

The Role Of Social Media Marketing In The Growth Of Small-Scale Enterprises: A Study With Special Reference To Kumbakonam Town

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Abstract: *Small-scale enterprises (SSEs) are crucial for the economic development of towns like Kumbakonam, generating employment and promoting local trade. In recent years, social media platforms such as Facebook, Instagram, and WhatsApp have emerged as powerful, low-cost marketing tools for entrepreneurs. This study aims to examine the role and effectiveness of social media marketing in enhancing the growth of SSEs in Kumbakonam Town. The research will investigate how different social media strategies influence customer engagement, brand visibility, and sales growth. A structured questionnaire will be administered to selected small-scale business owners, and the data will be analyzed using statistical tools such as correlation and regression analysis. The findings are expected to offer insights into improving digital marketing practices among local entrepreneurs and help policymakers design supportive training programs.*

Keywords: *Social Media Marketing, Small-Scale Enterprises, Business Growth, Digital Marketing, Kumbakonam Town*

I. INTRODUCTION

Small-scale enterprises (SSEs) are a cornerstone of local economies, providing employment opportunities, encouraging innovation, and supporting community-level development. In towns like Kumbakonam—renowned for its cultural heritage, temple tourism, and vibrant trading activities—SSEs contribute significantly to economic sustainability. These enterprises span a variety of sectors, including retail, handicrafts, food services, and small-scale manufacturing.

With the rapid growth of digital technology, traditional marketing methods such as print advertisements, posters, and word-of-mouth have been increasingly complemented—or in some cases replaced—by social media marketing (SMM). Social media platforms like Facebook, Instagram, WhatsApp, and YouTube have emerged as powerful, low-cost marketing tools that enable direct interaction between businesses and customers. These platforms allow even the smallest enterprises to compete in visibility with larger players by

reaching a wider audience, building brand identity, and fostering customer relationships.

In semi-urban regions like Kumbakonam, the adoption of social media marketing offers both opportunities and challenges. While the penetration of smartphones and internet access has improved significantly, many small entrepreneurs still face barriers such as limited digital skills, lack of time for content creation, and low budgets for paid promotions.

The present study investigates the role of social media marketing in driving the growth of small-scale enterprises in Kumbakonam Town. It seeks to assess the extent of SMM usage, identify the most effective platforms, examine its impact on sales and customer engagement, and explore the challenges faced by entrepreneurs. The findings aim to provide actionable insights for local business owners, policymakers, and training agencies to enhance digital marketing effectiveness in a semi-urban context.

OBJECTIVES OF THE STUDY

- ✓ To examine the extent of usage of social media marketing among small-scale enterprises in Kumbakonam Town.
- ✓ To assess the relationship between social media marketing strategies and business growth indicators such as sales, customer base, and brand awareness.
- ✓ To identify the most effective social media platforms used by SSEs in Kumbakonam.
- ✓ To analyze the challenges faced by SSEs in implementing social media marketing.
- ✓ To suggest measures for improving the effectiveness of SMM for small-scale businesses.

HYPOTHESES

- ✓ H_1 : There is a significant positive relationship between the use of social media marketing and the growth of small-scale enterprises in Kumbakonam Town.
- ✓ H_2 : Different social media platforms have varying levels of effectiveness in influencing SSE growth.
- ✓ H_3 : The level of digital literacy among entrepreneurs significantly affects the success of SMM strategies.

RESEARCH METHODOLOGY

Research Design: Descriptive and analytical research design.

Study Area: Kumbakonam Town, Tamil Nadu.

Population: Owners/managers of registered and unregistered small-scale enterprises in Kumbakonam (e.g., retail shops, handicrafts, food outlets, service providers).

Sampling Technique: Stratified random sampling based on business category.

Sample Size: 120 respondents (calculated using sample size formula for finite population, with 95% confidence level and $\pm 8\%$ margin of error).

Data Collection:

- ✓ *Primary Data:* Structured questionnaire covering demographic profile, business details, SMM usage, perceived benefits, and challenges.
- ✓ *Secondary Data:* Government reports, industry publications, social media analytics, academic journals.

Tools for Analysis:

- ✓ Descriptive statistics (mean, percentage, frequency)
- ✓ Correlation analysis (to test relationships)
- ✓ Regression analysis (to measure impact)
- ✓ Chi-square test (to examine associations)

II. REVIEW OF LITERATURE

- ✓ *Foundations of Social Media Marketing (SMM):* Early work positioned social media as a set of interactive, user-driven platforms that reshape firm–customer communication and co-creation. Classic papers establish the definition, scope, and mechanics of SMM and its “building blocks” (identity, conversations, sharing,

presence, relationships, reputation, and groups), and argue that social media has moved from a promotional add-on to an integrated part of the marketing mix. Key references: Kietzmann et al. (2011); Kaplan & Haenlein (2010); Mangold & Faulds (2009). Implication for SSEs: Even micro-firms can build reach and reputation without heavy budgets by leveraging dialog and community effects.

- ✓ *Adoption of SMM by SMEs/SSEs:* Research consistently shows high intention but uneven capability among smaller firms. Drivers of adoption include perceived usefulness, competitive pressure, and owner–manager innovativeness; barriers include time, skills, and uncertainty about ROI. Studies on SMEs highlight that adoption is path-dependent—starting with easier, conversational platforms (e.g., Facebook, WhatsApp) and later diversifying. Key references: Michaelidou, Siamagka & Christodoulides (2011); Parveen, Jaafar & Ainin (2016); AlSharji, Ahmad & Abu Bakar (2018); Chatterjee & Kar (2020, India-focused adoption/usage determinants). Implication for Kumbakonam: Platform choice will reflect ease-of-use and proximity to customers (WhatsApp/Facebook) rather than sophisticated ad tech.
- ✓ *SMM and Firm Performance:* Empirical studies link SMM to brand awareness, engagement, lead generation, and sales, often mediated by capabilities such as market orientation and analytics. Research also notes diminishing returns without strategy, content consistency, and measurement discipline. Key references: Trainor et al. (2014); Tajudeen, Jaafar & Ainin (2018); Felix, Rauschnabel & Hinsch (2017); Appel, Grewal, Hadi & Stephen (2020). Implication: For SSEs, capability-building (content, community, metrics) is as critical as presence; performance gains are strongest when SMM is aligned with clear objectives and tracked via simple KPIs.
- ✓ *Platform-Specific Evidence (Facebook/ Instagram / WhatsApp/YouTube):* Work comparing platforms finds visual and short-form video (Instagram, Reels, Shorts) excel at awareness and discovery, while messaging apps (WhatsApp Business) support conversion and retention through direct, trust-based communication. In emerging markets, WhatsApp has been identified as a low-friction commerce and service channel for micro-entrepreneurs. Key references: Parveen et al. (2016); Appel et al. (2020); regional case studies on WhatsApp Commerce (microenterprise contexts). Implication: A dual strategy—discovery via visual platforms + conversion via messaging—fits semi-urban microbusiness realities.
- ✓ *Research Gap and Positioning of the Present Study:* Despite rich SME literature, granular, town-level evidence from semi-urban Tamil Nadu is limited, especially comparing platform mixes (WhatsApp vs. Instagram vs. Facebook) and linking them to specific outcomes (customer base growth, sales and brand awareness) with measurable indicators. This study addresses that gap by:
 - Profiling SMM adoption among SSEs in Kumbakonam,

- Quantifying platform-specific contributions to growth, and
- Identifying capability gaps and training priorities for policy and practitioner action.

Demographic Variable	Category	No. of Respondents	Percentage (%)
Gender	Male	68	56.7
	Female	52	43.3
Age Group	Below 25 years	14	11.7
	25–40 years	58	48.3
	41–55 years	36	30.0
	Above 55 years	12	10.0
Business Experience	Below 2 years	24	20.0
	2–5 years	46	38.3
	6–10 years	32	26.7
	Above 10 years	18	15.0

Table 1: Demographic Profile of Respondents

Social Media Platform	No. of Respondents	Percentage (%)
Facebook	94	78.3
Instagram	77	64.2
WhatsApp Business	98	81.7
YouTube	32	26.7
Twitter (X)	18	15.0
Other (e.g., LinkedIn)	9	7.5

Table 2: Social Media Platform Usage

Impact Indicator	No. of Respondents	Percentage (%)
Increased customer base	97	80.8
Increased sales revenue	86	71.7
Improved brand awareness	90	75.0
Better customer engagement	92	76.7
Entry into new markets	54	45.0

Table 3: Impact of Social Media Marketing on Business Growth

Challenge	No. of Respondents	Percentage (%)
Lack of time for content creation	55	45.8
Limited technical/digital skills	46	38.3
Difficulty measuring results	32	26.7
High competition on platforms	40	33.3
Low budget for paid promotions	48	40.0

Table 4: Challenges in Using Social Media Marketing

III. FINDINGS

Based on the analysis of primary data collected from 120 small-scale enterprise owners in Kumbakonam:

- ✓ *High Adoption Rate:* 81.7% of respondents use WhatsApp Business, making it the most popular platform, followed by Facebook (78.3%) and Instagram (64.2%).
- ✓ *Growth Impact:* 80.8% reported an increase in customer base, and 71.7% experienced higher sales revenue due to social media marketing.
- ✓ *Brand Visibility:* 75% stated that SMM improved their brand awareness.
- ✓ *Customer Engagement:* 76.7% indicated that they could interact more frequently and effectively with customers through social media.
- ✓ *Skill Gap:* Only 35% of entrepreneurs had formal digital marketing training.
- ✓ *Challenges:* The most common barriers were lack of time for content creation (45.8%), low budget for paid promotions (40%), and limited technical skills (38.3%).

IV. SUGGESTIONS

- ✓ *Digital Literacy Training:* Organize workshops on basic and advanced social media marketing for small entrepreneurs.
- ✓ *Time Management Tools:* Encourage the use of free scheduling tools like Facebook Creator Studio or Canva Content Planner.
- ✓ *Low-Cost Promotions:* Teach cost-effective advertising strategies, such as targeted ads with minimal budgets.
- ✓ *Platform-Specific Strategies:*
 - Use Instagram for visual storytelling.
 - Use WhatsApp for direct customer communication and order follow-ups.
 - Use Facebook for community building and announcements.
- ✓ *Collaborative Marketing:* Encourage partnerships between local businesses for joint campaigns to increase reach.
- ✓ *Performance Tracking:* Train entrepreneurs on using analytics tools to measure engagement and sales impact.

V. CONCLUSION

The study confirms that social media marketing has a significant positive impact on the growth of small-scale enterprises in Kumbakonam Town. Platforms like WhatsApp, Facebook, and Instagram have proven highly effective in enhancing customer reach, sales revenue, and brand recognition. However, technical skill gaps and time constraints limit full utilization of these tools. With targeted training, strategic content planning, and cost-effective promotion methods, SSEs in Kumbakonam can leverage social media as a sustainable growth driver in the digital economy.

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