revenue as a result of the cultivated rapport and sense of community^v. Social media has become an integral tool for businesses and marketers to reach and engage with their target audiences. Companies use social media platforms for brand promotion, customer engagement, advertising, and market research, leveraging the vast user base and interactive features to enhance their marketing efforts.

In contemporary business dynamics, substantial financial investments in digital marketing remain accessible primarily to larger corporations. However, the advent of social media platforms has democratized marketing capabilities, allowing small businesses to engage in competitive marketing endeavors. In essence, social media marketing has significantly altered the paradigm of small business marketing, providing a more equitable platform for competition.

III. SOCIAL MEDIA MARKETING FOR BUSINESSES

Recently, the pervasive utilization of social media platforms has wrought profound transformations in the digital media realm, impacting the strategies through which organizational leaders disseminate information to the public. Business executives have leveraged social media as a conduit to actively engage with past, present, and prospective clientele, cultivating enduring relationships and fostering a sense of community. This strategic engagement holds the potential to catalyze heightened sales and revenue streams for enterprises^{vi}. In a survey conducted in 2010 by the Small Business Success Index, findings revealed a significant increase in the adoption of social media among small businesses, doubling since 2008^{vii}. The above research notes that recognizing the substantial user base and traffic volume inherent to social media platforms, business leaders perceived these networks as potent tools for enhancing the visibility and awareness of their offerings while concurrently attracting new clientele. It also adds that despite the widespread utilization of social media among small business leaders during this period, considerable inquiries persisted regarding its efficacy in fostering business growth or augmenting sales revenue, as well as discerning the most efficacious platforms and overarching objectives for its implementation.

This study will examine the importance of social media marketing in the real estate segment, utilizing independent small real estate brokers.

Social Media Marketing and The Real Estate Sector

Maxine notes that large real estate agencies utilize traditional marketing strategies to attract customers and generate leads^{viii}. Some standard methods include print advertising, direct mail, signage, billboards, and outdoor advertising. The study adds that these traditional marketing strategies help large real estate agencies reach a diverse audience, establish their brand presence, and generate leads in competitive markets. Despite lacking the substantial financial resources of larger real estate firms, small independent brokers leverage social media platforms as a means to level the playing field and compete effectively.

The Real Estate Research Study

This research endeavor aimed to investigate the impact of social media utilization on traditional marketing strategies among independent real estate brokers. To fulfill this objective, qualitative open-ended interviews were administered to a sample of 16 licensed independent real estate brokers operating in the regions of Georgia, Maryland, Virginia, and the District of Columbia. This investigation delved into the perspectives and implementation of social media among real estate brokers operating within the metropolitan areas of Washington, DC, and Atlanta, Georgia. The study extends upon prior research conducted by Drake-Woods (2014), who explored real estate professionals' views on social media marketing using a qualitative phenomenological research framework within the Atlanta, Georgia, region. Given that independent real estate brokers function as entrepreneurs managing their own enterprises, time and financial resource constraints often limit their capacity to engage in extensive marketing endeavors. Thus, the aim of this study was to illustrate how social media platforms could serve as viable alternatives for cost-effective or free marketing solutions. In support of this notion, Tse and Webb emphasized that organizational leaders could integrate social media strategies into their existing marketing approaches to enhance return on investment rather than solely relying on it for the acquisition of followers or likes^{ix}.

The comprehensive findings revealed that independent real estate brokers have adopted diverse channels to promote their offerings. Social media was ranked highest among these avenues, succeeded by seminars, open houses, print marketing, referrals, and mailings in descending order. This hierarchy suggests that

independent brokers have recognized the significance of social media platforms and proactively integrated them into their business operations. Conversely, traditional marketing methods such as print marketing and mailings were positioned lower in the hierarchy of responses, indicating a shift towards digital marketing strategies, which are perceived to offer greater potential for higher returns. The present research investigation scrutinized the phenomenon of social media marketing within the domain of independent licensed real estate brokers operating in the metropolitan regions of Washington, DC, and Atlanta. Employing the phenomenological research methodology, this study adhered to established principles of qualitative inquiry. As elucidated, qualitative research employing the phenomenological approach is recognized as a credible and academically rigorous research methodology^x. Data for the study were derived from meticulously recorded interviews with the participants.

The researcher conducted data analysis primarily through descriptive coding, a methodological approach examining the emergent themes derived from the interviews^{xi}. Descriptive coding was employed as the analytical framework, facilitating comprehensive descriptions, interpretations, and presentations of the themes, topics, and issues elucidated during the interviews. This method contributed to the establishment of credibility, dependability, transferability, and conformability in the research process, as Golafshani advocated^{xii}. Moreover, the researcher utilized qualitative data analysis software to ensure systematic, efficient, and unbiased analysis of the data. Utilizing software for qualitative data analysis offered several advantages, including systematic organization, efficient management, and impartial data analysis^{xiii}. Specifically, the researcher employed NVivo, a qualitative software program, to facilitate the capture and coding of qualitative data, specifically the responses obtained from the interview questions^{xiv}. NVivo facilitated the organization and analysis of the qualitative data, enhancing the rigor and effectiveness of the research process.

Result of Real Estate Study

Participants reported they used social media to market their business services. Results related to participants' use of social media are presented in the discussion of findings related to research. Three prominent themes surfaced during the data analysis process, shedding light on participants' utilization of Internet-based social media tools to market their services. These themes encompassed:

- (a) There is a prevalent usage of Internet-based social tools among real estate brokers, with Facebook, Instagram, and Twitter emerging as the most extensively utilized platforms for marketing their services.
- (b) The perceived benefits associated with enhancing the extent of social media usage, which encompassed the acquisition of additional leads, augmentation of revenue streams, and amplification of exposure for their services.
- (c) The potential limitations on the extent of social media utilization for marketing real estate services, as evidenced by perceived disadvantages such as the generation of leads lacking genuine interest in real estate transactions, negative commentary, and the perceived complexity of navigating the learning curve associated with social media marketing strategies.

Within the cohort of participants, a discernible subgroup highlighted heightened visibility for their firms attributable to leveraging social media platforms for marketing purposes. Additionally, a subset within the cohort expressed recognition of the advantageous attributes of social media, notably emphasizing its cost-effectiveness as a pivotal factor shaping their favorable perception of the platform. Furthermore, participants within the cohort underscored their observation that social media marketing facilitated more efficient and meaningful engagements with potential clients for their respective firms. Moreover, participants noted that social media had revolutionized traditional marketing practices for independent real estate brokers, notably contributing to the gradual obsolescence of print marketing methods. Noteworthy statements from participants included their firms' increased lead generation through robust social media presence, attaining success by actively engaging with customers on social media platforms, and heightened exposure achieved through strategic social media campaigns.

Furthermore, participants articulated the significant impact of collaborating with other firm agents in augmenting exposure and enhancing the company's brand. They also expressed appreciation for the ability to directly link to websites, establish brand identity, and foster customer interaction. Lastly, participants highlighted the indispensable role of social media, emphasizing that without it, their firms would have limited avenues for business promotion beyond a website and traditional business cards. Finally, participants appreciated social media because of its low cost. Participants stated because social media was complimentary, all it cost was the time to develop it properly. Turner and Leavins indicated brokers who were not national or global franchises were limited by their budget, as they could not compete with the advertising capabilities of major firms^{xv}. Participants noted that this aspect made social media vital.

IV. CONCLUSION

In conclusion, social media has emerged as a cornerstone of success for small businesses, offering unparalleled opportunities for brand building, customer engagement, and market expansion. Through the strategic use of social media platforms, small enterprises can amplify their visibility, connect with target audiences, and drive sales growth in an increasingly competitive digital landscape. This element was demonstrated through the real estate study exhibited in this paper. Despite challenges such as resource constraints and algorithmic changes, the benefits of social media marketing, including cost-effectiveness, scalability, and real-time interaction, far outweigh the drawbacks. As small businesses continue to navigate the evolving digital landscape, integrating social media into their marketing strategies will remain essential for achieving sustained growth and competitiveness in the modern marketplace.

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