THE IMPACT OF SOCIAL MEDIA ON BRAND IMAGE IN SMALL SCALE ENTERPRISES.

Abstract: The fast changing business environment and tough global competition, small and medium enterprises are finding it difficult to function at optimum level. Today, social media has become the new phenomenon that has changed how the small and medium enterprises or business environment operates. Small and Medium Enterprises are able to gain access to resources that were otherwise not available to them. The introduction of social media in small and medium provides the direct tools to increase their worthiness, cultivate strategic partnerships and increase their contact with customers and suppliers and also consumer attitudes and decision making. Therefore, the study investigates the impact of social media on the brand image of Small and Medium Enterprises. To achieve the objective of the study, a purposive sampling technique was used to select from the targeted population. A closed-ended questionnaires will be distributed to obtain primary data information from the respondents. The analysis of the data will be based on quantitative research method and descriptive statistics using SPSS software application. The findings of this study revealed that, the small and medium enterprises use social media application as a marketing tool for the branding and marketing of their products. However, the nature and structure of their small and medium enterprises affect the recruiting of professional to handle social media platforms of the business.

Keywords: Social Media, Brand Image, Small and Medium Enterprises

## 1. Introduction

The term SME's is used to describe Small and Medium Enterprises. The definition of SME's varies from country to country depending on the size of their business or organization. In Ghana, the number of employees of the enterprise is used in the definition of SME's. The Ghana Statistical Service defines the Small and Medium Enterprises as enterprises that employ less than 2 but not more than 10 persons or employees. The OECD (2005), defined small and medium-sized enterprises (SMEs) are non-subsidiary, independent firms which employ fewer than a given number of employees. Small and Medium Enterprises are business whose personnel numbers fall below certain limits. According to OECD (2005), the most frequent upper limit designating a

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Small and Medium Enterprises is 250 employees in European. However, some countries set the limit at 200 employees, while the United States considers small and medium enterprises to include firms with fewer than 500 employees.

Small and medium enterprises make up the vast majority of businesses in most countries, making them hugely important for economic growth, innovation, and diversity. A study conducted by Bastiat Ghana (2014), a liberal economy think tank, shows that 92% of companies registered in Ghana are micro, Small and Medium Enterprise and 85% of them offer employment in the manufacturing sector and contribute 75 per cent to the Gross Domestic Product of Ghana. The size and role of Small Medium Enterprise in the economy is interesting to see, how these SME's contributes to the in Ghanaian economy. Small and medium enterprises can be described as a manufacturing, wholesale or retail enterprises or service rending enterprises. The small and medium enterprises builds brand image in their course of their operations or activities. Brand image is the perception of the brand in the mind of the customer. According to Ahsan Ali (2018), brand image is an aggregate of beliefs, ideas, and impressions that a customer holds regarding the brand. Brand image is a unique bundle of associations within the minds of target customers. Consumers develop various associations with the brand. Based on these associations, consumers form brand on the basis of subjective perceptions of association's bundle that the consumers have about the brand.

Brand image develops and conveys the product's character in a unique manner different from its competitor's image. According to Umar (2018), brand image is conveys emotional value and not just a mental image. Brand image consists of various associations in consumers' mind attributes, benefits and attributes. Brand attributes are the functional and mental connections with the brand

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that the customers have. In these global and technology age, the functional and mental connections the customers have about a band have shifted from the traditional media like the Television, New papers, Magazines and Radio to the modem media known as the social media. Social media can be describe as the collective of online communications channels dedicated to community based input, interaction, content sharing and collaboration. According to Gladwell (2011), social media is the integration of digital media including combinations of electronic texts, graphics, moving images and sound into a structured digital environment that allows people or business to interact with the data for appropriate purposes.

Social media is internet-based tools for sharing and discussing information among human beings. According to Daowd (2016), social media is a platform through which people connect or collaborate with one another inside and outside the organizations. Social media is used to fulfil perceived social needs, but not all needs can be fulfilled by social media. According to Cao & Ali (2018), social media not only provides a complete knowledge management but also provides very simple and flexible tools to the management. Social media is unique enabling individuals toward articulating and making their social media visible. Social media presence is indirect advantages for small and medium. That is, social media does not always directly lead to immediate decision making or purchasing behaviour, but it is used as a tool to develop relationships with customer's overtime. Carr and Hayes (2015), describes social media as a systemized network consisting three parts: devices that produce information, devices that fetch information and people that use information for their official and personal purpose. According to Nory, Borgman and Ebru (2014), social media is not limited to information interaction but expends to relational interaction (these refers to the valuable reinforcement of the social contact of online communication), recreational

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interaction (is a shorter term, selfish interaction on behalf of customers and transformational mode (these interaction is about communicating to attain longer term social gain).

### 2. Literature Review

Businesses are changing their behaviour due to the rapid with more companies adopting some form of social media tool in order to connect and interact with their consumers (Naylor et al., 2012). The rapid growth of social media represents potential opportunities for small and medium enterprises to grow and increase their market size in a shorter time compared to traditional means of commercial media such as television. The use of social media by small and medium enterprises to conducts their businesses in terms of going digital in order to the advantages of already existing customers on social media. According to Kirpatrick (2011), social media will enable new small and medium enterprises to formulate strategies of maintaining the customers on social media as opposed to stressing or finding ways of attracting new customers as a whole.

Globally, most all business takes into consideration of usage of social media in order to market or branding some product (Shabbir et al., 2016). Small and medium enterprises use social media application as a marketing tool for the branding and marketing of their products. According to Karkkainen et al. (2010), small and medium enterprises used social media as means of communication towards their customers in the traditional sense like branding, public relations and lead generation rather than communication with the customer, understanding the customer and internal communications. That is, small and medium adopt micro blogging to make direct connect with customers who has some interest in their business (Shabbir, 2014). Therefore, social media helps small and medium enterprises to build their small community over that media for smooth interaction with their partners.

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Small and medium enterprises owners or operators use social media as a marketing tool because through this tool they can build quickly a network of supporters which is vital for business growth. According to Shabbir et al. (2016), social media help to bring customers' or business for small and medium enterprises entrepreneurs. These ensure long term relationship between small and medium enterprises and customers. However, small and medium business face some issues related to social media in first is that worries businesses concerning the implementation of social media is the lack of consensuses on how two implement different activities as the platforms and the technologies are so dynamic and there has not been a clear guideline for businesses as to how to utilize them. Mostly, small and medium enterprises use their own experimental approach to achieve a better result and this has somehow made the task more challenging. Second is implementing Social Media is the task of setting a clear objective and large number of businesses join the social media every year but those who maintain their online presence effectively are relatively low, this is because many of those businesses launch the social media campaign without clear strategic goal.

Brand image is the current view of the customers about a brand. Brand image is a unique bundle of associations within the minds of target customers. Brand image signifies what a business presently stands for. In short, it is nothing but the consumers' perception about the product. Brand image positions a business to a specific manner in the market. Brand image conveys emotional value and not just a mental image. Brand image is an accumulation of contact and observation by people external to an organization. The main elements of positive brand image are unique logo reflecting organization's image, slogan describing organization's business in brief and brand identifier supporting the key values.

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Social media help small and medium enterprises to build their brand image. Social media help small and medium enterprises to get close to their customers or potential customers by exchanging information with customers and getting feedback from them to help them improve on their services or products, which will go a long way to affect their brand either negative or positive. Small and medium enterprises rely on social media to attract customers to the web page, which is completely controlled by the business. According to Wood (2009), social media presence of any business create and enhanced the brand image. Social media ensures that business provides the best and necessary information possible to be able to attract consumers and create a good brand image. Kim et al. (2014), small and medium enterprises use social media to interact with their customers and build their brand image by engaging customers with their band on their Facebook pages, creating brand content on YouTube or Twitter using some social media platforms. However, a video or camera taken with a cell phone or a Facebook status update featuring a company secret or faux pas can go viral within minutes, leaving a business's reputation damaged when business before digital media would have been able to clear up the mess long before it went public.

#### 3. Methodology

The research design used in this study was descriptive survey. Descriptive survey simply describes what is or what the data shows. Descriptive survey helps to simplify large amounts of data in a sensible way. The descriptive survey reduces lots of data into a simpler summary. According to Avoke (2005), descriptive surveys are designed to portray accurately the characteristics of particular individuals, situations or groups. A purposive sampling technique was used to obtain a sample size of 82 within targeted population. This sampling technique is used where the sampling units are chosen because they meet set criteria of importance. The technique proved too effective because numbers of people who served as primary data sources due to the nature of research design

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and aims and objectives were limited. Unlike some alternative sampling techniques, purposive sampling technique do not allow; highly vulnerable to selection bias and influences beyond the control of the researcher and high level of sampling error, which lead to little credibility of the studies.

### 4. Analysis

a. Reliability Analysis

According to Joppe (2000), reliability data test is the extent to which results are consistent over time and an accurate representation of the total population under study. A questionnaire is said to be reliable if someone answers the statement consistently or it is stable over the construct variable or the time variable. According to Cooper and Shindler (2007), 0.70 is an acceptable reliability coefficient. Thus, when the value items are more than alpha ( $\alpha$ =0.70) value then it indicate that the scale can be considered consistent, sound and reliable. The figures below show test reliability;

### Table 4.3.1 Reliability analysis

Cronbach's Alpha	N of Items	
.943	3	

The table show, the reliability analysis of the data obtained from the respondents. The reliability values from the results is 0.943 greater than the prescribed threshold of ( $\alpha$ =0.70) and in comparison Cronbach's Alpha values are compatible to reliability test of the conducted pilot study with Cronbach's Alpha value ( $\alpha$ =0.943), hence the scale is sound and reliable.

## b. Validity data test

Validity data test determines whether the research truly measures that which it was intended to measure or how truthful the research results are. Validity data test is used to measure the validity

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of a questionnaire. A questionnaire considered valid if the questions on the questionnaire were able to reveal something to be measured to the questionnaire. Validity data test can be done by looking at the value of Pearson correlation and Sig. If the value is greater than the Pearson correlation of r-critical value, then the item is valid, or if the value of Sig is less than 0.05, the item is valid with a confidence level of 95% (Kuncoro, 2013).

		Roles	Benefits	Challenges
Roles	Pearson Correlation	1	.907**	.883**
	Sig. (2-tailed)		.000	.000
	Ν	82	82	82
Benefits	Pearson Correlation	.907**	1	.914**
	Sig. (2-tailed)	.000		.000
	Ν	82	82	82
Challenges	Pearson Correlation	.883**	.914**	1
	Sig. (2-tailed)	.000	.000	
	N	82	82	82

## Table on Validity test

\*\*. Correlation is significant at the 0.01 level (2-tailed).

From the table above, there is a pearson correlation between the roles of social media on the benefits to SME's brand image is 0.907 or 90.7% and the pearson correlation between the roles of social media on the challenges is 0.833 or 83.3%. These means that there is a positive and a high influence of the roles of social media on the benefits and challenges to the SME's. The validity test value shows a correlation significant value of 0.01. From the above assumption, the test is said to be valid, if the value of Sig is less than 0.05, the item is valid with a confidence level of 95%. Therefore result shows that, the questionnaire were valid with a confidence level of 95%.

### 5. Discussion

The use of social media has improves knowledge sharing among member on new trends of customers change in social style and improve customer relation through the interrelation with a prospect and present customers boosting the sense of the closeness of the customer relationship respectively. As observed by Hoyer and MacInnis (2010), social media has a very significant changed of the relationships among customers and small and medium enterprises by creating allowing a two-way communication. Social media web application or websites provides SME's with the potential to interrelate with a prospect and present customers to boost the sense of the closeness of the customer relationship. These allow SME's to identify provides associated with their products or services through social media to help meet the quality standard of products or services customers wants. Therefore, these improve the relationship between the business and customers. As observed by Bell and Loane (2010), social media promotes innovation through the direct result of the exchange of ideas between the SME's and their customer. Social media is a tool used by the small and medium enterprises allowing faster innovations to appear on the market by enabling around the clock, across boundaries communication between the persons having expertise in the field. Therefore, innovation through the use of social media allows SME's to measure their capability to increase innovation activities, and the capability to produce efficiently. Majority of the respondents representing 62.2% agreed that the use of social media has promotes innovations through the direct results from the exchange of ideas between the SME's and their customer. Also, the survey shows that majority of the respondents which representing 46.3% agreed that the use of social media serves as an advertising tool that allow businesses can reach more customers than ever before. As observed as Pradiptarini (2011), social media as a marketing tool used by small

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and medium enterprises to reach the targeted audience with the least cost possible, reaching interested individuals regardless of their geographical areas, and at the same time help in building potential customers. However, the survey shows that majority of the respondent which represents 48.8% strongly agreed that the uses of social media has help them get product information out to the public faster and easier.

#### 6. Recommendation

Base on the findings of the study, the following recommendations were made; the small and medium enterprises verify and confirm any information being it confidential or not to avoid small and medium enterprises. The small and medium enterprises should provide structures to deal with social media to help improve their brand image.

## 7. Conclusion

The small and medium enterprises used social media as means of communication towards their customers in the traditional sense like branding, public relations and lead generation rather than communication with the customer, understanding the customer and internal communications. The rapid growth of social media represents potential opportunities for small and medium enterprises to grow and increase their market size in a shorter time compared to traditional means of commercial media such as television. The use of social media by small and medium enterprises to conducts their businesses in terms of going digital in order to the advantages of already existing customers on social media. Hence, the absence of social media is a major cause for failure of many well performing small and medium enterprises.

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