



Social Media as a platform for marketing by the millennial entrepreneurs

Ekta

| MA HRM, M.O.P Vaishnav College for Women.

Mubaraka Kothalia

| MA HRM, M.O.P Vaishnav College for Women.

ABSTRACT

An entrepreneur is a starter, an initiator, a challenger and a driver. An entrepreneur is someone who creates something new; either an initiative, a business or a company. The entrepreneur might not be the creator of the idea, but he or she is definitely the one who decides to make that idea a reality. The word social media is used a lot these days, often to describe what we post on sites and apps like Facebook, Twitter, Instagram, Snapchat etc. Social media is considered as one among the best opportunities that is available to a brand for connecting and interacting with their customers. Social media is being used by young entrepreneurs to promote their products and services. In addition to being convenient, it also reduces the costs incurred in running business. This article tries to understand how social media is proving to be a useful marketing tool for millennial entrepreneurs.

KEYWORDS

Social media, millennial entrepreneurs, marketing strategy.

1.0 NEED OF THE STUDY

Social media is a platform that is continuously growing and is being used by an increasing number of people. E-commerce is also gaining a lot of importance in the recent days. The millennial generation is more interested in starting their own business and leading the way instead of following the way. Hence, the number of millennial entrepreneurs is increasing in number.

The marketing strategies that are followed by entrepreneurs, today, are not as effective as they were earlier. Therefore, there is a need for developing new marketing strategies that can be adopted by millennial entrepreneurs, and because of the tremendous growth in the use of social media, it can be a potentially effective marketing strategy.

1.1 OBJECTIVE

- To understand the meaning and the importance of marketing strategies and the current strategies adopted.
- To understand the term "Millennial Entrepreneurs" and "Social Media" and the relationship between them.

2.0 INTRODUCTION

2.1 Marketing Strategy

According to *Joy Gendusa* "A marketing strategy is an overall plan of marketing actions you intend to take in order to accomplish a specific goal for your company"

Marketing strategy works with the use of the strategic 3 C's: The Customer, the Competition and the Corporation. A good marketing strategy should be characterized by clear market definition, a match between the corporate strengths and needs of the market, and superior performance (in accordance with the competition of the business).

Based on the interplay of the strategic three C's, formation of marketing strategy requires the following 3 decisions: 1. Where to compete (definition of the market), 2. How to compete, 3. When to compete (it requires timing of market entry)

2.2 Importance of marketing strategies

The paper "Effects of marketing strategies on entrepreneurial development" by *Kehinde Oladele Joseph (2013)* aims to study the Importance of marketing strategy. Enterprises are becoming more dynamic and they are using various different strategies in order to sustain in the market. Any marketing strategy cannot be used by any enterprise; each enterprise should discover the appropriate marketing strategy that best suits its own operations. Without the appropriate marketing strategy, an enterprise cannot survive in today's competitive environment.

In this study, it examines that promotion does increase sales growth. The survey was conducted by distributing questionnaires to selected business enterprises. In the analysis of data collected, it was found that promotion which acts as a tool for marketing strategy has a significant impact on the sales growth of any company. From these analytical findings, it was therefore recommended that entrepreneurs should be able to understand the need for customer satisfaction and create a niche for the product they sell. Entrepreneurs should engage in marketing promotions by making use of the internet, radio, TV, billboards, and ensure their customers are reached wherever they are found. This research shows that marketing strategy does have effects on entrepreneurial development.

It was found that marketing strategy helps the enterprise achieve optimum turnover on the long run. It also helps the enterprise know the needs of the customers and the methods by which they can satisfy their needs. It makes the customers aware of the existence of the product through promotion. It also implies that the enterprises should know that no firm can survive without adequate marketing strategy. Earlier the enterprises used to start marketing without having adequate information. Now the workers are properly informed about marketing and hence they adopt marketing strategies that increase sales, launch new products and generally provide profit for a company.

2.3 Theoretical aspects of marketing strategies

"Theoretical Aspects of Marketing Strategy" by *Margarita Isoraite (2009)* aims in studying the various aspects of marketing strategies a business can use. Enterprises operating in the modern economy, to improve results, must constantly analyse the internal and external environment and investigate competitor's actions and take into account factors for continuous improvement of marketing strategy.

Techniques to achieve victory in the field of business are:

- Know when to fight and when not to fight:
There is time for everything. Act with smartness instead of taking emotional decisions. Superiority of numbers or position is not always necessary for success.
- Get wholehearted support from employees:
The business would have great advantage over his competitors if there is full support from the employee's side.
- Be well prepared to seize favourable opportunities:
One must sharpen his intuition in order to recognize favourable opportunities.

- When the time is right, act fast and decisively: Do not hesitate when the conditions for victory in front of you.

2.4 Statistics regarding use of marketing strategies by retailers

According to Online Marketing Strategies In 2015 By Indian Retailers, 77% retailers voted social media as the most prevalent channel for customer engagement. The extensive Indian Retail e-Marketing study has done research on more than 80+ retailers across India. The data was collected comprising responses from the industry rule setters to budding start-ups operating as single or multi brands in online and offline domains. The results of the study were as follows:

1. According to the survey conducted, 44% of retailers use an equal mix of both online and offline marketing strategies, whereas 6% of retailers prefer only offline marketing strategies. 39% of the retailers prefer more of offline marketing strategies and less of online marketing strategies.
2. 74% retailers were willing to increase their investment on social media marketing. 36% were willing to increase their investment on SMS marketing and 40% wanted to increase their investment on marketing by banners, campaigns etc.
3. 77% retailers voted in favour of social media as the most prevalent channel for customer engagement with Email Marketing and SMS. 63% retailers voted for email marketing and 58% retailers voted for SMS marketing as a channel for customer engagement. Only 48% retailers voted for promotion by banners, campaigns etc.
4. 31% of Indian retailers find mobile important for marketing, 45% retailers were planning to leverage the different platforms offered by the usage of mobile phones and 5% of retailers feel that mobile devices are not important for marketing their products and services.

2.5 Marketing strategies adopted

"Marketing Strategies Adopted by Small Micro and Medium Enterprises" by Khuliso Mapila (2014) aims in investigating the market strategy that is already existing and strategies which needs to be implemented in order to help small scale business grow. Now-a-days small scale entrepreneurs are facing intense competition due to which they rely on strategies adopted by large scale business. But these large-scale business strategies are complex and are not suited for small enterprises.

Entrepreneurs face challenges that restrict their productivity and economic potential. Small scale enterprises face challenge of marketing their product and services to the right market in order to get returns from their investments. These small-scale enterprises concentrate on strategies like: word-of-mouth, reducing prices and other low cost promotional strategies for marketing and sale purpose. The most important goal in running any small-scale business is taking care of the customers need. Many small-scale businesses are aware that building relationships, investing time and putting efforts in maintaining good relations with customers are vital for company's success.

Strategies adopted usually by Small Scale Enterprises are:

- Being friendly and nice to customers
- Ensuring customers satisfaction
- Providing promotions, discounts and free services
- By making an effort to know the customer personally
- By communicating with customers and conducting research before purchase
- Conducting research on internet
- Reacting to customer's demands when they come into the stores
- By copying the competitors

If these strategies are incorporated, entrepreneurs can position themselves as business that offers good quality products and

services at reasonable prices. These strategies also help entrepreneur position themselves as caring. It is clear that an improvement in the way they treat their customers will benefit their business success tremendously.

2.6 Millennial entrepreneurs

According to **Howe and Strauss (2000)**, the whole generation of people who were born between 1980 and 2000 are called millennials or the Generation Y. the people that belong to this generation have common sets of characteristics that predict a major shift in the history of humanity. Because of having witnessed disasters such as 9/11, the wars that are going on in the east, earthquakes and a global financial crisis along with globalization and interconnectivity, the millennials are known as "the united generation".

The millennial generation is open-minded are more creative and they display a high level of dynamism. They are also more hard working and strive to follow their passions and hobbies. The members of this generation are interconnected, optimistic, confident, authentic, open and ethical.

The paper **"Are millennials potential entrepreneurs?" by Worrawan Horsaengchai, Yana Mamedova (2011)** aims to find out whether the millennials can be successful entrepreneurs or not i.e., if they have enough talents to run a business. The authors used two methods of analysis to conduct their research. A face-to-face interview was conducted with two millennial entrepreneurs in Sweden and they were asked questions about their life and business. These entrepreneurs believe that entrepreneurs are partly born and partly made. Both the interviewees are highly interconnected and open. The work they do is closely connected to computers and they have established a relationship with their customers.

The second method used was a web-based questionnaire survey, wherein 117 respondents between the ages of 18 to 32, were given a few statements and asked to rate the statements according to their preferences. It was found that the respondents who agreed with positive questions and disagreed with negative questions, had potential, which is important to become a successful entrepreneur. The respondents also believed that failure is something which has to be accepted in order to grow.

According to the results of the personal interview, the crucial attributes of an entrepreneur were found out and all these attributes can be categorized as focus, advantage, creativity and ego. The first three goes under the category of Talent while Ego goes under the category of Temperament. In order to be a potential entrepreneur, an optimum balance between talent and temperament should be achieved and many of the millennials have found the right proportion of talent and temperament. Therefore, it can be said that millennials are potential entrepreneurs even though the component of creativity is an obstacle for many.

2.7 Social Media

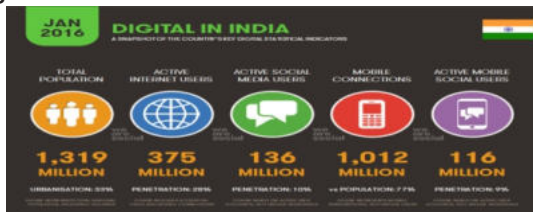
We Are Social is a global social media agency that helps brands engage in conversations in social media. This agency combines an innate understanding of social media with digital, PR and marketing skills. They are focused on innovative, creative and effective social media marketing.

The agency has published a **Digital in 2016** report that is a comprehensive study of digital, social and mobile usage around the world.

The study showed that as many as 375 million people in India are active internet users, and out of these active users, the active social media users are 136 million. Many of them (116 million people) access social media through their mobile phones. The number of social media users has grown by more than 19% since January 2015. This implies that social media can be accessed from anywhere and more frequently. The top most used social platform is Facebook, which is used by 13% of the 136 million people that

use social media. The least used platform is WeChat, having only 6% of the total population as its users. Since Facebook is the most used social media platform, the agency also studied the age groups of the people that use Facebook. According to the analysis, Facebook was mostly used by people between the ages of 20-29. People who were above the age of 60 also were users of Facebook.

Figure 1: Active Internet users in India



Source: Kemp, 2016.

Figure 2: E-commerce activities in India



Source: Kemp, 2016.

These figures represent users' own claimed or reported activity about searching for a product or a service on the internet. The data shows that 23% of the people in India who use the internet purchased a product or service online in the past 30 days. 23% of the active internet users visited an online retail store in the past 30 days.

2.8 Role of Social Media in entrepreneurship

In his paper, "Role of social media in youth entrepreneurship", Sreekuttan M.S lists down the tools, benefits and drawbacks of social media.

Social media gives people an opportunity to connect and interact with customers in a personal and meaningful way. It can be used for advertising and promoting as well as to expand their customer base. Social media can be categorized into six different categories- Social networks, bookmarking sites, social news, media sharing, micro blogging and blog comments and forums. Social media platforms provide entrepreneurs tools for tracking brand mentions, analyzing social media traffic, scheduling and distribution. HootSuite, Main Street Hub, Crowd booster are some of the tools that can be used by entrepreneurs to supervise the activity of their social pages or tweets.

The benefits entrepreneurs or businesses can derive out of social media is that they can have increased exposure, they can improve their website's traffic; develop loyal fans, lower marketing costs and increase sales. Everything in this world has its equal share of pros and cons. Social media is no different. The top drawbacks of social media are lack of clarity in government regulations and the legal infrastructure related to the social media industry. It is believed to be a waste of time and productivity. Social media can have a negative impact on the flow of information due to censorship and monitoring issues.

From the above discussion, it can be concluded that social media is great platform to help entrepreneurs and businesses to expand their potential and grow. If used properly, social media can be a great marketing tool.

2.9 Evolution of Social Media as a Marketing Tool "The evolution of social media as a marketing tool for

entrepreneurs" was studied by Patrick R. Geho and Jennifer Dangelo (2012). Their objective was to examine the trends in social media marketing and how social media can be used by entrepreneurs. It also describes the various forms of social media that lend themselves to marketing. The major three among them are Facebook business pages, Facebook insights and Twitter.

Facebook allows businesses to create a separate profile. It is now important for small businesses to be listed on Facebook pages as this enables them to gain a few thousand potential customers.

Facebook Insights is a tool by which the business page owners can view how well their page was doing. After the update of Insights Facebook released in 2011, business pages could measure the unique visitors to the page, the content viewed, the posts clicked and the content being talked about.

Twitter is a medium where you share information or thoughts by using only 140 or fewer characters, which is a little difficult. In spite of this, the number of twitter users is continuously increasing. As far as entrepreneurs are considered, simply being on twitter is not enough. They have to be seen amongst thousands of celebrities, comedians and random users.

The number one rule of social media is to stay active. It is unreasonable if you do not devote time and effort into your social media outlets every day. To overcome this problem, Hootsuite was created. This program allows businesses to manage all their social media activities through a simple and easy to navigate program. Posting content on social media is only half of the social media question. The networks should be continuously monitored. Earlier social media was only used by large businesses but, in the recent days, it also being used by mom-and-pop stores without hiring an additional employee for this purpose. But this does not mean that a carefree attitude towards social media should be practiced, since an outdated twitter feed or a stagnant Facebook page is harmful and can affect the business in a negative way.

3.0 CONCLUSION

The marketing strategies that are used by the companies and entrepreneurs are word-of-mouth, posters and fliers, discounts and free services, in-store and out-store displays, reduction in the price of the product, by interacting and being friendly with the customer and by ensuring customer satisfaction. In spite of being widely used, these methods are not as effective as they once were. When the word of mouth technique is used, the content may be perceived in different ways which may backfire and affect the company's image. Having one-to-one interaction with the customer is necessary but it is beneficial when it is done on a regular basis.

In today's world, social media is a platform that is flourishing. The number of active social media users has increased by 15% since Jan 2015. People of all age groups are spending a lot of their time on social media platforms like: Whatsapp, Facebook, Instagram. The number of E-Commerce activities has also drastically increased. Social media allows customer It has been found that millennials have the ability and skills to become successful entrepreneurs as they are ready to face challenges and take risks, they are technologically advanced and are open-minded. They want to get things done quickly and they want faster results.

Therefore, social media can be used by millennial entrepreneurs as a marketing tool. Since the number of social media users is continuously increasing, millennial entrepreneurs can use this to market their products and services to a wider range of people. This can help them to reduce costs and increase their sales as well as create a brand image and connect personally with their customers.

References:

- Geho, Patrick; Dangelo, Jennifer, (2012), The evolution of social media as a marketing tool for entrepreneurs, Entrepreneurial executive, Volume 17, pp 61-68.
- Horsaengchai, Worrawan; Mamedova, Yana, (2011), Are Millennials Potential Entrepreneurs, Linnaeus University-School of Business and Economics.
- Isoraite, Margarita, (2009), Theoretical aspects of marketing strategy, Ekonomika ir vadyba: aktualijos ir perspektyvos, Vol 1 (14), pp 114-125

4. Mapila, Khuliso; Chilya, Norman; Chilya, William, (2014), An Exploratory Study on the Marketing Strategies Adopted by Small Micro and Medium Enterprises in Johannesburg Central Business District, *Mediterranean Journal of Social Sciences*, Vol 5 No 25, pp 118-127.
5. Neti, Sisira, (2011), Social media and its role in marketing, *International Journal of Enterprise Computing and Business Systems*, Vol.1 Issue 2.
6. Oladele Joseph, Kehinde, (2013), Effects of marketing strategies on entrepreneurial development, *Kashere Journal of Humanities and Social Sciences*, Vol 1 No 2.
7. Samuel, Sam; Joe, Sarprastha, (2016), Social Media and Entrepreneurship, *The Social Sciences*, Vol 11(5), pp 639-644.
8. Sreekuttan MS, Role of social media in youth entrepreneurship, DB College, Sasthamcottah.
9. Naidu, Prasant, (2015), 13 charts define online marketing strategies in 2015 by Indian retailers. Retrieved from <http://lighthouseinsights.in/indian-retail-online-marketing-report-2015.html/>
10. Kemp, Simon, (2016), Digital in 2016. Retrieved from <http://wearesocial.com/special-reports/digital-in-2016>
11. The Millennial Generation Research Review, (2012). Retrieved from <https://www.uschamberfoundation.org/reports/millennial-generation-research-review>