



IS SOCIAL MEDIA A BOON FOR SMALL BUSINESS AND WOMEN ENTREPRENEURS? AN EMPIRICAL STUDY

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Article DOI: <https://doi.org/10.36713/epra9817>

DOI No: 10.36713/epra9817

ABSTRACT

Is social media beneficial for small business owners? Is there any difference in such benefits enjoyed by male and female small business owners? Since small business is an important livelihood option for individuals having limited access to capital and social media is an important platform to showcase their products, it is important to find answers to these queries. To this end, the authors conducted surveys on 110 small business owners who operate through different social media platforms. The findings suggest that women are relatively more successful in sales through social media while perception towards social media, trust towards the customers play important roles to improve volume of sales.

KEYWORDS: Social media, small business, trust, perception.

1. INTRODUCTION

This period is data age-the time of innovation and web-based entertainment are normally a fundamental piece of that. Right now, great leaders including business pioneers, involving Social Media which gives an open door to associations to draw in, to foster a compatibility with their clients, and to encourage a local area to speed up deals and mindfulness. According to the authoritative point of view, social media gives a medium by which associations can straightforwardly speak with their clients.

Over a while, social media have re-imagined the computerized media scene, and simultaneously, have impacted the manner in which associations scatter promoting messages. Subsequently, online entertainment has affected the impression of clients about the associations. The utilization of online media as a showcasing device is definitely not another peculiarity. Most enormous business associations have been involving in social media as a showcasing device. There are many difficulties looked by the small ventures to advance their organizations. Among others are restricted financial resources, which cofinally endeavours by little dares to keep on developing effectively. Additionally, these endeavours likewise need to compete with huge business associations.

One of the expected answers for the difficulties of promoting for small enterprises is the utilization of virtual media. Web-based media permits small and independent ventures to lead advertising exercises successfully notwithstanding restricted monetary resources, absence of mastery, and contest with enormous business associations. Studies directed by SMB Group observed that one out of five independent ventures don't have a technique in the utilization of online media (SMB Group, 2012). Without an appropriate methodology or objective, showcasing endeavours probably won't be advantageous. Henceforth, these small enterprises need to utilize the right procedure while utilizing social media. In the advanced world, advertising interchanges pressure in three significant advances which are making the presence of an item or service, building connections, and making common worth with clients. Virtual entertainment or Social Media has changed the conveyance, construction, and accessibility of data to reach current and future clients and others. Private company pioneers are utilizing virtual media showcasing to elevate their business to acquire perceivability, feasibility, and



maintainability to live in the current cutthroat period. This paper centres around the job, significance and impact of social media in independent ventures specifically small business industry.

Today in the quickly moving world situation, we can see 'Change' in each and every second. With the upgradations of new advances, utilization of Android telephone, I-Phone, I-Pad, and so forth, individuals' ways of life have been changed. Advanced showcasing is perhaps the most ideal way where advertisers can work on their organizations through Social Media. This paper is an endeavour to concentrate on the effect of Social media in the Small-scale industry. This concentrate on additionally analysed how Small Business proprietors are spurred to utilize web-based entertainment applications. In the current review, the specialists have done the examination in a solitary region in the field of virtual entertainment. An endeavour has been made to break down client discernments, changing their purchasing behaviour from customary to online through social media, and in conclusion observing the main variables which impacts more, that assists the business person with setting their Decision Support System as well as to work on the possible Business.

The principle point of this paper is to decide the effect of social media on the development of small independent ventures and how these can work with private companies to fan out their organizations by utilizing these applications or business pages. Then again, with developing utilization of web as well as portable applications, online entertainment entrance has turned into an authority part of our expert and individual life.

Like Facebook, Instagram, Meesho (and these days WhatsApp too) and numerous other such applications with business pages are more prepared to give advantage to small businesses. It helps in sharing as well as focusing on our small venture to billions of clients in a more affordable manner than other commercial in web-based media. Evidently, the expanded openness is a lot of important for the expanded development of business. Other than these, such virtual entertainment locales give the stage to social event business leads with the goal that they can be conveyed externally to these applications as well. As opposed to these, it additionally helps in explicit focusing on and gives insights of business through experiences and increments web traffic.

In this study, the authors have to address the following research question: Is social media beneficial for small business owner? If yes, is there any difference between benefits enjoyed by men and women? The paper is further divided into the 3 sections. Next section (section 2) explores the existing literature on impact of social media on small business. Most of the literatures available in this topic focus on descriptive data analysis techniques. In this study, the authors have focused on empirical data analysis. Section 3 explains research methodology, followed by results and discussion in section 4. Finally, section 5 contains the conclusion.

2. LITERATURE REVIEW

In a study based on surveys with the owners and manufacturers of 5 small companies Jones et al (2015) explored the importance and impact of different websites and social media on small business. Greater awareness and inquiries, enhanced relationships with customers, an increase in the number of new customers, better ability to reach customers on a global scale, and co-promotion of local businesses that improve the image of small businesses are all potential benefits of using websites and social media sites. So, we hypothesize that social media helps to promote small business.

In another study based on data collected from with 30 Egyptian women entrepreneurs who actively used social media for their business, S. Beninger et al(2016) observed that the respondents were able to achieve access to a bigger customer base, gain better reputation and effectively built better social network in their personal and professional sphere through social media. This in turn helped them to market and sell their products to customers all around Egypt and beyond. The entrepreneurs were able to better control of their life as their self-confidence improved and helped them to grow independently. Futhermore, Ratnayaka and Weerakon Bandara(2015),in their study based on 150 respondents from Srilanka, observed that since women have limited availability of financial capital, there is high degree of women participation in small business and women participation have positive but insignificant relation with business performance of small organization.

In a study based on women entrepreneurs in Dhaka who are involved in online clothing business, Amin (2018), suggested that women's own fashion sense and their knowledge about clothes and jewelries helps them to be successful in fashion industry. Moreover, since fashion industry is very much dependent on women's network, we hypothesize that women entrepreneurs relatively more involved in fashion (clothes, jewelry etc) than other industries.

3. METHODOLOGY

3.1 Method of Data collection: Questionnaires were sent to different sellers who sells their products through Facebook, Instagram and Whatsapp through Google forms. Initially, 183 responses were collected. Since the study centres around small business, only the small business owners who manage to make 2-15 units of average sales per week were considered. There were 110 small business owners in our sample.



3.2. Sample: Data was collected from 110 small business owners during February-March 2022 who operate through social media platforms. Questionnaire was sold to the sellers through different social media platform like Facebook, Instagram, Whatsapp etc. Since we are mainly focusing on small business owners, we only considered the individuals who manage to sell 2-15 units of their products per week. The research was conducted in the period between mid-December 2021 to mid-January 2022.

3.3 Structure of the questionnaire: The questionnaire was designed to collect demographic information like age, sex, location of the seller, some business related information and the sellers perception related to business through social media. The variables are described in table 1.

Table1: Description of the variables

Business type	The business type was divided into 5 broad categories depending on the type of products, namely Garments, Jewelry and accessories, Home decors and gift items, Utensils and kitchenware, Food and confectioneries and other services like tuition, beauty and grooming, etc				
Gender	1 if female, 0 otherwise				
Age	in years				
Average sales per week	Since we are mainly focusing on small business, we only considered the businessmen whose average weekly sales are within the range 2-15				
Location	1 if urban, 0 otherwise				
Cash on delivery felicity provided	1 if yes, 0 otherwise				
Minimum order value	1 if yes, 0 otherwise				
Return/refund policy available	1 if yes, 0 otherwise				
Perception towards social media was measured using the following questions					
Questions	Response				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Selling through social media is convenient	1	2	3	4	5
Social media has bigger customer reach	1	2	3	4	5
Customers are trustworthy	1	2	3	4	5
Satisfied customers purchase repeatedly	1	2	3	4	5
Selling through social media generates satisfactory level of profit	1	2	3	4	5

3.4 Statistical package: MS Excel and SPSS 25 has been used to perform various analytical tests.

3.5 Research hypothesis:

Hypothesis 1: the sector-wise the participations in small business varies across different gender, so as the volume of sales.

Hypothesis 2: Women entrepreneurs have better perception towards sales through social media.

Hypothesis 3: the volume of sales through social media is significantly affected by trust and perception towards social media.

4. RESULTS AND DISCUSSION

We collected data from 111 small business owners who sell their products through social media. We considered 3 popular social media platforms, namely Instagram, Facebook and Whatsapp. 71 female and 39 male participants took part in our survey.

From figure 1, it is evident that jewellery and accessories have biggest relative share in the entire sample while garments have second largest share.

Figure 1: Pie Chart Showing Relative Share of Business

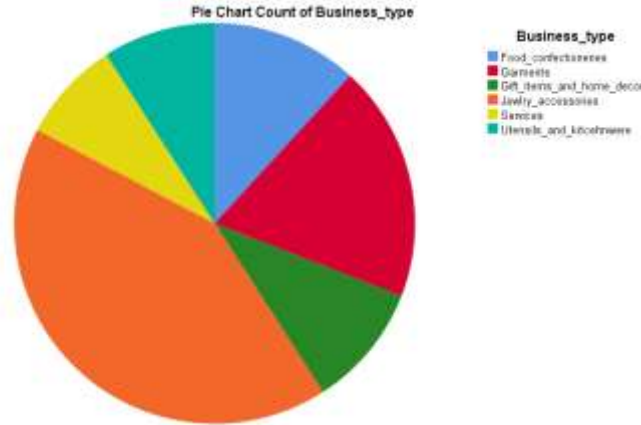


Table 2: Gender Composition of the Participants Involved In Different Business

		Male	Female	Total
Business type	Food confectioneries	5	8	13
	Garments	6	15	21
	Gift items and home decor	7	4	11
	Jewellery and accessories	10	36	46
	Services	6	3	9
	Utensils and kitchenware	5	5	10
Total		39	71	110

From table 2, it appears that market for garments, jewelry, food and confectioneries are dominated by women, whereas in other markets, market share is almost same across the gender. In order to establish whether there is significant difference in participation in different types of business across gender, we perform a chi square test.

Table 3: Chi Square Test Results Analyzing Difference in Participation In Different Sectors Across Gender

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	123.958 ^a	12	.000
Likelihood Ratio	24.096	12	.020
N of Valid Cases	111		

a. 13 cells (61.9%) have expected count less than 5. The minimum expected count is .01.

Dependent variable: number of participants in each business
 Grouped by: Gender

From Table 3, it is evident that there is significant difference in participation in different types of business across gender at 1% level of significance.

Since Garments, Jewellery and Food items have higher relative share in the data and these 3 segments of business are dominated by women in our sample, women are expected to be more successful in this business.

As no one is likely to reveal actual profit to a stranger, we used average weekly sales as a proxy variable in this case. Independent sample t test have been performed to explore if the volume of sales made by the female respondents significantly differs from their male colleagues . In Table 4, p value is highly significant (<.01).



Following this result, average volume of sale for a female respondent is significantly higher than a male respondent.

Table 4: Independent Sample T Test On Average Weekly Sales Made By Female And Male Respondents

t-Test: Two-Sample Assuming Unequal Variances		
	<i>Male</i>	<i>Female</i>
Mean	6.025641	7.4285714
Variance	8.183536	3.0310559
Observations	39	71
Hypothesized Mean Difference	0	
df	54	
t Stat	-2.78843	
P(T<=t) one-tail	0.003649	
t Critical one-tail	1.673565	
P(T<=t) two-tail	0.007299	
t Critical two-tail	2.004879	
Dependent variable: Average weekly sales Grouped by: Gender		

We tried to capture the sellers' perception for social media using a set of questions as explained in Table 1. The reliability of the sellers' responses was checked through Cronbach Alpha. The value of Cronbach Alpha in this case is .802, which is large enough to ensure reliability of our data.

Next we try to identify the major determinants of average weekly sales through social media with help of regression. The biggest disadvantage of sales through social media is lack of trust. Both buyers and sellers don't know each other personally, so both may feel unsecured at some point. In this case sellers prefer pre paid orders, or they ask for some minimum level of order value. On the other hand, buyers prefer sellers who provide cash on delivery facility and return or refund policy in case of any dissatisfactory purchase. Buyer and seller's trust towards each other seems to be beneficial for any business. On the other hand, better perception towards social media is expected to positively affect the sales volume.

Table 5: Regression Result

Model Summary						
Model	R	R Square	Adjusted R Square			
1	0.819756	0.672	0.618			0.819756
a. Predictors: (Constant), total_perception_score, Min_order_required, COD_provided, Age, Sex, Location, Return_refund_provided						
b. Dependent Variable: Average_sales_per_week						
Coefficients ^a						
Model		Unstandardized Coefficients		t	Sig.	
		B	Std. Error			
1	(Constant)	4.488	1.994	2.251	0.027	
	Sex	0.817	0.342	2.38888889	0.01873769	
	Age	1.35	2.19	0.61643836	0.53897862	
	Return and refund provided	0.763	0.214	3.56542056	0.00055467	



Minimum order required	-0.531	0.051	-10.4117647	1.0079E-17	
COD provided	0.606	0.216	2.80555556	0.00601645	
Location	0.345	0.54	0.63888889	0.52432729	
Total perception score	3	1.112	2.72482014	0.00757194	
Dependent Variable: Average sales per week					

From table 5, the regression result, we can observe that though our adjusted r squared is not too high, most of the independent variables are significant. As expected, women appears to be more successful in selling their products than men (p value <0.05). On the contrary, like any type of business, mutual trust between buyers and sellers in the biggest capital in small business too. Provision of return/refund, cash on delivery facility, absence of any minimum order value positively and significantly affect the average weekly sales volume. Finally, total perception score measuring respondents perception towards social media has significantly high impact on total perception score.

CONCLUSION

Social media is significant in light of the fact that it lines up with the manner in which buyers settle on buying choices. Social media empowers to assemble relations with clients and possibilities through standard, minimal expense customized correspondence, mirroring the get away from mass showcasing. Selling items through virtual media costs not as much as selling them through an actual retail outlet. Online entertainment empowers to customize offers to clients by building a profile of their buying history and inclinations. Most independent company business visionaries utilize online entertainment to assemble networks around their organizations. These community groups are then utilized as claimed media to ignite discussions, spread mindfulness, increment following, reward fans and overall have a superior relationship with their internet based crowd. These dynamic and faithful networks fit directly into companies on the web purchasing and correspondence crusades. Facebook is as yet the most involved informal organization in India and such entrepreneurs love it. It allows them to fragment, reach and publicize to more than 96,000,000 dynamic Facebook clients. Pinterest, Twitter, LinkedIn, WhatsApp, Instagram and Google Plus are a couple of quickly developing social stages brands have an eye on. As these organizations develop brands are bound to utilize these arising stages to associate, publicize and support social connections. Convincing conventional substance which individuals like to consume and impart to their companions is what organizations want and love to post on various occasions a day to keep their networks dynamic, fascinating and amusing to hang out at. Organizations measure results from informal community explicit measurements like supporters, re-tweets, likes, shares, remarks, and so forth. The greater part of the organizations reviewed find it challenging to gauge results from their web-based entertainment endeavours.

The study shows that women are more active in sales through social media than men, and they are expected to have better customer base. The research depicts that there is a difference in participation in different spheres of business across gender and further we can explore whether this difference persists among buyers as well and since women are more successful in this business, women have better perception about sales through social media, this can be linked with women empowerment and business through social media can be very helpful for small business owners, who don't have much financial resources or rather cannot afford to invest huge amount of capital in their business.

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