

## **Chapter 4 Social media as a marketing strategy in commercial microenterprises in the Southern Region of Tamaulipas**

### **Capítulo 4 El social media como estrategia de marketing en Microempresas comerciales de la Región Sur de Tamaulipas**

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## **Abstract**

Local businesses everyday face problems in sales and last year was no exception as it was more marked by the pandemic we are experiencing worldwide. The emergence of social media and the COVID-19 pandemic has changed the way businesses interact with customers so they can communicate more directly and quickly, as well as their advertising or marketing strategies. In addition, the cost of advertising on social networks is much lower than in traditional media such as radio and television. All this clearly shows that entering social networks is not only a trend, it is a requirement of every company and organization that wants to expand its horizons. In this sense, there are several points to consider, it is necessary to understand that each company is an independent entity, and its products are unique and different. In principle, you must set the objectives and not forget your philosophy as a company. . Based on what has been experienced in recent years as a result of the COVID-19 epidemic, social media has had an impressive boom, speaking of the case of Mexico, the forecasts that were had according to the Mexican Internet Association Mx, the forecasts that were had according to the Mexican Internet Association Mx, was that we would have a presence of between 85-90 million people within the internet by 2020, but by the end of that year the mark of 100 million internet users was exceeded, this opens up a huge channel for us, where talking about the business approach can be used in different ways to obtain an economic benefit.

## **Social Media, Strategies, Companies**

### **Resumen**

Los negocios locales cada día se enfrentan a problemas en ventas y el año pasado no fue su excepción ya que fue más marcado por la pandemia que vivimos a nivel mundial. La aparición de las redes sociales y la pandemia de COVID-19 ha cambiado la forma en que las empresas interactúan con los clientes para que puedan comunicarse de forma más directa y rápida, así como sus estrategias publicitarias o de marketing. Además, el costo de la publicidad en las redes sociales es mucho menor que en los medios tradicionales como la radio y la televisión. Todo esto muestra claramente que ingresar a las redes sociales no es solo una tendencia, es un requisito de toda empresa y organización que quiera expandir sus horizontes. En este sentido, hay varios puntos a considerar, es necesario entender que cada empresa es un ente independiente y sus productos son únicos y diferentes. En principio, debes establecer los objetivos y no olvidarse de su filosofía como empresa. Basado en lo vivido en los últimos años en consecuencia a la epidemia de COVID-19 el social media han tenido un auge impresionante, hablando del caso de México, los pronósticos que se tenían según la Asociación Mexicana de Internet Mx, era que tendríamos una presencia de entre 85-90 millones de personas dentro del internet para el 2020, pero para finales de ese año se superó la marca de los 100 millones de usuarios de internet, esto nos abre un canal enorme, donde hablando del enfoque empresarial se puede aprovechar de diferentes maneras para obtener un beneficio económico.

## **Social Media, Estrategias, Empresas**

### **Introduction**

Talking about social media in recent years, such as Facebook, Twitter, YouTube, or Instagram changed the way people communicate, so companies had to consider this form of communication to integrate it into their marketing strategies in order to reach consumers not to be absent or to be present as an option in their purchases. Internet consumption increased up to 70% in our area and not only in the south but nationally as the pandemic forced us to evolve and make use of social networks to communicate with family, friends, schools, for procedures but especially mainly in the commercial area.

It is worth mentioning that companies had to implement customer recovery strategies since many of them did not have a database or updated customer portfolios, this was a great challenge and from there began to venture into the world of social media. The use of social networks or also called social medial is not easy depending on the agility of communication of the internet, its capacity, even the company you hire as well as the update of the same and that is where companies forget their update.

## **Problem**

Nowadays the traditional methods that were used in sales have changed, this is due to two important points, one of them is the pandemic, surprisingly, where we would never have imagined the isolation for more than a year, there the companies began to suffer because the customers did not want to have contact with anything or anyone for fear of contagion, the second is the pattern of consumption changes as generations use other means of communication and contact with companies. The problem is framed in the last two years in the southern area of the state of Tamaulipas as 40% of microenterprises in the commercial area began to close their doors for not adapting to these changes and customer information not being updated, never worried about changing their sales strategies to have updated and dynamic social networks to attract customers or keep them.

The research objective of this problem is to identify strategies that allow the use of social media in commercial microenterprises in the southern area of Tamaulipas. As well as the specific ones to be investigated, the following are proposed:

- Identify the main variables that make up the current social media marketing strategy of local businesses.
- Evaluate the functionality of the current strategies in social networks used by commercial companies in the region.
- Develop digital marketing strategies based on the current trends and needs of local businesses according to their needs.

This research will focus on small commercial companies and entrepreneurs in the southern area of Tamaulipas (Altamira, Tampico and Cd. Madero) that have a small presence in social networks or already have an established strategy on their presence in social networks or already use it as a means of dissemination of their company to collect real data on their current situation in social networks, covering different sectors of the productive sector.

## **Theoretical approach**

### **Digital Marketing**

Today's digital marketing has become an effective tool and a process facilitator for national and international companies, using various technologies can design business models and strategies aimed at discovering global market opportunities, so business development methods are needed to communicate and integrate the marketing plan for this, the company must be able to segment the market and understand the social media used in each market. Currently, professionals in the field of digital marketing, believe that if a product or service cannot be found on the Internet, it does not exist at all (Kotler, Kartajaya and Setiawan 2013). In the past only companies that were interested in making profits through business relationships together with customers, are now looking for ways to understand the best and meet their needs in efficient ways.

### **Evolution of marketing**

In the 90's digital marketing was used as a definition for the first time, it is mainly about advertising, but the evolution of social and mobile digital tools continues to expand in the years 2000 and 2010, little by little the concept of creating an experience that involves users was created, which made them change their concept of what it is to be a customer of a brand.

This evolution of new technologies gave way to the concept of Web 1.0. It is the Internet in the classic sense with specific protocols, such as entering the Web site, which published content but without much interaction with users, then came the Web 2.0, where it is linked to services, and gave use to social networks, video sharing, graphics, and interaction with brands, and collaborative platforms, then came the Web 3.0, which is related to the semantic web, users, equipment, software, databases, these advances have undoubtedly generated an exponential growth of digital marketing, and access to information is easier (Kotler, P., & Armstrong, G. 2010)

## Marketing 1.0 to 4.0

In recent years, marketing evolution scholars, mainly Kotler, have proposed a scale of marketing use starting from 1.0 to 4.0, where they detail the approach that marketing acquires according to the needs of the context in which it lives.

Today's marketing seeks its own expansion and deepening to focus on covering all aspects of the products required by customers. It aims to humanize brands with human characteristics, provide better offers and interact with customers. Marketers must demonstrate their strong personality and morality while establishing the human side of their brand. Marketing, since its beginnings in the 20th century, has shown itself to be the ideal companion to the processes of production, marketing, distribution and advertising of products and services. Today, with the same dynamics, it is part of the organizational architecture and influences the strategic decisions of the company and, of course, the purchasing and investment decisions of the global community. Today the world is not the same as it was 100 years ago and tomorrow it will be different. "Marketing changes as institutions, technology and the environment change" (Jose Maria Ancin, 2011).

## Methodology

The research is based on quantitative and qualitative aspects, in relation to this, it acquires a mixed character, on the quantitative side the study aims to measure or collect independent information on the variables of our study universe to measure, select and evaluate data on the use of social networks as a marketing strategy in businesses in the southern area of Tamaulipas today. Thanks to this research, it will be possible to generate strategies that generate positive results for the businesses; likewise, it is descriptive since with this type of research it is possible to characterize an object of study or a concrete situation where the objects involved in the research work can be ordered, grouped or systematized.

The population of this research is made up of businesses and entrepreneurs in the southern zone of Tamaulipas who have direct contact with social networks as a marketing strategy for their businesses. According to data from the National Statistical Directory of Economic Units of INEGI with the latest update of 2020, we have data that speak of an estimate of about 18,000 economic units called MiPymes, which would be an approximate of our population.

The type of sampling of the research will be based on a convenience sampling, i.e., non-probabilistic, because we do not have an exact number of population for the extraction of the sample, due to the large number of variables that this has such as the exact number of economic units in the area, the number of population that has internet connectivity and how many of these economic units have this connectivity.

That is, they meet the characteristics of interest for this research, which are the MSMEs and entrepreneurs in the southern zone of Tamaulipas that have within their business some indication of using social networks for visibility, sales or other actions related to the economic unit, in addition to intentionally selecting individuals from the population to which there is generally easy access or through open calls, in which people come voluntarily to participate in the study, until reaching the number needed for the sample.

To draw an approximate number of the sample, we will first take into account the approximate population of economic units in the southern zone of Tamaulipas, which is approximately 18,000 and the percentage of the population that has access to internet, which is relatively 70% of the population, according to INGENI 2020, assuming that all these economic units comply with this characteristic, we would have an approximate population of 12,600, in this approximate there may be bias because we do not have the exact data. Taking into account this study population of 12,600 business units, our formula for drawing the sample would be as follows, using a reliability value of 95%:

$$N=12,600$$

$$z=1.96$$

$$p=0.5$$

$$q=0.5$$

$$e=0.05$$

$$n = \frac{Nz^2pq}{(N-1)e^2 + z^2pq}$$

$$n = \frac{(12,600)(1.96^2)(0.5)(0.5)}{(12,600-1)0.05^2 + 1.96^2(0.5)(0.5)}$$

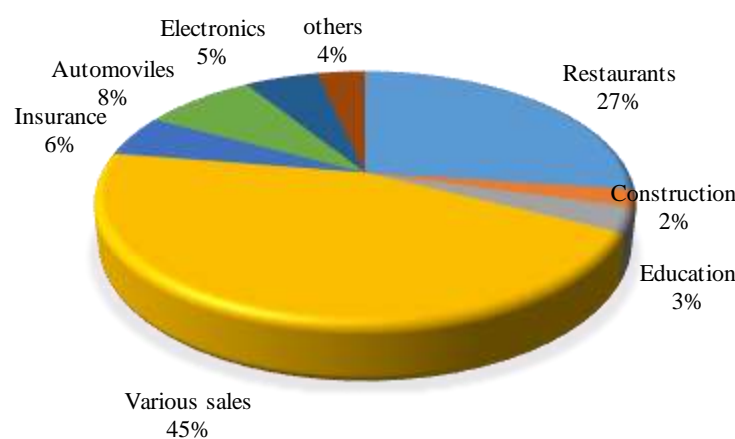
$$n = 373$$

In this case, 373 surveys will be applied to different entrepreneurs and users of these marketing tools focused on small businesses.

### Analysis of the results

The method used to analyze the data will be based on a descriptive analysis method with frequency measures that will focus on the relationships on how beneficial is for commercial enterprises (small) in the southern region of Tamaulipas the use of social networks as a marketing strategy under the current parameters of the economic units, talking about the use of this type of strategy. The following graphs show the results obtained from the instrument applied to the merchants in the southern region of Tamaulipas.

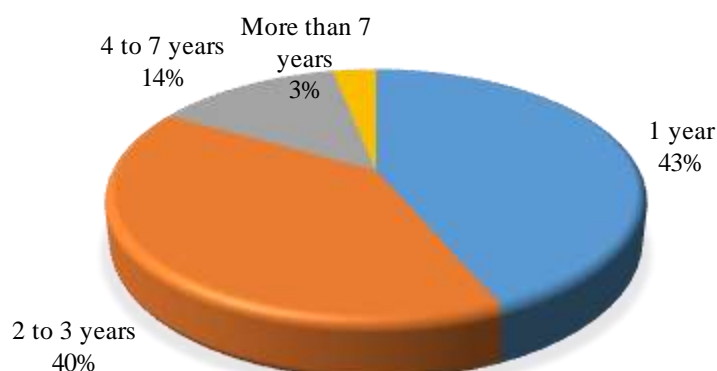
**Graph 1** Line of business



Source: Own Elaboration

In the graph that shows us the line of business of the company, it tells us that 45% of the sales are miscellaneous, which means that they are dedicated to the commercialization of products. The following graph shows the time of existence of the business in the market, since this point is important because in Mexico the probability of businesses is low, normally when they are small, their life lasts less than 5 years.

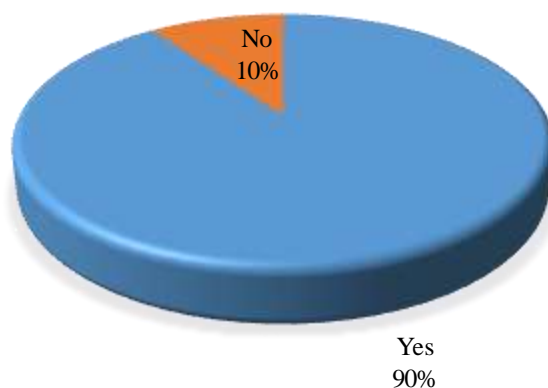
**Graph 2** Time of existence of the business



Source: Own Elaboration

Forty percent of the surveyed businesses say that they have been in the market for between 2 and 3 years, on average, the graph shows that only 3% of the total of those surveyed have been in the market for more than 7 years.

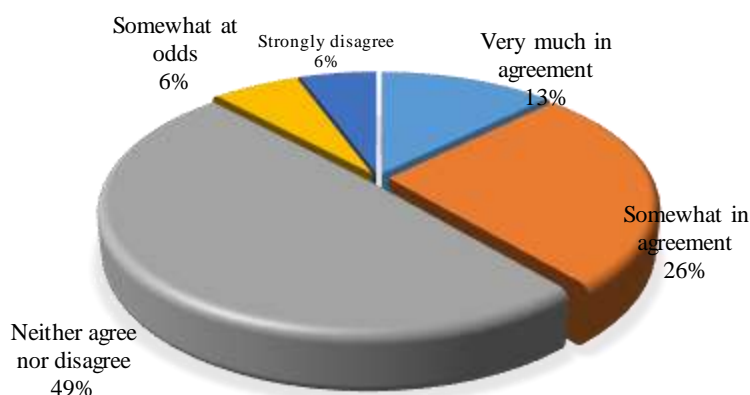
**Graph 3** Use of social media



Source: Own Elaboration

In this graph we are interested in knowing if the businesses use social media as a marketing strategy. 90% answered that they do use it as a means to attract their customers.

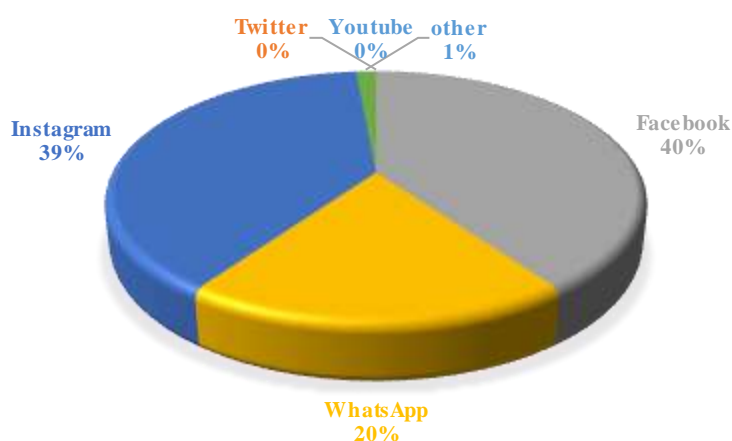
**Graph 4** Benefits of using social media



Source: Own Elaboration

49% of respondents answered that they neither agreed nor disagreed about the benefits of using social media. In the previous graph, 90% answered that they did use it as a strategy, but when the benefits of its use were mentioned, only 26% agreed, which tells us that most of the businesses do not have the experience to manage social media as a strategy or marketing tool.

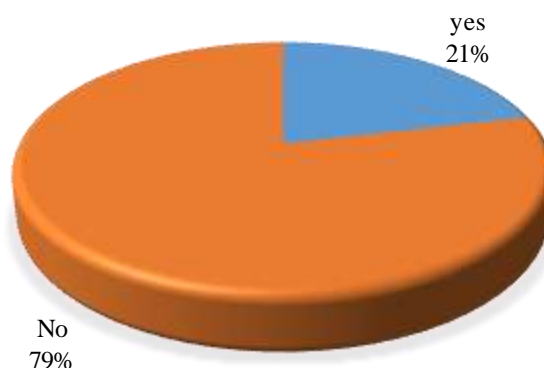
**Graph 5** Use of the most commonly used platform



Source: Own Elaboration

This graph shows that 40% of respondents use Facebook as a commercial medium to inform their customers about promotions and advertising of their products they offer because it is a medium that does not cost them and is related to Instagram 39% we can conclude that 79% benefit from these platforms.

**Graph 6** MKT plan development



*Source: Own Elaboration*

For the good management of social media in commercial companies, it is necessary to develop a marketing plan, which is why this graph asks about the development of the plan. The 79% of respondents told us that they do not make any, which we can see that in the graph where it shows the benefits 26% shows benefits.

**Graph 7** Results from the use of social media



*Source: Own Elaboration*

This graph shows the results obtained in the use of social media in commercial companies, 43% has been for promotions and advertising, others have benefited from the increase in sales, 25% has been effective.

## Conclusions

According to the data collected it is concluded that most of the commercial companies in the southern area of Tamaulipas use Facebook, and secondly Instagram as advertising and promotion of their business, looking for immediate sales in the first instance, and secondly the increase of followers; it is noteworthy that according to data from the Institute of Internet Mx (2020), the busiest social network within the country is YouTube with about 110 million users, and surprising that it does not turn to see this platform where it is a channel with a high potential to create a marketing strategy. In some businesses it was noticed the use of platforms such as whatsapp, which are more personal platforms that handle information of families and friends, but the real reach of this platform within the country is unknown.

It was possible to analyze that as a result of the conditions created by the COVID-19 pandemic, many businesses decided to start paying their expenses and that is why the vast majority of respondents are young economic units that are almost entirely focused on retail sales or the restaurant sector, all this based on the fact that these economic units saw a channel of contact with society through these platforms that did not present them with a strong economic expense. That is why social networks are an essential tool for companies to stay in the market as well as one of the advantages of using them is that they do not require much investment, especially in this research we noticed that small merchants with low budgets for the development of strategies for their business. It is also important to emphasize that it is necessary to make a marketing plan to follow up on the strategies established, this will help the entrepreneur to measure the impact on social media or specifically in which social network was effective.

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