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THE SOCIAL MEDIA IMPACT ON BUSINESS DEVELOPMENT

The key role of the social media impact on the progressive business development is determined. The leading social media platforms used by marketers worldwide are identified. The key social media opportunities for business (revenue, brand awareness / development, networking, recruitment) are described. The major benefits of social media for business are justified. Among these benefits are customer insights improvement, better customer service, cost efficient, connectivity, establishing brand awareness and sales. As a result of the analytical and empirical studies, it is proposed business promotion constituents in social media. Their implementation by business owners will make it possible to carry out stable activities in the short and long term.

Key words: benefit, business, business promotion constituent, development, opportunity, social media.

Вероніка Юрївна ХУДОЛЕЙ

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ВПЛИВ СОЦІАЛЬНИХ МЕРЕЖ НА РОЗВИТОК БІЗНЕСУ

Детерміновано ключову роль впливу соціальних медіа на прогресивний розвиток бізнесу. Ідентифіковано провідні платформи соціальних медіа, якими користуються маркетологи на міжнародному рівні. Наведено дескрипції основних можливостей соціальних медіа для бізнесу (дохід, пізнаваність / розвиток бренду, створення мереж, рекрутинг). Обґрунтовано основні переваги соціальних медіа для бізнесу. Серед цих переваг – покращення розуміння споживачів, покращення обслуговування клієнтів, економічна ефективність, можливість підключення, встановлення поінформованості про бренд та продажі. За результатами аналітичних та емпіричних досліджень запропоновано конституенти просування бізнесу у соціальних мережах. Їх імплементація надасть можливість власникам бізнесу здійснювати стабільну діяльність у короткостроковій та довгостроковій перспективах.

Ключові слова: користь, бізнес, складова просування бізнесу, розвиток, можливості, соціальні медіа.

JEL Classification: L 81, M 1, M 31

Statement of the problem in general form and it's connection with important scientific or practical tasks

Nowadays social media will continue to have a significant impact on marketers and business owners. They now have the ability to reach out and

communicate on a personal level with their target audience on a daily basis. This is a game changer for businesses engaging in marketing, sales, customer service and other business activities. Besides that, social media is valuable for businesses of any size or industry, and finding customers on social media has a direct impact on sales and bottom line.

Analysis of the latest research and publications

Various aspects of social media usage to increase the current sales rate are covered in the works Ansari J., Bavyko O., Bavyko O., Boiko O., Bondarchuk M., Grizane T., Jiang Sh., Jurgelane I., Khan N., Natorina A., Ngien A., Vasiutkina N., Yermak S. The analysis of the social media impact on business promotion is devoted works by scientists and economists among whom are Abdulnasir A., Fang Yie L., Hagni P., Mohammedhussen M., Mohiddin F., Rahman A., Setiana D., Susanto H., Svatosova V., Zeitel-Bank N., Zhan F. study.

Highlighting the previously unresolved parts of the general problem

A comprehensive analysis of the scientific works of well-known leading foreign and Ukrainian scientists and economists [1-14] allowed to establish the main role of social media on buyers and, as a consequence, on their purchasing decisions. However, the opportunities provided by social media to influence customer behavior and decision-making are very important and need more detailed. Therefore, the purposes of the article are to determine the key opportunities and major benefits of social media for businesses; justify effective ways to influence the customers' behavior on social media; propose the business promotion constituents on social media.

Statement of the main material

As show statistical data [1, 12, 14], many small businesses are not actively utilizing social media to reach customers in which she stated that 47% of the small business do not actively use social medial and 25% of the small businesses have no plan to use social media at all. The Figure 2 represents the leading social media platforms used by marketers worldwide in 2021.

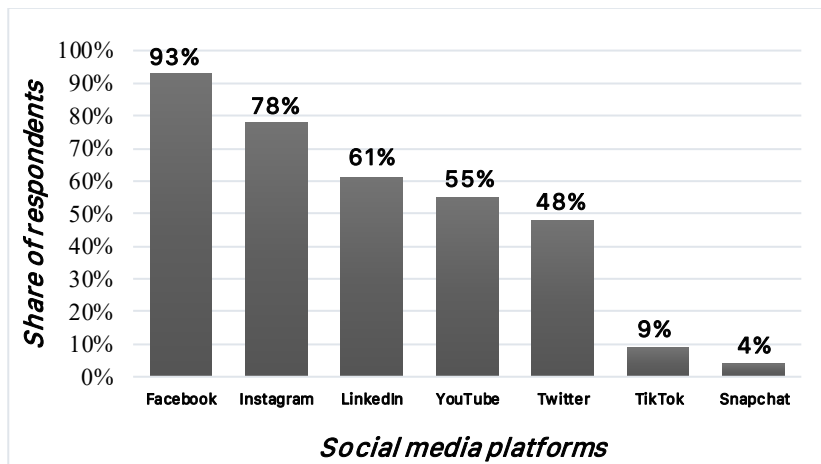


Fig. 1. Leading social media platforms used by marketers worldwide, 2021 [6]

Customers' participation in social media marked the difference between social media and traditional media. Both social and traditional media are used to reach customers; with social media as the only media that allows customers to take part and disseminate their opinions. Research on social media shows that approximately 50% of adults who use the internet participate in social networking which indicates that this number has a significant implication on businesses. Marketing companies use customized data mining software that enables them to keep track of customers' behavior, spending pattern and satisfaction ratings [6, 12-13].

Some companies, however, consider social media as a place only for entertainment and not a space for potential marketing and promotional purposes. Another error is that some companies underestimate social media from a marketing point of view. Marketing on social media requires much more thorough and sophisticated strategic preparation than traditional, mass marketing. Social media is often identified with social networks. The concept of social media, however, includes a wider range of activities. Social media can also be a web page or e-shop using social elements, as well as discussion forums, weblogs, multimedia or other online activities motivating participants to purchase. Social media has no established uniform definition and can also be referred to as "new media", "media 2.0" or "buzzword" [1, 14].

It is advisable to note that in the articles [4, 10], social media is defined as an "online media, where content is cocreated and shared by users. Social media is constantly changing, both in the way it changes (increases) its content and by adding many functions. Marketers can use social media to directly determine what customers want, what their attitude is towards the brand or company, and what they complain about. From a marketing point of view social media has the advantage that its content can be instantly updated based on the opinions, comments and discussions of the participants or the whole community. Among its other features include the ability to immediately edit the content, social validation of data, and share content between users of social media. Another important aspect of marketing on social media is called Search Engine Optimization, which allows optimization of social media in order to ease searching.

Social media can be broken down based on marketing tactics, because it is more transparent and surveys on the use social media are most often conducted based on [1-3]: blogs, videoblogs, microblog; forums, Questions and Answers (Q&A) portals; social bookmarking systems; shared multimedia; virtual worlds; mobile collocation services. In a relatively short time social media has penetrated the consciousness of society so much so that it has begun to be taken for granted. Its original purpose, a source of entertainment and communication between users has ceased to be enough and for many participants it has become a tool both for gaining knowledge and information and also for delivering it.

With the continuous advancement in information technology, the nature of businesses from all aspects has been transformed to adapt and survive, and social media platform are arguably believed to play as one of the key tools in the evolution of business marketing. The strategy of social media provides a platform to contribute content, describe content, find content, build community, start and continue conversations. There are a vast number of social media platforms offered and customer only have to choose which platform suits them and easily to use. If utilized efficiently, with effective strategies and management, organizations are now offered a while new platform which has the ability to restructure the way their

products and services are presented to customers [7-9]. The Table 1 represents **the key social media opportunities for business.**

Table 1

The key social media opportunities for business [7-9]

No	Opportunity	Explanation
1	Revenue	Gets leads generated, as it is effective and inexpensive to practice, increases the overall sales to the businesses
2	Brand awareness / Development	Allows direct interactions between businesses and customers on a more personal level; gives the business its own voice to further develop the brand; attract more customers by having them engaged with the interactive methods with features such as Q&A and Polls on Instagram; allows instant feedbacks from the customer
3	Networking	Improves the way the business operates in the short and long term; establishes relationships with one another within the organization, or with other business personnel in the industry itself
4	Recruitment	allows search for profiles in social network sites to recruit new workforce; does not have any boundaries, generates a bigger selection range of candidates

Referring to [7-8. 14], the characteristic of involvement relates to the high response from other users towards a specific topic that eliminates the barrier between the participants and the media itself, and describes openness as the willingness of social network providers to receive reviews in the shape of suggestions and criticisms concerning their services with the aid of user ratings, mentions and dissemination of information. It is agreeable for content that is protected by a password to be disregarded by users, he adds. The sense of community enables social networking users to exchange information effectively and at a rapid speed mainly due to the availability of different communities across social media that can cater various types of interest. Lastly, the main component of social media is its ability to easily connect user to content they are looking for without breaking any of the connectivity that has existed between them. As suggested by [1, 10, 13], social media aids in the development in business tactics in the form of attracting customers' attention and developing a wider acceptable organization image. So, in the whole, it is identified **6 benefits of adopting social media to businesses:**

- 1) recommendation and suggestions can be gained from the communication between the organization and potential customer;
- 2) social media helps in improving the organization's customer service by enabling communication with customers for instant assistance regarding their transaction;
- 3) the use of social media is cost efficient especially for marketing and promotion of business;
- 4) trends and interests can be monitored and identified to effectively cater customers' attention and demand;
- 5) social media helps in establishing brand awareness, and lastly;
- 6) sales and business traffic can be steered towards the business by increasing the company's market share through social media.

Social media has become a fundamental business component for their growth due to the benefits the companies can gain. First benefit is that it can increase organization exposure worldwide. As social media is one of the most cost-efficient marketing method, it can engage more with the audience. For example, using open source content management system to create the company's website and publishing to the internet. With the website, customers can simply peruse the

content which consists a lot of useful information about the company and their services. The shared content from the company can lead to acquiring new customers, business partners and even sponsors. The next benefit is that it can improve customer satisfaction, as social media creates a voice for both the company and the customers, allow them to feel appreciated knowing that their comments or message are being noticed. In addition, organizations use personalized response as it more effective in this process compared to replying with automated message. Lastly, social media can provide organizations with information about their competitors by monitoring them and keeping close tabs. Such information includes how they interact with their customers, their posts, content and design. By comparing their performances, the organization is able to check their own performance and determine how they will stand up to their competitors.

According to the detailed analysis of [1, 7-9, 13] it is determined the major benefits of social media for businesses. **The following are the major benefits of social media for business:**

1. Improved customer insights. The business gets a better understanding of their customers and they can always share their insights as they are aware that the company is listening to them. Social media allows them to see what potential customer's opinions are and network with them as well.

2. Better customer service. Social media allows businesses to respond to their grievances, questions and concerns almost instantaneously. Customers want to be assured that, if they have a problem they can receive help at the earliest. Customers who receive a quick response on social media say they are more likely to recommend that brand to other customers.

3. Cost efficient. When a business is running on a fixed marketing budget, social media is the most cost-efficient way to market and promote the business. Websites like Facebook, Twitter, Pinterest, etc., allow any business to share their content for no cost at all. Hence Social media is an affordable advertising platform.

4. Connectivity. The business will always be connecting to the customers in terms of changing preferences, lifestyles and resources and adapt to the changing interest of the customers. Companies will also be able to cater to the dynamic interests and innovate on their marketing campaign accordingly

5. Establishing brand awareness. Through social media it is possible to increase the brand awareness among customers as businesses can create awareness by building company image.

6. Sales. Through the increased exposure on social media, it drives traffic into the company. This in turn converts the potential customers to actual customers. Therefore, increasing sales.

Social media platforms allow users to have conversations, share information and create web content. There are many forms of social media, including blogs, micro-blogs, wikis, social networking sites, photo-sharing sites, instant messaging, video-sharing sites, podcasts, widgets, virtual worlds, and more. Social media is used all around the world to make connections and share information. On a personal front social Media allows users to communicate with friends and family, on a professional front, social media lets users communicate with professionals from the business. Social media also lets users cater to customer needs and feedback at the earliest. Social media has opened avenues for marketers that did not exist before or were too complicated. Social media is a powerful tool at the fingertips of marketers and they can share a piece of content with the world in seconds. Social media is very important for the business as it helps Showcase the

company's brand and create a brand image by handling a strong social media presence. By regularly updating details about the company and its social happenings, prospective customers are sublimely on the lookout for the company [4-5, 11, 13].

Social media leads to massive exposure due to its worldwide access, sharing capabilities, and huge amount of daily users. It delivers instant information in the digital marketplace, thus giving businesses the ability to advertise their products, going beyond distance. Statistics have proven that interacting in social media networks even 2-3 times per week can significantly increase online presence in both the traditional and digital market space, while companies are building new relationships outside the four walls of your office. Social media channels are proactive tools when it comes to increasing company trustworthiness [7]. By closely communicating with customers on a social media level, the company become a trusted source of information which makes it a great asset when creating company awareness and brand credibility. Social media can be a great source of customer service, transforming negative customer's experience into a positive outcome for your business. Social media allows company to get personalize their products to their customers. With increased response to customer feedback prospective customers are more likely to become potential customers as the company is available to cater and respond to their specific requirements and expectations. Lastly social media is the most cost efficient way to market and brand any business. Promoting any business through social media will only increase return on investment. It also allows creative advertising opportunities and energizing public relations without a huge monetary commitment.

Today, access to and transparency of information has had a profound impact on decision- making, so it is important to examine what the obstacles and fictional points are, those that prevent customers from becoming unenthusiastic to repurchase [1, 5, 13-14]. Globally, customers have started to use social media such as Facebook, Twitter, Instagram and LinkedIn to share their experiences [9]. As customers, customers share product reviews, information about a service, advice on food or health, warnings about products, tips on using certain products, and much more. Customers have a lot of "connections" on social media, therefore information is consumed by many customers. This information becomes a source of influence on customers and their buying behavior. The latest trend in marketing is the introduction of the social media. Social media has the power to influence potential customers from the start until the stage of a purchase and beyond as well. To start off, customers need awareness about your brand and its offering. At a later stage, when they start to narrow down their choices, you need a social media influencer to convince their choice. A constant dialogue between the customer and the brand is essential to keep the relationship strong. Attractive and informative content can glue the customers to your brand.

Taking into account the results of monitoring the international companies' activities [1-5, 6-14], it is justified **4 effective ways to influence the customers' behavior on social media.**

I. Builds product awareness.

Social media is a huge influence on customers when they are attempting to build awareness about a particular product. When customers face a problem, they start searching for a solution. But most of the times customers do not know which product or service will solve their problems. The aim of every business is to influence

customer behavior. If you do not have a brand presence on social media, you are missing out on an important opportunity to influence customer buying behavior.

II. Social proof as a greater force of buying decisions.

Social media has resulted in the evolution of social proof as a greater force for buying decisions. Social proof has emerged due to the tendency of customers to imitate the behavior around them imitate customers who have influence over them. Happy customers tend to go about praising the products with likes, shares, reviews and comments on social media. Marketers are making social space more transparent by sharing reviews, comments, likes, tweets and pins of their happy customers to generate brand trust and increase conversion rate. Sharing testimonials, case studies, pictures, comments and videos of happy customers will build greater trust and will work well on your landing, page, consulting page and sign-up page as well. The power of social proof cannot be undermined when social media has become integral part of buyers and sellers. Social marketers looking to sell their products should have a solid social proof in form of case studies, images, video, pod cast interviews and influencers as part of their selling strategy. All this will eventually increase the conversion rate.

III. Promotions, discounts and deals on social media.

Many social media users have signed up for social media groups/forums that they are interested in. When customers see promotions, discounts and deals on social media, it influences their buying behavior. Social media is an inexpensive platform that gives brands instant reach to billions of active social media users. Brands should ensure that target audience sees your products, likes them and shares them on social media, which helps to influence customer behavior.

IV. Social media influencers.

Customers are more likely to buy when they get recommendations from a person they trust. Celebrities and popular customers inspire their audience and influence their buying behavior. Customers on social media look up to these influencers for recommendations and advice on products. A positive influence will encourage the customer to buy the product. Influencer marketing can work wonders for your brand by attracting more customers. Many marketers are replacing celebrities with YouTube, Instagram, and Snapchat influencers. These online influencers are providing unfiltered feedback on products.

The above proves that, social media, which includes the content, visuals, promotions, discounts and influencers, has the ability to influence the buying behavior of customers. The effects of social media on customer behavior cannot be ignored by brands and businesses. Moreover, as a result of the analytical and empirical studies, it is proposed business promotion constituents in social media (Fig. 2).

The interpretation of each business promotion constituents on social media is given below in the text.

1. Marketing plan with:

1) social media goals and objectives. Goals should be specific, measurable, attainable, relevant, and timely and based on metrics that will have a real impact on business.

2) competition analysis. A competitive analysis can help to learn how are main competitors using social media.

3) social media audit

4) social media calendar. A social media calendar helps to post the right content to the right social channels at the right time. It should include a plan for content mix.

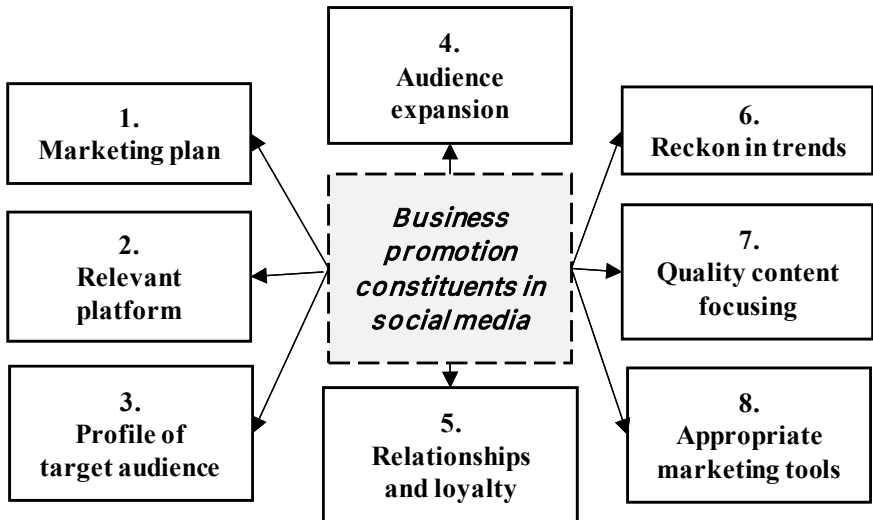


Fig. 2. Business promotion constituents on social media (developed by the author)

2. Relevant platform

It is necessary to compile demographics information for all of the major social networks. Use it to help gauge where target audience spends their time online. To make sure business owners need to conduct some research of their own. This will help to understand how r specific audience spends their time online.

Choosing platforms doesn't have to be an all-or-nothing approach. It is possible to use different social channels to reach different audiences, or to meet different business goals.

3. Profile of target audience

One reason using social media for business owners is so effective they can micro-target audience. However, firstly, they need to understand who your audience is.

Once they defined target audience, they can create buyer personas, which will help understand the best ways to communicate with audience.

4. Audience expansion. Business owners have to use social media to expand the audience.

5. Relationships and loyalty. The unique benefit of social media marketing for business is that it allows to talk directly to customers and followers. When customers engage with organic content or ads, it's a great idea to engage back. This helps to build trust and form a loyal following. As fans share and like content, business rise in the social algorithms and gain exposure. Nurturing relationships

can help business to build a loyal community that will lead to ongoing sales over time. Recommendations for building good relationships and loyalty:

- 1) create a Group in the social platforms
- 2) connect with competitors and influencers
- 3) mention followers in posts and Stories

6. Reckon in trends. It is a good idea to pay attention to trends in social media to understand what customers are looking for when they sign into their social platforms. This helps business create appropriate content that resonates. Social listening is a highly valuable information gathering tool, helping business understand what audience / potential audience might want to hear from brands.

7. Quality content focusing. The sheer number of social media marketing options for business might seem overwhelming. It's more important to create quality content on a couple of key channels than it is to have a presence on every single network. Above all, business owners must be sure that their social posts offer value. If all they do is pitch and sell, there's very little motivation for customers to follow them. They need to focus on using one or two social channels.

8. Appropriate marketing tools:

- 1) engagement management – social media is not a broadcasting system – it is a way to engage with customers; social media management tools can help business centralize all mentions and messages directed in one dashboard;
- 2) analytics;
- 3) graphics;
- 4) content curation. For business owners it can be a struggle to come up with new content to share every day. That is why it is a great way to provide value for followers and keep them engaged with a specific content curation tools.

Conclusions from this research

and prospects for further developments in this area

The key role of the social media impact on the progressive business development is determined. The social media opportunities for business are described. The main benefits of adopting social media to businesses are identified. The major benefits of social media for business are justified. The business promotion constituents on social media are proposed and interpreted.

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