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THE ROLE OF SOCIAL MEDIA BRANDING IN ENHANCING SMALL BUSINESS PERFORMANCE: A STUDY OF SMALL-SCALE BUSINESSES IN GUJARAT

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ABSTRACT
In the digital era, social media has emerged as a powerful branding tool, offering small businesses cost-effective ways to engage with customers, build brand identity, and enhance performance. This study explores the impact of social media branding on the visibility, engagement, and growth of small businesses in Gujarat, India. Drawing from both primary and secondary data, the research focuses on identifying the strategies, challenges, and perceived benefits of using platforms such as Instagram, Facebook, WhatsApp, and YouTube. Using a structured questionnaire, data was collected from 100 small-scale business owners across various sectors. Quantitative analysis techniques, including descriptive statistics and Chi-square tests, were employed to examine associations between business demographics and their social media branding perceptions. The findings reveal that while a majority of businesses recognize the effectiveness of social media in enhancing brand awareness and customer engagement, challenges like limited budgets, lack of expertise, and managing negative feedback hinder optimal usage. This paper concludes with actionable recommendations for small businesses aiming to strengthen their online presence. The study contributes to the growing body of knowledge on digital branding strategies for small enterprises and offers insights for marketers, consultants, and policymakers interested in supporting SME growth through digital means.
KEYWORDS: *Social Media Branding, Small Businesses, Digital Marketing, Customer Engagement, Brand Awareness, Social Media Strategy.*

INTRODUCTION

The rapid digital transformation in recent years has revolutionized how businesses communicate, promote, and engage with customers. Social media, once limited to personal interaction, has now become a strategic marketing tool across industries. Small and medium enterprises (SMEs), in particular, are increasingly turning to platforms like Instagram, Facebook, WhatsApp, LinkedIn, and YouTube to build brand awareness, cultivate customer relationships, and drive growth. Unlike traditional advertising, social media branding provides SMEs with cost-effective and interactive means to establish a unique brand identity. Through consistent messaging, visual content, influencer collaborations, and customer engagement tactics, businesses can reach and retain a wider audience. However, despite the potential, many small businesses struggle to fully harness these platforms due to resource constraints, lack of expertise, or limited understanding of digital marketing strategies. This study explores how small businesses in Gujarat utilize social media branding, examining the impact on brand visibility, customer engagement, and overall business performance.

OBJECTIVES OF THE STUDY

1. To analyse the role and impact of social media branding on business performance and customer engagement.
2. To identify the strategies, tools, and platforms used by businesses for social media branding.
3. To examine the challenges faced by small businesses in building and maintaining a strong social media brand identity.

SIGNIFICANCE OF THE STUDY

This research contributes valuable insights for small business owners, marketers, and consultants by offering a comprehensive understanding of how social media branding can enhance business performance. The findings can help SMEs formulate more effective branding strategies, improve their online presence, and better engage with customers. Additionally, the study offers a foundation for future academic research in the areas of digital marketing and small business development.

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REVIEW OF LITERATURE

Paquette, H. (2013) Conducted a literature review on social media as a marketing tool, identifying key themes such as user-generated content, virtual brand communities, and consumer attitudes.
Tsimonis & Dimitriadis (2014) Explored branding strategies used on social media pages by small firms.
Carter (2014) Analysed SME strategies using mixed methods, combining literature review with interviews.
Alalwan (2017) Found that interactive and personalized content improves customer engagement and influences purchasing decisions.
Ramanathan (2017) Investigated how social media reviews influence customer satisfaction in retail.
Arsath (2018) Discussed the advantages of social media marketing, highlighting cost-effectiveness and wide audience reach, especially for budget-constrained small businesses.
Arsath (2018) In a separate study, also examined the disadvantages, including the burden of constant monitoring, lack of expertise, and exposure to negative feedback.
Ziyadin (2019) Studied the influence of social media on consumer behavior in SMEs.
Guerrero & Ahmad (2020) Used qualitative interviews with SME owners to find that personalized customer engagement and influencer marketing significantly enhance brand visibility.
Bhosale & Phadtare (2020) Combined qualitative and quantitative methods to explore consumer behavior on social media.
Amoah, J. (2020) Reviewed 41 studies to assess the role of social media in SME performance. Identified positive impacts on profitability, communication, and market expansion.
Sarker (2021) Found that despite infrastructural limitations, social media provides highly effective and economical branding solutions.
Gulavani & Kulkarni (2022) Highlighted ethical challenges in social media marketing and emphasized the role of engagement metrics and brand loyalty in building trust online.
Soelaiman & Ekawati (2022) Surveyed 609 small business owners in Jakarta and found that Instagram and WhatsApp were the most effective platforms for customer engagement.
Padhi & Sharma (2023) Conducted a case study in India showing that the shift from traditional to digital marketing, especially during the COVID-19 pandemic, led to improved brand outreach and customer retention.

RESEARCH METHODOLOGY

The study emphasizes that social media branding has become a crucial marketing strategy in the digital age. It notes that businesses need a presence on social media platforms for visibility and marketing. The research highlights that many small-scale businesses lack the necessary skills and understanding to effectively utilize social media branding. The study aims to explore social media branding among small-scale businesses and provide recommendations to improve their social media presence.

Population and Sample

- Population: Small-scale businesses in various cities of Gujarat.
- Sample Size: 100
- Sampling Method: Purposive-Convenience

DATA ANALYSIS AND INTERPRETATION

Demographic Analysis

- **Age Group-** The largest age group is "Less than 30" comprising 35% of the total sample, indicating a younger demographic presence.
- **Type of organization-** Sole proprietorships dominate, representing 54% of the total, indicating a preference for independently owned businesses.
- **Nature of business -** The major composition among respondents comprises of Manufacturing (19%) and Retail (18%), followed by services business (15%), trading business (12%) and creative businesses (11%).
- **Age of business -** Most businesses (42%) have operated for over 10 years, followed by 25% operating for 5 – 10 years, 17% for 3 – 5 years and 15% for 1 – 3 years, demonstrating that social media is a relevant tool for both new and established businesses.

Social Media Branding: Response Analysis Findings

- Social Media Branding Improves Efficiency and Business Performance: A significant percentage of respondents (77%) agree or strongly agree that social media branding improves efficiency and business performance.

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- Social Media Branding Offers More Opportunities to Market and Reach Out to Potential Customers: A large majority (79%) of respondents agree or strongly agree that social media branding offers more opportunities to market and reach out to potential customers.
- Social Media Branding Generates More Appeal for the Customers Compared to Traditional Marketing Methods: Most respondents (79%) believe that social media branding is more appealing to customers than traditional marketing methods.
- Social Media Branding Helps Business Take Various Decisions: A substantial portion (72%) of respondents agree or strongly agree that social media branding helps businesses in decision-making.
- Social Media Branding Reflects Business Values: A significant majority (79%) of respondents believe that their social media branding reflects their business values.
- Social Media Branding Aligned with Business Goals: Most respondents (70%) agree or strongly agree that their social media branding is aligned with their business goals.
- Our Audience is Frequently Engaged with Our Posts: A majority (63%) of respondents believe that their audience is frequently engaged with their posts.
- Our Social Media Branding Content Quality is Highly Professional: A little over half (59%) of the respondents agree or strongly agree that their social media branding content quality is highly professional.
- Our Posts and Videos Provide Value to Our Customers: A large majority (74%) of respondents believe that their posts and videos provide value to their customers.
- Our Brand Logo Has Been Quite Effective Across All Social Media Platforms: A significant portion (70%) of respondents find their brand logo effective across all social media platforms.
- Our Social Media Branding Efforts Has Increased Our Brand Awareness: Most respondents (77%) agree or strongly agree that their social media branding efforts have increased brand awareness.
- Our Social Media Branding Efforts Has Increased Our Customer Base: A majority (67%) of respondents believe that their social media branding efforts have increased their customer base.
- Our Social Media Branding Efforts Has Increased Our Sales and Business Income: Over half (57%) of the respondents agree or strongly agree that their social media branding efforts have increased their sales and business income.
- We Are Satisfied with the Results of Our Social Media Branding Efforts: A majority (63%) of respondents are satisfied with the results of their social media branding efforts.
- We Constantly Work on Improving Our Social Media Branding and Presence: A large majority (78%) of respondents are constantly working on improving their social media branding and presence.

Analysis of Chi-Square

The Chi-square test is a statistical test used to determine if there is a significant association between two categorical variables. In present study, Chi-square test was employed to examine the relationship between:

- **Age of business** & views on social media branding – No significant association was found between how old was the business and its views on various aspects of social media branding.
- **Nature of business** & views on social media branding – No significant association was found between nature of business & its views on social media branding except the belief that social media branding improving efficiency and performance of business and that it provides opportunities to reach out to potential customers.
- **Type of organization** & views on social media branding – Chi Square test showed significant association on following statements:
  - ✓ Social media branding offers opportunities to reach out to potential customers
  - ✓ Their Social media branding reflects their business value
  - ✓ Their audience base frequently engages with their posts
  - ✓ Their posts provide value to customer base
  - ✓ Their logo has been effective across various social media platforms
  - ✓ Their social media branding efforts has increased their brand awareness
  - ✓ Their social media branding efforts has increased their customer base
  - ✓ Their social media branding efforts has increased their sales and revenue
  - ✓ They are satisfied with their social media branding efforts
  - ✓ They are constantly improving their social media branding and presence

CONCLUSION

This study reveals that social media branding is perceived as a valuable asset by small-scale businesses in Gujarat, significantly contributing to their brand visibility, customer engagement, and sales growth, while aligning with

their core values and business objectives. Businesses actively utilize various social media tools, particularly visual content, to establish their online presence; however, they encounter challenges such as budget constraints, limited resources, and a lack of expertise. Notably, a significant association exists between the type of organization and their views on social media branding, highlighting the need for tailored support. Therefore, it is recommended that small businesses prioritize social media investment, seek training and resources to enhance their capabilities, and focus on creating engaging content to fully leverage the potential of social media branding for sustainable success in the digital age, with future research exploring specific strategies, long-term impacts, and qualitative insights to further refine these findings.

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