

The Potential of Social Media as a Means of Online Business Promotion

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ABSTRACT

Business activities using internet technology are an innovative way of conducting company activities. By utilizing internet technology, companies can conduct various business activities electronically such as business transactions, operational company functions, share information with consumers and suppliers to maintain relationships before, during and after the purchase process. Business people need effective marketing media with the aim of expanding their market share. Social media as a marketing tool is certainly related to marketing communications. This research was conducted to determine the effectiveness of social media as an online business marketing medium. This research is a qualitative research by conducting a literature study related to social media and online business promotion. The results of the study show that the use of social media makes it easier for business people with reduced costs, but with all the advantages, business people still have to have a preventive attitude when conducting business transactions.

INTRODUCTION

Internet technology has been increasingly used by various organizations. The internet in the last few years has experienced rapid development. The Internet has also changed the shape of the world community, from a local world community to a global world community. A world that is very transparent to the development of technology and information that is so fast and large in influencing human civilization. It can be analogized like there is a big village where the people know each other and greet each other so that the world is called the big village. During that time, a platform was found that allowed people all over the world to connect with each other called social media.

The types of social media that are known by the public are very diverse. According to research results, among the many types of social media, the social media that people are interested in today include YouTube, Facebook, Instagram, and Twitter. Currently, social media is not only used as a means of satisfying entertainment needs, social media is also a platform that has great opportunities in business activities.

Business activities using internet technology are an innovative way of carrying out company activities to enter markets in cyberspace which are referred to as electronic business (e-business) and electronic commerce (e-commerce). By utilizing internet technology, companies can conduct various business activities electronically such as business transactions, operational company functions, share information with consumers and suppliers to maintain relationships before, during and after the purchase process.

Business people need effective marketing media with the aim of expanding their market share. Social media as a marketing tool is certainly related to marketing communication. This research was conducted to determine the effectiveness of social media as an online business marketing medium.

A free world without restrictions containing people from the real world. Everyone can be anything and anyone in cyberspace. A person can have a very different life between the real world and the virtual world, this can be seen especially in social networks. Social media is a medium to

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socialize with each other and is done online which allows humans to interact with each other without being limited by space and time. Kaplan and Haenlin (2010) define social media as a group of internet-based applications that use ideology and technology where users can create or exchange information on these applications. With social media service users can share opinions, thoughts, perspectives and experiences so that social media allows sharing information between users to be easier (Akrimi & Khemakem, 2012). Meanwhile, Yoo and Gretzel (2011) say that social media is able to meet consumer needs for information by offering factual, specific, experience-based and non-commercial information, which can be obtained and accessed through information sources outside the circle of life. the consumer's social life. Social media is one of the media that facilitates interactive communication between entrepreneurs and anyone, including consumers, and various interested parties, anytime and anywhere. Social media is very helpful as a liaison of information and communication from producers to consumers wherever they are and whatever the distance. Social media is a media that has the potential to find consumers and build an image about the brand of a product.

Social media removes human limitations for socializing, the limitations of space and time. With this social media, it is possible for humans to communicate with each other wherever they are and at any time, no matter how far apart they are, and no matter day or night.

Social media has a huge impact on life today. If this is used properly, it will make meaningful contributions such as media marketing, trading, finding connections, expanding friendships, and so on. Smart people can use social media to make their lives easier, make it easier for them to study, find work, send assignments, find information, shop, and so on.

Marketing is an individual and organizational activity that facilitates and accelerates satisfying exchange relationships in a dynamic environment through the creation, distribution, promotion and pricing of goods, services and ideas (McLeod Jr & Schell, 2004). According to Zimmerer *et al.* (2008), promotion is all forms of persuasive communication designed to inform customers about the product and to influence them to buy the product in the form of publicity activities, personal selling, advertising to public relations. Meanwhile, according to Ferrinadewi (2004), promotion is a kind of communication that provides explanations

and convinces potential consumers about the product with the aim of getting attention, educating, reminding and convincing potential consumers.

Marketing, like science, is dynamic and constantly changing. Changes in the world of marketing are a must. The business world as the parent of marketing is constantly changing to adapt to the times. Despite the changes, marketing cannot escape from the three components that always accompany it, namely consumers, competitors and companies. These three components are always present in every discussion about marketing.

The initial step of a marketing process, one of which is by identifying market conditions by considering market conditions. This condition affects the potential business performance, as well as demand and competition, affects the demand for products created or sold by the company, operational costs or expenses and the income generated by the company.

Online marketing is a business activity carried out to market a product through or using the internet. The internet, which is one of the latest inventions in the era of globalization in the field of information technology, is very beneficial for all humans around the world to share information and communicate, including sharing information on products, goods and services being sold. Online marketing is an alternative to the efforts made to market a product in this global era, of course through or using the internet.

The development of the internet has also influenced economic development. Various buying and selling transactions that previously could only be done face-to-face or by telephone and post, are now much easier because they are done via the internet. Technological developments are increasingly expanding free trade as if trade were without boundaries of space and time. This causes even higher competition that must be faced by all parties, especially the company as a producer.

An online business is a business that is run online using the internet network, while the information that will be conveyed or sold usually uses a website or application media. One type of technology implementation in terms of increasing business competition and selling goods and services is to use electronic commerce or electronic commerce (e-commerce). This is the emergence of a new paradigm of marketing in the form of a modern market or consumer-oriented marketing concept or a marketing revolution in the form of an electronic marketplace (Arnott & Bridgewater,

2002; Bakos, 1999). In this context, marketing in the internet method has an optimal efficiency in marketing and can create the right and optimal offer in internet social media. These developments are very relevant in the advancement of technology as the basis of social relations that can be connected through electronic media widely and universally, in this case the company is able to create an optimal market and greater opportunities in advertising through social websites and internet media.

Online business is a business that has great opportunities because there is no market limit. Everyone in all corners of the world can access our business website. The market is getting very big. This business is open 24 hours, and there is no time limit.

RESEARCH METHOD

This study is an observational descriptive study on MSMEs in the Surabaya City area. This study uses structured interviews, in-depth interviews and observations of MSMEs and the use of social media. The objects in this study are the owners, managers and employees of SMEs selected by purpose sampling. This research data collection method uses primary data obtained based on structured interviews and in-depth interviews with MSME owners and managers. The data analysis technique used in this study is descriptive statistics and correlation.

RESULT AND DISCUSSION

The subjects in this study were owners, managers and employees of SMEs with the type of service and trade business. The business fields in this research include food trading, printing services, motorcycle washing services, tailors, convection, crafts, event organizers, photography, salons and transportation. A total of 48 MSMEs have been collected.

All MSMEs used as objects in this study have implemented social media as a medium of marketing information and communication. Most MSMEs use various types of social media to market and advertise the company's merchandise and services. Almost all MSMEs use social media Facebook, Twitter and Instagram to display company profiles and company product galleries. Most companies use WhatsApp, and e-mail for company information/communication media and product marketing from the company. Some SMEs also use Youtube and TikTok media to display company profiles and as a medium for company information. Almost half of the observed MSMEs

have an operational cost budget for this and most SMEs update information on social media every day.

From the results of research conducted by researchers, it shows that social media Facebook, Twitter, and Instagram tend to be preferred because of their ease in sharing information and attracting attention from the target market. Facebook with the like function and the ease of sharing features to share information among Facebook users has a viral effect that can improve product marketing performance, coupled with the ease of interacting with previous comments, giving a domino effect to strengthen the product image. Twitter with retweet, follower, and subscriber features can make it easier to share product information and provide tremendous benefits in marketing products. Instagram, with the ease of posting visual displays in the form of still images and short videos, will make the products that are uploaded most often have a higher tendency to attract attention from consumers.

The implementation of social media in SMEs provides benefits such as product galleries, data collection on supplier needs, data on distributor needs, survey of target consumers, and monitoring of consumers. Social media is also useful as a discussion forum, assisting decision making, responding to consumers, recording consumer needs, as a marketing and advertising medium, and as a personal contact advice with consumers.

The many benefits of using social media in developing SMEs are one of the strong driving factors for SMEs to continue to use social media in order to develop their business, increase product sales, communicate with consumers, and develop a wider market network.

If the data from respondents in filling out the questionnaire, the results obtained an R value of 0.803 and a significant value of 0.000. This means that there is a real relationship between social media use and the owner's perception of business development. The strength of the relationship between these two things is 80.3% in the category of very strong relationship. The higher the intensity of the use of social media from the business owner, the greater the perception of business development.

Every entrepreneur has their own perspective and pattern to achieve their goals. An entrepreneur must also be able to see what is trending in the market. With today's technological

advances, the existence and diversity of social media is utilized for business development purposes. One type of new media whose presence has become very phenomenal is social media, as a medium for communication, promotion, and marketing. Social media allows users to interact without the limitations of distance, place and time.

The development of social media has a considerable influence on marketing. The emergence of social media provides fresh air for entrepreneurs in promoting their products because it is easily accessible. Social media provides tools that make it easier for entrepreneurs to promote their products, namely by simply uploading photos and then making descriptions of their products. In this case, it indirectly forms a series of marketing communications.

Modern marketing requires more than just developing a good product, valuing it attractively and making it accessible to target customers. Companies must also communicate with customers who have purchased their products as well as with potential customers. Inevitably, every company must take on the role of communicator and promoter. The company maintains a complex marketing communications system. Companies communicate with intermediaries, consumers and their various publics. Consumers engage in word-of-mouth communication with other consumers and the public. Meanwhile, each group provides communication feedback to each other group.

Social media marketing is a form of direct or indirect marketing to build awareness, and action for a brand, business, person, or other entity and is carried out using tools from the social web, such as blogging, microblogging, social networking, social bookmarking, and social media. content (Gunelius, 2011). Marketing communication is carried out with various promotional activities. The widespread use of social media is used by business people to carry out promotions. Promotion with social media is considered more effective than conventional promotion. With social media, the reach of promotion is wider. Promotion on social media indirectly gives free promotional agents. The features provided by social media make it possible for users to promote to other friends so that other people who have not previously seen the seller's social media account can find out from friends' promotions.

Currently social media applications use algorithms to provide suggestions to online users to follow accounts that are online businesses. The

promotion can continue without having to incur additional promotional costs to extend the same promotion.

The role of social media for online business promotion, namely the benefits of building brand awareness through social media can make people more aware or familiar with the product. Brand awareness of the product from the number of fans or followers and the number of times the brand is mentioned in a period on social media. One way to build brand awareness is by using search engine optimization.

Social media is also used as a means to find potential buyers, starting from using social networks as a means of making friends as well as doing business. Setting targets based on area, age, gender, occupation and more helps to target the right market. Social media has opened the door for online businesses to find the right market as a target for selling their products. Social media is considered closer to consumers. This means that social media changes the way companies communicate from one-way and two-way to all-way. In addition, social media has become an important mix for retailers to connect with consumer opinions and crowdsource (a way to get the general public to participate in solving problems) about new products and services. Coupled with providing a fast response to potential buyers, of course, making potential buyers more interested in the products offered. Social media is one of the effective and direct promotional media to the target, so that consumers will get the widest possible information. Thanks to social media, consumers also get information not only from within the country but also from abroad. By providing extensive information, consumers will feel helped by new knowledge of a product or service, and become more value from the online business being run. With social media, you can dig up information from consumers and potential customers, by conducting polls or surveys about how aware consumers are of the products they have, how much market interest is, and seeking information about the main competitors for the business.

In addition to providing lots of opportunities and benefits, social media as an effort to market goods and services with this online business model also has several risks that will be faced by online business owners. The wider the opportunity, the busier the competitors, if the business actor is less innovative in his products,

his products will certainly be left behind or even the product will not be looked at by potential buyers. Receiving complaints from consumers is something that needs to be considered. The characteristics and characteristics of the goods, their advantages, sizes, and available colors must also be included, so that consumers really know the goods to be purchased. Therefore, building trust through detailed product introductions is very important, business people not only include the characteristics of the goods, but also suggestions for use, or even side effects if any. In addition, contact person or hotline service, so that consumers are more confident and can communicate directly to get more complete information and negotiations. Online business is indeed much easier and cheaper than opening a regular shop, in terms of business capital it can save some funds on land rent or shop rental, but the risks are also more severe, damage to computer systems due to viruses, code theft password, of course it will cause a much greater loss. The development of technology in accessing payments is also very helpful, but in this online business there is also a risk of being cheated or even not being paid.

CONCLUSION

This study found that the higher the intensity of the use of social media from business owners, the greater the perception of business development. Based on the literacy study conducted, it can be seen that social media is a platform that benefits business people, especially businesses that are done online. Promotions carried out by social media are considered more effective because they can be done anywhere and anytime. Being active on social media is one way to build good relationships with consumers in order to maintain a bigger business. In addition, through social media, it is easy and fast to get feedback and communication from customers and business partners.

For that we need a way to optimize social media in business development, namely in the following way. 1). Consistency. Use time each day to consistently do business on social media. Make social media appear attractive and useful so that consumers become interested in finding out more

about the business they are running. 2). Focus on one medium. There are many social media that can be used to start a business. However, it would be better to use only one social media. Choose social media that is considered suitable and can be used and accessed by consumers. 3). Give a personal touch to every social media content. Everyone has a unique character, as well as housewives who have their own characteristics. This is very necessary in building business branding. The characteristics given to each existing content make social media users recognize the business owner so that consumers feel close and trust the business owner.

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