

**SOCIAL MEDIA MARKETING STRATEGIES FOR SMALL BUSINESS
SUSTAINABILITY: A STUDY ON SELECTED ONLINE SHOPPERS IN CAPE
COAST, GHANA**

*Gbadeyan, R. A., and F.O. Boachie – Mensah,
Department of Management Studies,
College of Humanities and Legal Studies,
School of Business,
University of Cape Coast, Ghana*

Abstract

The internet was traditionally designed to promote the sharing and exchange of information through emails, search engines and social networks such as Facebook, You Tube, and WhatsApp, among others. However, there have been dramatic change in this trend as online stores and small business enterprises now use the social media to promote their business activities to customers. This paper examined the impact of social media on small business sustainability in Ghana using Tonaton, Konga, Tisu, OLX and Jumia as case studies. The study employed a survey research design using purposive sampling techniques. Three thousand questionnaires were administered to the respondents within Cape Coast, Ghana, while ANOVA techniques and Pearson correlation techniques were used to analyse the data collected. The findings revealed that the use of social media has significantly influenced organisational profitability. Also, the findings showed that social media increased brand awareness among the sampled respondents. The paper concluded that there is a need to create more awareness about online shopping and raise customers' confidence in online transactions. in addition to providing prompt response to customers' enquiries, adequately secured websites should be made available to facilitate online payment and increase customer's satisfaction for online stores.

Keywords: *social media, marketing strategy, SMEs, online stores, sustainability and internet*

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1. Introduction

The development in Information Communication and Technology has brought about the use of the Internet which has consequently led to the emergence of social media. The use of social media by business owners has become an important platform for marketing their products and services to consumers in recent times (Paquette, 2013). The media have become part of the marketing strategy now used by some organisations to connect with their potential customers and this trend has continued to bring dramatic changes to how business is done now compared to what obtained about three to four decades ago. It must be stated that though social media are primarily created as an avenue to socialise, some marketers have realised the business opportunities that they offer and have decided to utilise them to grow their businesses. According to (Neti, 2011), social media represent a marketing opportunity that transcends the traditional middleman; it connects companies directly to consumers. The social media have, therefore, changed how consumers and marketers communicate and engage in business transactions (Vinerean, Cetina, Dumitrescu, & Tichindelean, 2013; Peterson & Balasubramanian, 1997).

The Internet has also enabled customers to survey, select, and purchase products and services from businesses around the world. Peer communication through social media has become a new form of consumer socialisation which is having a profound influence on consumer decision making and, thus, marketing strategies. The consumer socialisation theory predicts that communication among consumers affects their cognitive, affective, and behavioural attitudes (Al Kailani and Kumar, 2011; Ward, 1974). The internet, therefore, might be considered as an important agent of consumer socialisation. In Ghana, both large and small business owners have also joined millions of internet users, to reach out to customers and new shoppers by promoting and offering their products and services to them. This study attempts to examine what motivate these business owners to shift from the traditional marketing to online shopping. The objective of this study is, therefore, to examine the effect of social media on selected online stores' sustainability in Cape Coast, Ghana. The other specific objective is to determine the effect that social media have on product brand awareness of customers. The following research questions are raised for the study: (i) which of the online stores has the highest customer patronage in Cape Coast Ghana? And (ii) what are the marketing strategies used by these online stores to make their products and services appeal to online shoppers?

2. Literature Review

2.1 Social Media Marketing

Social media marketing has been given many definitions by different scholars, but a few of these definitions will be considered in this paper. It has been simply described as engaging with consumers online (Neti, 2011). This definition perceives the social media as an online platform through which consumers can be reached. Social media is also defined as computer-mediated tool that allows people to create, share or exchange information, ideas, and pictures/videos in virtual communities and networks (Kietzmann, Hermkens, McCarthy and Silvestre, 2011). In other words, social media are internet-based tools for sharing and discussing information among human beings (Neti, 2011). The term is derived from two words: 'social' and 'media'. According to Neti (2011), 'social' means interaction of individuals within or a group, while 'media' is a communication platform generated and sustained by the interpersonal interactions of individuals through the specific medium. The definition provided by Kaplan and Haenlein, (2010) described social media as group of internet-based applications that build on the ideological and technological foundations of Web 2.0, which allows the creation and exchange of user-generated content.

The terms social media and social networking are often considered to be synonymous. This is clearly seen in the Merriam Webster definition of 'Social Media' and 'Social Network'. The phrase 'Social Media' is defined as forms of electronic communication (as websites for social networking and micro blogging) through which users create online communities to share information, ideas, personal messages, and other content (as videos). 'Social network' is also defined as an online service or site through which people create and maintain interpersonal relationships (Merriam Webster Dictionary, 2015). Studies have shown that social media are not only used for product marketing but that they have influence on users and other people, as well as on the wellbeing of young people. They have strongly impacted the tourism industry and facilitate news sharing among organisations and individuals (Snijders and Helms, 2014; Kumpel, Karnowski and Keyling, 2015; Lee, Lowry and

Delconte, 2015; Swist, Collin and McCormack,2015). In this study we, therefore, use ‘the term, ‘social media’ to mean social network.

Having considered all the various definitions, we define ‘social media’ as any online platform through which users can create social, commercial and other types of relationships. This relationship can be either legal or illegal, depending on the nature of interpersonal activities that are done by the users. The following are the main types of social media used by online stores and business owners to help increase their online sales to customers: Facebook, Twitter, Stumbleupon, YouTube, LunarStorm, MySpace, LinkedIn, Foursquare, Gowalla, Yelp, Citysearch, Vibers and WhatsApp and blogging.

The idea of social media marketing has resulted from companies using social media to persuade consumers that their products and services are worth buying (Neti, 2011). According to a study sponsored by Network Solutions LLC (2011), there has been an increase in social media usage by small business owners, but there are some industries that have still not positioned it as their top priority. According to Neti (2011), charitable organisations seem to be outpacing the business and the academia in their use of social media most especially; because these organisations are non–profits, they find the social media important for their fund raising strategy.

2.2 Small and Medium Scale Enterprises.

There are different bases normally used to define small and medium scale enterprises (SMEs); these vary from one country to another country. They include the size of the firms, the number of employees, turnover and others. According to Gibson and van der Vaart (2008), an SME in Ghana could be defined as having annual turnover of between \$23,700 and \$2,370,000 and 100 employees or less, while in Thailand whose Gross National Income (GNI) per capita is five times that of Ghana, SMEs would be those companies with revenues ranging from \$84,400 to \$8,440,000 and up to 200 employees of 200. In this paper, SMEs will be defined within the Ghanaian context. The most commonly used criterion for the definition of SMEs in Ghana has been number of employees of the enterprise (Kayanula and Quartey, 2000). However, different cut off points are used by the various official sources (Adjei, 2012).

As Adjei (2012) cites, NBSSI (1990) defines a small-scale enterprise as a firm with not more than 9 workers, and has plant and machinery (excluding land, buildings and vehicles) not exceeding 10 million Ghanaian Cedi and a micro enterprise as having fewer than five employee. The Ghana Statistical Service (GSS) defines firms with less than 10 employees as small scale enterprises and their counterparts with more than 10 employees as medium and large sized enterprises. According to Kayanula and Quartey (2000), the GSS (2007) in its national accounts considered companies with up to 9 employees as SMEs. The Ghana Enterprise Development Commission (GEDC), on the other hand, uses a 10 million Ghanaian Cedi upper limit definition for plant and machinery (Adjei, 2012). However, Kayanula and Quartey (2000), remarked that the continuous depreciation of the local currency as against major trading currencies could make such definitions outdated. Osei, Baah-Nuakoh, Tutu and Sowa(1993) considered firms with 30 employees as SMEs and classified them into three categories. These are: (i) micro - employing less than 6 people; (ii) very small - employing 6-9 people; (iii) small - between 10 and 29 employees (Adjei, 2012). However, as contained in its Industrial Statistics, the Ghana Statistical Service (GSS) considers firms with less than 10 employees as small scale enterprises, and this seems to be

the generally accepted definition for SMEs in Ghana (Adjei, 2012; Kayanula and Quartey, 2000). This study, therefore, adopted the definition and considered SMEs as firms with less than 10 employees.

2.3 Business Sustainability

The main objective of businesses, whether small or large, is to survive or continue to exist. This leads to the concept of business continuity. The only means through which an enterprise can remain in business is to break even and record profits in its operation. therefore, the idea of business sustainability tries to explain how an enterprise can remain in business for long. According to Doane and MacGillivray (2001) business sustainability is generally accepted to be a combination of environmental, social and economic performance. They further argue that there is consensus that sustainability is desirable for individual businesses to prevent the devastating and inefficient impacts of corporate premature death, and to enable and protect social and environmental initiatives, which tend to be the product of more mature businesses. Sustainability has become a significant part of today's business operation and the focus of most academic literature has been on large multinationals and less on SMEs, because small as well as medium sized firms are perceived to be lacking in sufficient resources (Salimzadeh, Courvisanos and Nayak ,2013; Gayfutdinov, 2014). In other words, both large and small companies, but most especially the SMEs, currently lack a structure to integrate sustainability into business decisions, , due to lack of financial and human resources (Kiron, Kruschwitz, Rubel, Reeves, and Fuisz Kehrback, 2013; Shields and Shelleman, 2015).

The World Economic Forum (2014), also from the same perspective, commented that business sustainability needs to be understood in terms of the environment, economic development, human rights, women's empowerment, and rule of law. They believe smart businesses must incorporate broader principles of sustainability into their business decisions, and develop practical standards and metrics to help apply these principles in practice. These measures work to maximize opportunity and minimize the negative impact their core businesses have on the environment, the community and the economy in places where they operate. Pojasek (2007), in his own study described business sustainability as a means for achieving an organization's vision and mission. It can be described as the application of knowledge, skills, tools, and techniques to the organization's activities, products, and services (Pojasek,2007).

This study, therefore, provides an operational definition of business sustainability as any means through which the organisation want to achieve its mission and vision by conducting its business activities in such a way that it will not be detrimental to the society where it operates and at the same time not cause the business premature death. The study assumes that through effective use of social media marketing strategies, the sustainability of most SMEs involved can be achieved. A study has shown that in some countries, SMEs are the most rapidly growing sectors because of their lion share contribution to export and employment for the people (Jaiswal, 2014). Small and medium-scale enterprises (SMEs), if fully developed would help in alleviating poverty through wealth and job creation but the prevailing economic and political conditions in most developing economies have not given room for SMEs to thrive (Etuk, Etuk and Michael, 2014).

2.4 Types of Social Media used by SMEs

The main types of social media used by business owners to grow their business are briefly discussed as follows:

Facebook was launched in 2004 and holds the most promise for retailers, in offering varieties of way to reach and attract new shoppers (Edosomwan, Prakasan, Kouame, Watson, and Seymour, 2011; Brightpearl, 2011). As at 2011, this social networking site was reported to have 750 million active users and, as at second quarter of 2015, had 1.45 billion active users (Statista, 2015a). It is ranked as the most used social network worldwide. Also, on a daily basis traffic to the network is on the rise (Edosomwan, Prakasan, Kouame, Watson, and Seymour, 2011; Brightpearl, 2011; Constant Contact, 2011). There is ability to create a Page which serves as an extension of their online shop that can be used to connect with customers, distribute content, promote products offers, services, brands and attract online shoppers. Facebook can also be used to advertise products and provide a link to a blog post about the business or industry to online shoppers. A business could use Multiple touch points of Social media and digital strategy to achieve a specific goal. Each touch point needs to be effectively used, if a company's goal is to drive an online sale to an ecommerce website. In Facebook, for instance, the use of " Like" adverts can grow fan pages with targeted consumers(Constant Contact, 2011; Kay, 2015). One of the reasons for the high number of Facebook active users is that anyone who is at least 13 years is allowed to register as user (Boyd, 2007).

Twitter was launched in 2006, and it gained a lot of popularity because it offered new options, such as micro blogging, and it was also used by some celebrities (Edosomwan, *et al.*, 2011; Jasra, 2010; Tweeternet.com, 2010). It had about 200 million users as at 2011 and, as of the third quarter of 2015, the microblogging service averaged at 307 million monthly active users (Constant Contact, 2011; Statista, 2015b). Twitter is normally used to lodge complaints about a company's product or services, generate new traffic by promoting product offers, advice, suggestions and new content to a company's followers. Twitter can be used to post multiple updates about company products and services, but its real power is its ability to break down the traditional barriers between the company and its customers, by providing insight into customer opinion and allowing the company to respond proactively to customer issues(Brightpearl, 2011; Constant Contact, 2011; Edosomwan, *et al.*, 2011).

LinkedIn ranks among the top three most frequently used social media platforms and had 396 million members as at the third quarter of 2015 (Constant Contact, 2011; Statista, 2015c). LinkedIn is used by recruiters and about 80 percent of companies use it for the recruiting process (Edosomwan, *et al.*, 2011). LinkedIn therefore, provide a good platform for both job seekers and job recruiting firms or employers. It is normally used by professionals, academics and individuals with high skill and expertise who want to show case their talents.

YouTube was founded in 2005 and since then has become the world's most popular online video community, where millions of internet users discover, watch and share originally created videos (YouTube, 2005; Edosomwan, *et al.*, 2011). It is one of the top 10 most visited websites and the second most popular target search engine, mainly for online users who are into the realm of online video content. It is a good medium for a company to host its videos for free and provides a great way of promoting products to customers, followers and

fans. YouTube is also used by companies to demonstrate product use or provide instructional materials for students or staff training (Brightpearl, 2011).

Lunar Storm is a commercial virtual site which is available only in Swedish Language and hence, it has limited users. According to Edosomwan *et al* (2011), LunarStorm started in 1996 and was designed by Rickard Ericsson. The website is for teenagers and was Europe's first digital online community. The website, therefore, is a good internet platform to advertise products to teenagers. LunarStorm, as at 2011, had grown to over 600,000 members, but still experienced economic difficulty. The social networking site has been primarily financed by banners and other advertising on its website, but this soon evolved to include more of pay by SMS services, which has improved the website economic situation greatly (Goma, 2001; Edosomwan, *et al.*, 2011).

MySpace was formerly the most popular social networking site in the United states before it was overtaken by Facebook in 2008. It has 43.2 million users, who visited its website on a monthly basis as at 2011 and employs approximately 1000 employees. The unique feature of MySpace is its ability to enable users customise their profile information in such a way that they give detailed information about themselves and what is their interests. It also has a profile for musical artists where they can download their music into mp3 songs (Natta, 2010; Edosomwan *et al.*, 2011).

StumbleUpon is a discovery engine which allows a company to attract customers who may not know the company exist through her 'remarkable' content. It offers users a 'lucky dip' into online content that may be of interest to them (Brightpearl, 2011). According to Brightpearl (2011), it is advisable for a company not to promote commercially driven pages, such as product pages, but may be best used for promoting the valuable content companies have created. In other words, StumbleUpon is about brand exposure rather than instant conversion; it's not an avenue for selling product.

Other new social networking sites that are not so popular but are likely to be of immense benefit to business owners or online users are Foursquare, Gowalla, Yelp, Citysearch, Angie Vibers and WhatsApp . These sites apart from being used for social activities are used for posting reviews and information about a company's business activities (Constant Contact, 2011).

2.5 Marketing Strategies used by Companies or Online Stores

Marketing strategy has various definitions by most scholars, but two of these definitions will be discussed in this paper. Marketing strategy is described as an overall company-wide programme for selecting a particular target market and satisfying consumers through a careful blending of the marketing mix. The marketing mix involves product, distribution (place), promotion and price (Kurtz and Boone, 2006). This definition perceives marketing strategy as the application of marketing mix towards satisfying consumers in a target market. The marketing – mix needs to be carefully programmed and utilised for it to achieve the objective of customer satisfaction. Marketing strategy is also defined as the marketing logic by which the company hopes to create customer value and achieve profitable relationships (Kotler and Armstrong, 2014). The company decides which customers it will serve (segmentation and targeting) and how (differentiation and positioning). Kotler and Armstrong (2014) argue that by marketing strategy, the company designs an integrated marketing mix which is made up of factors under its control – product, place, price and

promotion; through engaging in marketing analysis, planning, implementation and control. This study adopts Kotler and Armstrong's (2014) definition in relation to social media because of its comprehensiveness.

The use of social media marketing strategies for the sustenance of SMEs has become a subject of interest not only in the academic but corporate world. Hence, this study considers how the online stores deploy the elements of the marketing mix to grow their businesses through the social media. The main purpose of a company's use of social media is to create awareness about its business activities and existence. According to Edosomwan *et al* (2011), engaging in social media helps to strengthen the brand experience, which supports brand building. They argue that social media help in building good reputation for a business organisation. It is also observed that customers experience a brand privilege while using a product or service and also when interacting with a company (Carragher, Parnell, Carragher and Sullivan, 2006). The social media forum acts as a powerful means of communicating brand value and attributes through open forms of communication. It is also a cost effective method of marketing activities through online communications (Paridon and Carragher, 2009; Edosomwan, *et al.*, 2011).

The traditional consumer decision model has five stages: the need awareness, information search, alternative evaluation, purchase decision and post – purchase behaviour. According to Katawetawaraks and Lu Wang (2011), in online communication, when the customers see banner adverts or online promotion these may attract customers' attention and stimulate their interest in the product. In a situation where they do not have enough information, they search through online channels (Laudon and Traver, 2009). The customers after having enough information compare the products or services through online reviews or comments about the product or services and find out which brand offers them the best fit to their expectation. The important thing at this stage is well organised website structures to persuade customers to buy the products and services (Koo, Kim, and Lee, 2008; Katawetawaraks and Lu Wang, 2011). Customers must be helped to decide what to buy or select during the purchase stage through product assortment, sale services and information quality. The internet supports the pre-purchase stage, and the nature of information sources may influence buyer behaviour (Bigné-Alcañiz, Ruiz-Mafé, Aldás-Manzano, and Sanz-Blas, 2008; Katawetawaraks and Lu Wang, 2011). The post-purchase behaviour occurs when consumers have problems with the product and might want to change or return it. The return and exchange services become important at this stage (Liang and Lai, 2002). A company uses the elements of marketing mix as strategy in the social media by offering customers flexible prices and promotion or offering a one stop shopping service, which enables their business to succeed (Yu and Wu, 2007; Katawetawaraks and Lu Wang, 2011).

The promotion of company's products or services through the social media can be done through the creation of an effective marketing programme which helps to reinforce the brands name in the minds of consumers (Lim and Durbinsky, 2004; Edosomwan, *et al.*, 2011). Online customers are offered better deals for the same product they buy at store if they can purchase it online at a lower price (Rox, 2007; Katawetawaraks and Lu Wang, 2011). In using social media, a company tries to provide a variety of products and services to the customers. There are some products for example, clothes, that are less likely to be purchased online because of their intangibility nature, because consumers have no chance to try or examine the actual product (Goldsmith and Flynn, 2005); however, softwares and books can be easily purchased and shipped (Katawetawaraks and Lu Wang, 2011). In ensuring the effectiveness of social media marketing strategy there is the need for prompt

delivery of products or services to customers. The online stores may consider the use of other companies with expertise in logistics to improve their distribution channel. This would help in preventing shipping delay and product lost (Yu and Wu, 2007; Katawetawaraks and Lu Wang, 2011). It is obvious from the discussion on marketing strategies above, that it is a key tool that can be used by online stores through social media to ensure their business sustainability.

3. Methodology

This study is basically a survey research which is primarily designed to examine the effects of social media on selected online stores' sustainability in Ghana. The online stores that were selected for this study are: Tonaton, Konga, OLX, Tisu and Jumia.Com. These stores were considered for the study based on their popularity and patronage by selected online shoppers who reside in Cape Coast metropolis. Tonaton.com and Tisu.com were included because they are indigenous Ghanaian websites; in order to compare their patronage with foreign based online stores. Tonaton simply means "Buy and sell" in Twi an indigenous Ghanaian language (Aphiahene, Opoku and Alorwu, 2014). Tisu is a Ghana based online stores with Ringier Ghana (a Swiss multimedia concern with offices in 13 countries) as the parent company. The other online stores are: Jumia a Nigerian online shopping site; OLX, a South African online site, ranked 7th largest internet company in the world and Konga a Nigerian Electronic Commerce Company with headquarters in Yaba, Lagos (Jumia, 2014). These online stores serve as platforms through which the buyers and sellers are brought together for commercial purposes.

Two set of questionnaires designed for the study: one for sellers who are either individuals or small business owners and another for buyers who are individuals or corporate organisations that buy from the online stores. A total of 3000 questionnaires were distributed to respondents in the Cape Coast Metropolitan, the capital town of the Central Region, Ghana. This comprised 1000 questionnaires for the sellers and 2000 questionnaires for the buyers. The purposive sampling method was used to select respondents from the University of Cape Coast, Kotokuraba Market, Abura, Pedu, Aboom, London Bridge, Fort William, Governor Power Road, Victoria Park and Post office areas. This was done in order to have a balanced geographic spread for the sample used in the study. Also, purposive sampling enabled the choice of a sample that would make the objectives of the study to be achieved (Saunders, Lewis, and Thornhill, 2009). There were more questionnaires for buyers because only a few entrepreneurs or individual sellers are available. 2861 questionnaires completed and returned; 1977 from buyers and 884 from sellers. This represents 95% response rate which is a high response rate and considered adequate for a paper based research. Previous studies have shown that face to face administration of questionnaires results in higher response rates for paper-based research compared to online survey (Dommeyer, Baum, Hanna, and Chapman, 2004; Ogier, 2005; Nulty, 2008).

Structured Questionnaires were used for both online buyers and sellers. The structured questions were of the 5 type Likert scale with 1 meaning Strongly Disagreed and 5, Strongly Agreed. Both questionnaires contained a section for demographic information. The specific questions that were asked from online sellers were about their choice of social networks and how the use of social media has affected their business sustainability. The specific questions for the online buyers were asked to determine their perception about the use of social media and the benefits derived from engaging in online shopping. There were 18-item questions for the buyers, while there were 15-item questions for the sellers. The reliability test for all

the items used for the design of the questionnaires had Cronbach’s Alpha of 0.89, which is above the 0.7 threshold; indicating that the items were reliable. ANOVA and Pearson Correlation were the statistical techniques used to test the hypotheses raised in the study, while SPSS version 20 software package was used to analyse the data collected.

3.1 Statement of Hypotheses

The hypotheses to be tested in this study are stated as follows:

H₁: Social Media has no significant influence on business profitability.

H₂: There is no correlation in the perception of online buyers about the use and the benefits of social media.

4. Results and Discussion

Table 1 presents the demographic profile for both online buyers and sellers who participated in the study.

Table 1: Demographic Profile for both Online Buyers and Sellers

		Online Buyers		Online Sellers	
		Frequency	%	Frequency	%
Gender	Male	1102	55.7	376	42.5
	Female	875	44.3	243	27.5
	Corporate Bodies/NGO	-	-	243	27.5
	Governmental Institutions	-	-	22	2.5
Marital Status	Married	627	31.7	199	22.5
	Single	1186	60.0	376	42.5
	Divorced	164	8.3	44	5.0
	Not Applicable	-	-	265	30
Age	17 and below	41	2.1	22	2.5
	18 – 27 years	558	28.2	199	22.5
	28 – 37 years	1088	55.0	287	32.5
	38 – 47 years	83	4.2	66	7.5
	48 – 57 years	124	6.3	23	2.6
	58 and above	83	4.2	22	2.5
	Corporate Bodies/NGO	-	-	243	27.5
	Governmental Institutions	-	-	22	2.5
Education	Primary	41	2.1	22	2.5
	Secondary	543	27.5	198	22.4
	Tertiary	1269	64.2	399	45.1
	No formal education	124	6.3	-	-
	Corporate Bodies/NGO	-	-	243	27.5
	Governmental Institutions	-	-	22	2.5
Income	Less than GHS1000	311	15.7	132	14.9
	GHS1000 – GHS5000	664	33.6	66	7.5
	GHS5001 – GHS10000	690	34.9	265	30
	GHS10001 – GHS15000	230	11.6	88	10
	Above GHS15000	82	4.1	333	37.7

Total Number of Respondents: Online Buyers – 1977 and Online Sellers - 884 = 2861.

Source: Authors’ Field Study, 2015.

Table 1 shows that there are more male respondents than female respondents for both online buyers and sellers, and that most of those involved in online shopping are singles. The table also shows that some online buyers did not have formal education. This means that companies’ use of social media was not targeted solely at educated online shoppers. As can be seen from the table, about 96% of online buyers had income equal to or below GHS

15000, while only 62% of online sellers fell within this category. The higher income level for the online sellers may be as a result of the involvement of corporate bodies/NGO and governmental institutions in online transactions. This finding, therefore, indicates that corporate and governmental institutions play a significant role in online shopping.

The choice of social media and online stores by both online buyers and sellers is shown in Table 2. The table reveals that both online buyers and sellers make use of Facebook as a first choice in their social networking. This may be due to large number of the medium's active users. The greatest proportions of the sellers do their online transactions with Tonaton, followed by OLX, Jumia, Tisu and Konga. In the case of online buyers, Tonaton has the highest number of clients, followed by OLX, Tisu, Konga and Jumia having the least number of online shoppers.

Online buyers' first choice of social network is Facebook, followed by Twitter; social networks such as Viber, YouTube, Lunarstorm, Stumble Upon came third, followed by LinkedIn, WhatsApp and MySpace. This result shows that WhatsApp is likely going to be one of the popular social media through which products and services can be offered to online shoppers. Tonaton seems to have known the best medium (i.e. Facebook) used by her clients and, hence, was able to record the highest number of both online buyers and sellers during the period of the study. Facebook has been considered to be good for advertising products and providing links to blog posts about the business or industry to online shoppers (Constant Contact, 2011).

Table 2a: Types of Social media and Online Stores Used by Online Sellers

		Types of Online Stores Used					Total
		Tonaton	Tisu	OLX	Jumia	Konga	
Types of Social media Used	Facebook	266	44	22	22	22	376
	LinkedIn	66	22	88	22	0	198
	Twitter	178	0	0	22	0	200
	My Space	88	0	0	22	0	110
	Total	598	66	110	88	22	884

Source: Authors' Computation, 2015.

Table 2b: Types of Online Stores and Social media Used by Online buyers

		Types of Social media Used						Total
		Facebook	LinkedIn	Twitter	My Space	WhatsApp	Others	
Types of Online Stores Used	Tonaton	547	124	291	0	41	205	1208
	Tisu	0	82	83	0	41	0	206
	OLX	84	41	41	0	42	41	249
	Jumia	42	0	0	0	0	82	124
	Konga	106	0	42	42	0	0	190
	Total	779	247	457	42	124	328	1977

Source: Authors' Computation, 2015.

In Table 3, the online marketers' opinion about how the use of social media has influenced business sustainability is shown. The table indicates that the respondents believe that social media has brought about increase in their business profit (Mean = 4.22); this is followed by the claim that 'social media could bring about business sustainability' (Mean = 3.82); followed by 'social media creates good reputation' (Mean = 3.73) and 'social media is the best means of selling products and services' (Mean = 3.7). The argument that social media

help in building good reputation for a business organisation agrees with the position taken by Edosomwan *et al.* (2011). The respondents were of the opinion that by building a good reputation, a company will be able to record more profits and remain in business. The major problems identified in the study for online shopping by users are: lack of trust(31%), high cost of shipping (25.3%), non-delivery of products (14.9%), insecurity of payment (12.4%), poor quality or damaged products(11.7%), non-availability of after sales services(2.1%) and problem with internet connectivity(2.1%).

In other words, the lack of trust between the parties involved in online shopping has been identified as the major problem, while the least significant problem is that of Internet connectivity. These reasons given by respondents confirm the findings of Katawetawaraks and Lu Wang (2011) who identified lack of trust as one of the factors that impede online shopping, and those of other scholars who identified past dissatisfaction with online shopping such as wrong product, low quality product, late delivery and non-refund for unwanted products as some of the major problems that may make customers not to embrace online shopping (Comegys, Hannula, and Váisänen, 2009).

Table 3: Online sellers’ opinion about how the use of social media has affected their business sustainability

	Mean	Std. Deviation
Social Media has brought about increase profit for my business.	4.2240	.68939
Social Media could bring about Business Sustainability	3.8247	.70255
Social Media creates good reputation	3.7262	.89275
Social Media is the best means of selling products and services	3.7002	.55660
Valid N (884)		

Source: Authors’ Computation, 2015.

Test of Hypotheses

The hypothesis H_1 states that: Social media has no significant influence on business profitability. The variables used for this hypothesis are variables 12 (I found Social media as the best means of selling my products) and 14 (Social Media has brought about increase in profit for my business) from the Questionnaire for Online Sellers. The One way Analysis of Variances was computed for these variables at 99% confidence level with 883 degree of freedom. The result indicates that social media has significant influence on the selected business profitability during the period of study. According to the interactions with some of the online marketers, the online stores have brought buyers and sellers closer through a revolutionary free online classifieds platform accessible on both computer and mobile phones, which offer people the opportunity to undertake transactions. The result of the hypothesis, therefore, suggests that the null hypothesis should be rejected while alternative hypothesis will be accepted.

In testing Hypothesis 2, which states that there is no correlation in the perception of online buyers about the use and the benefits of Social Media, the correlation matrix is shown in Table 4.

Table 5: One way ANOVA showing Effect of Social Media on Business Profitability.

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	31.784	3	10.595	24.038	.000
Within Groups	387.867	880	.441		
Total	419.652	883			

Source: Authors' Computation, 2015.

Table 4 shows that the online buyers were of the opinion that the most important benefits and use of social media for online shopping is that it creates brand awareness about a product and it gives the product wide coverage ($r=0.795$, $p=0.01$), which may not be possible for local stores to do.

Table 4: Correlation Matrix showing the relationship in the perception of online buyers about the use and benefits of Social Media

		Social Media offers great benefits to online users	SM creates brand awareness	SM Ensures prompt delivery of goods	SM provide more information about products	SM provides variety of products
Social Media offers great benefits to online users	Pearson Correlation Sig(2 tailed) N	1 1977	0.795** 0.000 1977	0.426** 0.000 1977	0.627 0.000 1977	0.344** 0.000 1977
SM creates brand awareness	Pearson Correlation Sig(2 tailed) N	0.795** 0.000 1977	1 1977	0.364** 0.000 1977	0.556** 0.000 1977	0.314 0.000 1977
SM Ensures prompt delivery of goods	Pearson Correlation Sig(2 tailed) N	0.426** 0.000 1977	0.364** 0.000 1977	1 1977	0.365** 0.000 1977	0.316** 0.000 1977
SM provide more information about products	Pearson Correlation Sig(2 tailed) N	0.627** 0.000 1977	0.556** 0.000 1977	0.365** 0.000 1977	1* 1977	0.385** 0.000 1977
SM provides variety of products	Pearson Correlation Sig(2 tailed) N	0.344** 0.000 1977	0.314** 0.000 1977	0.316** 0.000 1977	0.385* 0.000 1977	1* 1977

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

In other words, there is a strong positive relationship in the online buyers' perception that social media create brand awareness and is of benefit to online shoppers at 1% significant

level. This is followed by those respondents who are of the opinion that social media is of benefit to online shoppers, in ensuring prompt delivery of goods and services to customers ($r=0.426, p=0.01$). This shows a moderate correlation in the perception of online buyers about social media's benefits and its use in ensuring prompt delivery of goods and services. The third reason given by respondents was that social media provides variety of products and services to online shoppers. This had a weak positive coefficient of correlation ($r = 0.344$ which was at 1% significant level. In all the above, we reject the null hypothesis that there is no correlation in the perception of online buyers about the use and the benefits of social media and accept the alternative hypothesis. The respondents who agreed that social media provide more information about products and services had a strong positive correlation coefficient ($r = 0.627$ which was not significant at 1% level. In this situation, we accept the null hypothesis as true. The respondents' view that social media creates brand awareness is established by previous studies (Carragher, Parnell, Carragher, and Sullivan, 2006; Paridon and Carragher, 2009; Edosomwan, *et al.*, 2011).

Previous studies such as Yu and Wu (2007), and Katawetawaraks and Lu Wang (2011) have suggested the use of other companies with expertise in logistics to improve the distribution channels of online stores. These measures are part of the social media marketing strategy used by online marketers in persuading customers to buy their products and services. The creation of brand awareness and provision of online information about products through online reviews and comments are examples of online marketers' promotional strategy targeted at their customers. The prompt delivery of goods is an example of physical distribution aspect of the marketing mix; lower price serves as pricing strategy used by online marketers, while quality product or service offerings serves as product strategy used by online marketers to persuade or make their products or services appeal to users (Katawetawaraks and Lu Wang, 2011)

5. Conclusion and Recommendations

The study reveals that both online buyers and sellers make use of Facebook as the first choice social network. The greatest proportions of the sellers and buyers do their online transactions with Tonaton. The marketing strategies used by online stores are low price and prompt delivery of services. The findings revealed that the use of social media has significantly influenced organisational profitability. Also, the findings show that social media increased brand awareness among the sampled respondents ($r=0.795, p=0.01$). The major contribution of this work is that it has shown that social media can be used as a good means of marketing products and services to consumers apart from its traditional role of sharing and exchanging social information. The study has also shown that this form of marketing has its benefits and risks. Generally, the study has contributed to the growing list of literature in the field of social media marketing.

This paper therefore concludes that there is a need to create more awareness about online shopping and build more customers' confidence in online transactions. There is no doubt that effective use of social media marketing strategy would ensure the growth of more small businesses which will also lead to their long run sustainability. The paper recommends sellers' prompt response to customers enquiry and secured websites to facilitate online payment and increase customers satisfaction from online stores.

Biographical note. Gbadeyan, R. A. and F. O. Boachie-Mensah are both lecturers in the Department of Management Studies, College of Humanities and Legal Studies, School of Business, University of Cape Coast, Ghana.

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