

# IMPACT OF SOCIAL MEDIA MARKETING IN BOOSTING SALES OF SMALL BUSINESSES

Shariq Quraishi, Research Scholar, Amity Business School, Amity University,  
Lucknow Campus, Uttar Pradesh, India.

[Zayn64651@gmail.com](mailto:Zayn64651@gmail.com)

Dr Rajendra Kumar, Assistant Professor, Amity Business School,  
Amity University, Lucknow Campus, Uttar Pradesh, India  
[rkumar1@lko.amity.edu](mailto:rkumar1@lko.amity.edu)

## Abstract

**Purpose:** This study explores the impact of social media marketing (SMM) on the sales and profitability of small businesses. It aims to provide practical insights into how small business owners can maximize their social media efforts by identifying key strategies, challenges, and emerging trends.

**Methodology:** This sectoral research is descriptive and exploratory in nature. A questionnaire survey was conducted among customers via social platforms for data collection. Around 200 people were approached to get the questionnaire filled but only 171 responses were achieved. Secondary sources such as research papers published in reputed peer reviewed journals were sourced to review the literature.

**Finding:** The study reveals that social media marketing significantly enhances brand visibility, customer engagement, and sales conversions for small businesses. Platforms like Instagram and Facebook were found to be the most effective in driving sales. Despite challenges such as algorithm changes and content creation difficulties, businesses that adopt a strategic social media approach experience higher growth and improved market presence.

**Research limitation:** The study is limited by its sample size, focusing primarily on consumer-facing small businesses. Additionally, the cross-sectional nature of the research may not capture long-term trends in social media marketing. Future studies could explore industry-specific social media strategies and the impact of newer platforms like LinkedIn.

**Originality:** This study offers a unique viewpoint using statistical analysis to investigate the precise ways in which social media marketing impacts the profitability of small businesses. In addition, the study incorporates current market insights and expert comments, which provide small firms with fresh approaches and best practices in a quickly changing digital environment.

**Keywords:** Social Media Marketing (SMM), Small Business Success , Brand Visibility, Consumer Engagement ,Conversion Rates, Digital Marketing Strategy, Social Media Platforms, Instagram, Facebook, Twitter ,Sales Growth

## INTRODUCTION

Small businesses frequently struggle to reach their target audience since they have limited resources and budgets for marketing. Conventional marketing techniques, including television and print advertisements, are frequently costly and inefficient at attracting today's consumers. However, companies now have a powerful and reasonably priced instrument to advertise their goods and services thanks to the growth of social media platforms. The influence of social media marketing on small business sales growth is examined in this article, along with recommended practices for optimizing its efficacy.

## SOCIAL MEDIA MARKETING

Social media marketing (SMM) has become a game-changing tool for companies of all kinds in the digital age, but it's especially important for small firms that frequently have tight budgets and few resources. Social media sites like Facebook, Instagram, Twitter, LinkedIn, and TikTok offer affordable, highly targeted, and interactive marketing options in contrast to traditional marketing strategies, which depend on expensive and widely dispersed ads. Previously only available to major enterprises with substantial marketing expenditures, small businesses may now interact with potential customers, increase brand awareness, and boost sales.

Social media, which has billions of active users globally, has completely changed how businesses and consumers behave. Social media is an essential part of every modern marketing plan because of its capacity to promote items, interact directly with customers, collect feedback, and increase website traffic. Effective use of social media can revolutionize small businesses by allowing them to compete with larger brands by providing their target customers with engaging and personalized experiences.

## IMPORTANCE OF SOCIAL MEDIA MARKETING FOR SMALL BUSINESS

Small businesses face unique challenges when it comes to marketing and sales growth. They often struggle with: -

- **Limited Financial Resources:** Print, radio, and television advertising are examples of traditional media that might be costly and not yield a significant return on investment (ROI).
- **Limited Financial Resources:** Traditional media, such as print, radio, and television advertising, can be expensive and provide little return on investment (ROI).
- **Difficulty Reaching Target Customers:** It might be difficult to reach the correct audience in the absence of comprehensive market research or substantial advertising campaigns.

Social media marketing provides solutions to these challenges by offering:

- **Affordable Advertising:** Companies may run highly targeted advertisements on social media sites like Facebook and Instagram for a fraction of the price of traditional marketing.
- **Organic Engagement:** Without extensively investing in promotions, small businesses can build strong relationships with their audience through consistent posts, stories, and customer interactions.
- **Potential for Viral Marketing:** Without incurring extra expenses, engaging content—like viral videos and popular hashtags—can greatly increase brand awareness.
- **Data-Driven Insights:** Businesses can improve their marketing tactics by using analytics tools provided by social media platforms to better understand consumer preferences, behaviors, and engagement patterns.

## EVOLUTION OF SOCIAL MEDIA MARKETING

Over the past 20 years, social media's function in corporate marketing has changed dramatically. Personal networking was the main purpose of sites like Facebook and My Space at first. However, companies started using these platforms to promote their brands as user involvement increased. The advent of advertising formats like Facebook Ads (2007), Instagram Ads (2015), and TikTok For Business (2020) significantly transformed the field of digital marketing by allowing companies to precisely target extremely specific demographics.

Today, social media marketing is not just about posting content but involves a combination of:

- **Content Marketing:** Content marketing is the process of producing worthwhile, interesting, and viral material in order to draw in and keep clients.
- **Influencer marketing:** is collaborating with social media influencers to increase visibility and trust.
- **Paid Advertising:** Using focused advertising campaigns to increase conversion rates.

- **Community Engagement:** Actively communicating with followers via messages, comments, and live sessions is known as community engagement.

## CHALLENGES IN SOCIAL MEDIA MARKETING

### Algorithm Changes

- The organic reach of business content is impacted by frequent modifications to platform algorithms.
- To be visible, businesses must continuously modify their tactics.

### Time and Resource Constraints

- Small business owners might not have the time or energy to manage social media accounts.
- Employing marketing experts can be costly.

### Negative Reviews and Public Backlash

- Negative social media customer service can harm a brand's reputation.
- To properly address unfavorable comments, businesses need a crisis management strategy.

## LITERATURE REVIEW

Social Media Marketing's Effect on Small Businesses' Sales Although social media marketing (SMM) has grown to be an essential tool for companies of all kinds, small firms, who frequently have little funding and resources, can benefit most from it. SMM includes using social media sites like Facebook, Instagram, Twitter, LinkedIn, and others to interact with consumers, advertise goods and services, increase brand recognition, and eventually boost sales. This study of the literature looks at several aspects of this dynamic interaction and examines how SMM can increase sales for small enterprises.

- **Customer Engagement and Brand Awareness:** The ability of social media marketing to promote direct customer interaction is a key component of its success. According to Kaplan and Haenlein (2010), social media's interactive features enable companies to engage with their target audience and go beyond conventional one-way marketing. This reciprocal dialogue fosters brand loyalty, improves consumer connections, and increases trust.
- **Influencer Marketing:** Social media advertising's cost-effectiveness: For small firms, traditional advertising techniques might be unaffordable. The affordability of social media advertising platforms such as Facebook and Instagram has been highlighted by Chaffey (2021) and others. With the help of these platforms' advanced targeting features, small businesses may reach their target audience, geography, and even interests—all while staying within a reasonable price.
- **Small businesses often leverage influencer marketing** to expand their reach and credibility. Brown and Hayes (2008) highlighted the impact of influencers in driving sales through endorsements and recommendations to their followers. Influencers, with their established audience and perceived authenticity, can significantly impact consumer purchasing decisions. For small businesses, partnering with micro-influencers, who have smaller yet highly engaged niche audiences, can be a cost-effective way to target specific customer segments.
- **Storytelling and Content Marketing:** Social media offers an effective forum for both of these strategies. Small businesses can draw in and hold on to their target audience by disseminating worthwhile and interesting content. Blog entries, articles, films, infographics, and behind-the-scenes looks at the company can all fall under this category. Customers respond well to storytelling in particular, which fosters an emotional bond with the business.
- **Issues and Things to Think About:** Although social media marketing has many advantages, small businesses also have to deal with issues. It can take a lot of time to manage several social media accounts, provide regular and interesting material, and reply to consumer questions—especially when there is a personnel shortage. Additionally, online criticism or unfavorable comments can spread swiftly on social media, which could harm the company's brand. Success depends on creating a thorough SMM strategy that includes performance monitoring, content preparation, target audience identification, and well-defined goals.

## OBJECTIVE

1. To evaluate the impact of social media marketing on small business sales growth.
2. To determine which social media channels and tactics are best for small business promotion.
3. To investigate the difficulties small businesses encounter when putting effective social media marketing initiatives into action.
4. To offer helpful advice on how small businesses might improve their social media marketing campaigns and increase sales.

## RESEARCH METHODOLOGY

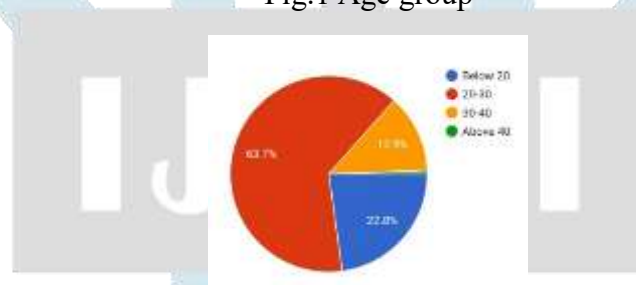
This sectoral research is descriptive and exploratory in nature. A questionnaire survey was conducted among customers via social platforms for data collection. Around 200 people were approached to get the questionnaire filled but only 171 responses were achieved. Secondary sources such as research papers published in reputed peer reviewed journals were sourced to review the literature.

## RELIABILITY OF SCALE

This study was based on self-structured questionnaire; therefore, we conducted a reliability test. To test the validity and reliability, we used Cronbach alpha through SPSS.

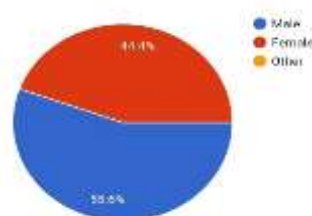
## DATA ANALYSIS AND INTERPRETATION

Fig.1 Age group



A major part of our respondents is age 20-30 and below 20 from the fig.1

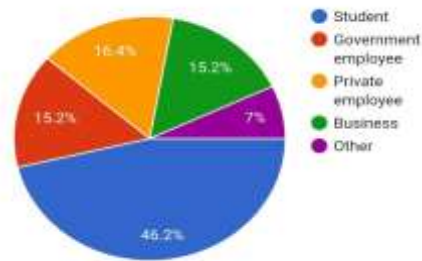
Fig 2 Gender



It is inferred that the majority of the defaulting of the customer were male from the fig.2.



Fig 3 Occupation



It reveals that the most of the defaulting customer are student from the fig. 3

## DETAILS OF SIGNIFICANT RESULT

**Statement 1.** Which industry does your business operate in?

**Table 1: Statement 1**

S.no	Response	Frequency	Percent
1	Retail	51	29.8
2	Food and beverages	97	56.7
3	Fashion and apparel	21	12.3
4	Services	2	1.2
5	Total	171	100

According to table 1, the majority of businesses surveyed operate in the food and beverage industry (56.7%), followed by retail (29.8%) and fashion and apparel (12.3%). A small percentage (1.2%) belong to the services sector.

**Statement 2:** How long has your business been operational?

**Table 2: Statement 2**

S.no	Response	Frequency	Percent
1	Less than 1 year	15	8.7
2	1-3 year	25	14.2
3	3-5 year	61	35.6
4	More than 5 year	70	41.5
5	Total	171	100

According to table 2, most businesses have been operational for over five years (41.5%), while 35.6% have been running for 3–5 years. Additionally, 14.2% have existed for 1–3 years, and 8.7% are less than a year old.

**Statement 3:** Which social media platforms do you use for your business?

**Table 3: Statement 3**

S.no	Response	Frequency	Percent
1	Facebook	50	29.3
2	Instagram	62	36.2
3	Twitter	32	18.8
4	LinkedIn	27	15.7
5	Total	171	100

According to table 3, Instagram is the most used social media platform for businesses (36.2%), followed by Facebook (29.3%), Twitter (18.8%), and LinkedIn (15.7%).

**Statement 4:** How often do you post content on social media?

**Table 4: statement 4**

S.no	Response	Frequency	Percent
1	Daily	20	11.6
2	2-3 times a week	23	13.7
3	weekly	66	38.5
4	occasionally	62	36.2
5	Total	171	100

According to table 4, The majority of businesses post on social media weekly (38.5%), while 36.2% share content occasionally. About 13.7% post 2–3 times a week, and 11.6% update daily.

**Statement 5:** Who manages your social media accounts?

**Table 5: statement 5**

S.no	Response	Frequency	Percent
1	In-house team	31	18.2
2	Freelancer/agency	25	14.6
3	Self-managed	115	67.2
4	Total	171	100

According to table 5, the majority of businesses (67.2%) manage their social media accounts themselves, while 18.2% rely on an in-house team, and 14.6% outsource to freelancers or agencies.

**Statement 6:** What type of content do you primarily state?

**Table 6: statement 6**

S.no	Response	Frequency	Percent
1	Product/service promotion	38	22.4
2	Educational/informative posts	45	26.3
3	Customer testimonials	22	12.8
4	Behind-the-scene content	32	18.7
5	other	34	19.8
6	Total	171	100

According to table 6, businesses primarily share educational or informative content (26.3%), followed by product or service promotions (22.4%). Other content types include behind-the-scenes posts (18.7%), customer testimonials (12.8%), and miscellaneous content (19.8%).

**Statement 7:** Have you observed an increase in sales since using social media marketing?

**Table 7: Statement 7**

S.no	Response	Frequency	Percent
1	Yes	35	20.6
2	No	70	40.9
3	Not Sure	66	38.5
4	Total	171	100

According to table 7, only 20.6% of businesses have seen an increase in sales through social media marketing, while 40.9% have not. Additionally, 38.5% are unsure of its impact.

**Statement 8:** If yes, by what percentage have your sales increased due to social media marketing?

**Table 8: Statement 8**

S.no	Response	Frequency	Percent
1	Less than 10%	21	12.4
2	10-25%	76	44.4
3	26-50%	51	29.8
4	More than 50%	23	13.4
5	Total	171	100

According to the table 8, survey's findings, social media marketing has increased small business sales. Statement 8 states that 87.6% of participants said social media marketing increased sales.

**Statement 9:** Which platform has contributed the most to your sales growth?

**Table 9: Statement 9**

S.no	Response	Frequency	Percent
1	Facebook	48	28.0
2	Instagram	65	38.0
3	Twitter	31	18.3
4	LinkedIn	27	15.7
5	Total	171	100

According to table 9, Instagram has contributed the most to sales growth (38.0%), followed by Facebook (28.0%), Twitter (18.3%), and LinkedIn (15.7%).

**Statement 10:** What challenges do you face in using social media marketing?

**Table 10: Statement 10**

S.no	Response	Frequency	Percent
1	Lack of time	15	8.7
2	Insufficient budget	20	11.6
3	Low engagement	35	20.7
4	Difficulty in creating content	56	32.7
5	other	45	26.3
6	Total	171	100

According to table 10, the biggest challenge in social media marketing is content creation (32.7%), followed by low engagement (20.7%) and other issues (26.3%). Budget constraints (11.6%) and lack of time (8.7%) are also concerns.

**Statement 11:** Do you plan to increase your budget for social media marketing in the next year?

**Table 11: Statement 11**

S.no	Response	Frequency	Percent
1	Yes	48	28.2
2	No	57	33.3
3	Not Sure	66	38.5
4	Total	171	100

According to table 11, 38.5% of businesses are unsure about increasing their social media marketing budget next year, 28.2% plan to increase it, and 33.3% do not plan to increase it.

**Statement 12:** How effective do you think social media marketing is for small businesses?

**Table 12: Statement 12**

S.no	Response	Frequency	Percent
1	Extremely effective	72	42.1
2	Moderately effective	49	28.6
3	Slightly effective	43	25.3
4	Not effective	7	4.0
5	Total	171	100

According to table 12, 42.1% of businesses believe social media marketing is extremely effective for small businesses, while 28.6% find it moderately effective. 25.3% consider it slightly effective, and 4.0% believe it is not effective.

**Statement 13:** Would you consider hiring a professional/agency to manage your social media marketing?

**Table 13: Statement 13**

S.no	Response	Frequency	Percent
1	Yes	87	50.8
2	No	45	26.4
3	May be	39	22.8
4	Total	171	100

According to table 13, 50.8% of businesses would consider hiring a professional or agency to manage their social media marketing, while 26.4% would not, and 22.8% are unsure.

## CONCLUSION

Social media marketing has become an indispensable tool for small businesses seeking to expand their reach, strengthen brand awareness, and drive sales. Platforms such as Instagram, Facebook, Twitter, and LinkedIn provide businesses with cost-effective and highly targeted marketing opportunities that were once limited to large corporations. By leveraging these platforms, small businesses can engage directly with customers, build trust, and foster long-term relationships that contribute to sustained growth.

The findings of this research highlight that businesses utilizing social media marketing have experienced significant improvements in visibility, customer engagement, and conversion rates. Despite challenges such as algorithm changes, limited resources, and content creation difficulties, the benefits of social media marketing far outweigh the drawbacks. Strategies such as influencer collaborations, user-generated content, and data-driven decision-making have proven to be effective in boosting sales and enhancing customer loyalty.

For small businesses to thrive in the digital marketplace, they must continuously refine their social media strategies, stay updated with industry trends, and leverage analytics to optimize their campaigns. By adopting a dynamic and adaptive approach to social media marketing, small businesses can maintain a competitive edge, build meaningful customer relationships, and achieve long-term profitability.

## REFERENCES

- Hayes, N., and Brown, D. (2008). Who Actually Affects Your Customers with Influencer Marketing? Elsevier.
- D. Chaffey (2021). Practice, Strategy, and Execution of Digital Marketing. Pearson.
- Haenlein, M., and A. M. Kaplan (2010). "Come together, global users! Social media's opportunities and challenges. 59–68 in Business Horizons, 53(1).
- Solomon, M. R., and T. L. Tuten (2017). Marketing on Social Media. Sage Publications.
- Lang, K. R., and Gerber, B. (2022). "The Role of Social Media in Small Business Marketing: Leveraging Content for Growth." Digital Marketing Journal, 19(2), 72-89.