

Communication and Social Media Approaches in Small Businesses

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Small businesses need to keep current and build relationships with target consumers and clients. Today, social media has become increasingly viable for CRM initiatives including new customer acquisition and loyalty programs. Based on the social exchange theory, this study determined the characteristics of small businesses' (N=515) externally communicating and utilizing social media, as well as the discovering the perceptions these businesses have toward utilizing, updating, and monitoring social media sites. Research indicates that 77% of small businesses are using social media, but only 39% update these sites "as needed". The findings led to several recommendations and questions for further research.

INTRODUCTION

At the heart of our free enterprise system are small businesses. In this day and age, survival of small businesses can only be attained by understanding and keeping up-to-date with their target consumers and clients. How businesses reach their external audiences through communication is paramount to building meaningful relationships that promote increased sales, profits, and market share. Nowadays, reaching target consumers has become easier through businesses adopting forms of social media; the virtual relationships that businesses are building allow their clients, customers, and stakeholders to feel connected, engaged, and important (Young Entrepreneur Council, 2015). Due to this fact, many clients and customers are being transformed from having only passive interactions with businesses to now becoming active participants. This active participation is gained through directly interacting and curating content found on social media sites of businesses who choose to engage with consumers on this level (Kadam & Ayarekar, 2014).

Companies, especially small businesses, must pay close attention to how they offer their products/services so they are competitive and/or unique, easily obtainable, and able to meet the demands of society, technology, and day-to-day operations. With rising costs of advertising, social media has become the number one channel for small businesses to reach clients and consumers. Social media provides a more cost effective way for small businesses to keep an active presence and build brand awareness (Benwell, 2014). Bendror (2014) provided a list of benefits of social media:

- Increased exposure
- Increased traffic
- Developed loyal fans
- Generated leads

- Improved search ranking
- Grew business partnerships
- Reduced marketing expenses
- Improved sales
- Provided marketplace insight

Social media provides small businesses with endless opportunities to ensure that their brand appeals to their customers and clients through personalized interactions and customization. Benwell (2014) suggests that like any other communication, small businesses should ask questions as they begin to develop social media communication so that they are relevant and engaging. These questions include:

- Who am I trying to reach?
- What channels are most appropriate to reach these people?
- What kind of content will they care about?
- How much time do I want to dedicate this?
- How can I track success?

Hylbak (2013) provided data from Social Media Today, “21% of small businesses are spending an hour or more on social media per day, and 58% of small businesses spend at least 10 minutes per day on social media.” In several cases, as small businesses invest time building their brand on social media, the reward of gaining new customers becomes a reality. Hylbak goes on to state that “in 2013, 36% of marketers acquired customers via Twitter, 52% via Facebook, and 43% via LinkedIn.”

The discussion of social media includes sites such as Twitter, Facebook, Pinterest, LinkedIn, Google+, and WordPress. Finding where to have a social media presence is important, but more important is keeping a constant presence once the business begins using the site(s). This constant presence becomes one of the biggest deterrents for small businesses when beginning to use social media. Geho and Dangelo (2012) state that calculating the return on investment (ROI) when looking at the time commitment required of a small business to keep an active presence on social media is almost an impossible task (p. 61). Even with this deterrent, the use of social media by small businesses is widespread.

There are 27.6 million small businesses in the United States (U.S. Department of Commerce, 2015). Small businesses are defined by their industry and other factors such as industry structure, technological change, competing products from other industries, industry growth trends, and history of activity in the industry (U.S. Small Business Administration, 2015). They can be privately or publically owned. In the United States, the U.S. Small Business Administration sets specific standards in order for businesses to qualify for government support in terms of tax credits, loan programs, and other incentives and are classified by having fewer than 500 employees as well as financial documents pertaining to sales, assets, or net profits totaling less than \$7.5 million in annual receipts (U.S. Small Business Administration, 2015). For this study, we defined small businesses as companies having between 1 and 200 employees. We did not self-select by industry, but included all industry categories based on the U.S. Department of Education’s Career Cluster Framework, which is used by many schools and state agencies (Bureau of Labor Statistics, 2015). The critical lens of this study is how small businesses’ communicate with external audiences taking into consideration their usage of social media, how often it is being updated, and perceptions of connecting with their stakeholders using social media applications.

PURPOSE OF THE STUDY

This study examines how small businesses are communicating externally with their consumers and clients, using social media to connect to their stakeholders, and updating their social media platforms to ensure connectivity, sharing/exchange, exposure, and feedback through activities such as blogging, social networking, social bookmarking, and social recommendations/reviews. Based on the social exchange

theory, small businesses need to believe that engaging in social media activities are rewarding and the cost of updating, investing time and putting forth effort is well worth the sacrifice. This theory based on Homans' (1961) original definition of social exchange, which is "the exchange of activity, tangible or intangible, and more or less rewarding or costly, between at least two parties...behavior is a function of payoff, whether the payoffs are provided by the nonhuman environment or by other humans." (Cook, Cheshire, & Rice, p. 62) Further, Homans' primary focus was the "social behavior that emerged as a result of the social process of mutual reinforcement over time...relations could also terminate on the basis of the failure of reinforcement..." (Cook, et. al., p. 62)

The purpose of this study was designed to determine the characteristics of small businesses' externally communicating and utilizing social media with their clients and consumers, as well as the discovering the perceptions these businesses have toward utilizing, updating, and monitoring social media sites. Aligned with the theory of social exchange, do these small businesses feel their efforts will be "rewarded" based on the perceived benefits including positive reputation, increased company sales, and understanding how customers/clients feel about the companies' products/services and/or overall business?

The following research questions guide this study:

- RQ 1:** How are small businesses communicating with their external audiences?
- RQ 2:** What different types of social media are being used?
- RQ 3:** How often are social media sites being updated? Are individuals trained on how to effectively update, moderate, or curate social media?
- RQ 4:** How do small businesses perceive incorporating and using social media in their external communication?

REVIEW OF LITERATURE

Throughout the world, approximately 70% of organizations use social media in some type of format (KMPG, 2011). Further, KMPG International (2011) reported that firms who use social media as part of their business operations are most likely to grow faster than companies not using social media (p. 4). As defined, social media is any type of software-based application that enables individuals to participate in a virtual community and/or network in order to share or exchange ideas, information, and/or pictures or videos. The rise in the use of social media as a part of business operations is popular for many reasons including cost, which in most cases is free or minimal, as well as the wide-spread potential to reach target audiences.

The use of social media by small businesses is a widely researched topic due to the limitless opportunities social media provides for businesses to reach their clients and customers and keep them updated. Businesses must decide which social media sites will best meet their needs in reaching their target audience.

Selection

A recent study examined the use of social media by businesses and found that 73.3% responded yes when asked if the business they worked for had a social networking site (Jennings, Blount, Weatherly, 2014). In their findings, they looked at company size and determined that companies with 1 to 50 employees reported the highest percentage (80.6%) having a business social networking site (Jennings et al., 2014).

Current trends for top social media technologies, regardless of company size, are Facebook and Twitter (VanBelleghem & Pallini, 2012). In several studies, Facebook was reported as the most widely-used social media platform (VanBelleghem & Pallini, 2012; Barnes et al., 2013; Jennings et al., 2014); however, Fortune 500 companies have reported social media accounts on Twitter (77%), Facebook (70%), and YouTube (69%) (Nanji, 2013). Further, Fortune 500 companies are also found on Google+ (35%), Pinterest (9%), Instagram (9%), and FourSquare (9%) (Nanji, 2013).

The selection of which social media applications to use is important, but determining why a particular online community or networking site might be valuable to a specific business is even more critical. As previously stated, social media provides several benefits including increased exposure, loyal fans, leads, rankings, partnerships, sales, and market research (Bendror, 2014). Companies using social media also benefit from the ability to respond to customer questions or complaints as well as have an opportunity to listen to conversations between consumers through reviews on particular sites such as Yelp, Epinions, SiteJabber, Angie's List, and CNET. According to VanBelleghem & Pallini (2012), 40% of businesses listen to conversations between consumers on social media, and 69% of businesses indicate responding to questions or complaints that were sent via social media.

Furthermore, recent research revealed that many consumers feel businesses that utilize social media tend to stay current with market trends and issues important to consumers and the general public (Diercksen, R., DiPlacido, M., Harvey, D., & Bosco, S., 2013). This would indicate that employees of businesses that use social media are more prepared to troubleshoot potential setbacks, more likely to create good public relations, tailor their own work to incorporate the current trends, and give customers the impression they are dealing/buying from a company that is concerned about staying current through their up-to-date activity on social media sites (Schweidel & Moe, 2014).

Maintenance

The only way for small businesses to realize the impact social media may have on their products and/or services is to be able to gauge activity on the various social media sites. Defining "activity" on social media sites consists of posts, likes, tweets, re-tweets, updates, pins, videos, photos, advertisements, and other types of engagement allowing for exchange or sharing in a virtual community or network. It is important for small businesses to have a protocol in place to maintain and measure their activity on the social media sites used.

Based on a study of Fortune 500 and Inc. 500 companies, most businesses (58%) do not have measures in place to determine financial return on investment for their social media efforts (Barnes et al., 2014). Further, in 2014, only 62% of businesses monitor their brand or company name found on social media sites (Barnes, et al., 2014). For each social media application used, different analytics are available for monitoring. For example, Facebook provides the following analytics: page likes, reach, visits, engagement analytics; reach and engagement on the five most recent posts; and a comparison section allowing you to watch other Facebook pages in terms of page likes, new page likes, weekly posts, and weekly engagement (King, 2015). Twitter also has helpful analytics which are comprised of tweets and followers, broken down by monthly. Twitter reports on individual tweets, replies, retweets, link clicks, favorites, and engagement rate (King, 2015).

As indicated, activity and engagement rates utilizing various formats of social media are tracked and analyzed by social media sites and provided to their clients, but what forms of information are being posted, pinned, tweeted, shared, and updated? According to a world-wide research study of managers (n=1850), it was reported that companies are using social media for marketing and sales (66%), business development/research (62%), customer service-feedback, support, complaints (59%), brand and reputation management (59%), recruitment-employees/alumni (58%), and product/service innovation (57%) (KPMG International, 2011). In order to determine whether short- and long-term goals set by businesses are being realized through social media efforts, it is important to consider using social media analytics to monitor and concretely compare activities and engagement rates of the various sites.

Updating social media, or social media maintenance, is paramount to meeting short- and long-term goals as well as providing consistency. KPMG International (2011) reported that 60% of businesses consider "listening to or monitoring online conversations" as well as "responding to conversations about their organization on social media sites" as critical to the success of using social media (p.6). Considering this, businesses must determine policies, allocate individuals, and/or set aside time dedicated to monitoring and updating company information and ideas in order to stay current and informed. A recent study indicated that 44% of employees surveyed were actually responsible for updating their company's social network page (Jennings, et al., 2014). Further, of the 35.9% of respondents indicating their place of

employment has a Twitter account, only 20.2% reported making actual Twitter posts for their organization (Jennings, et al, 2014).

Millions of posts, tweets, updates, videos, photos, and pins are initiated, shared, and monitored on a daily basis. Although research related to social media is wide-spread, there is a definite need for additional research related to selecting social media sites, updating and monitoring of social networks, as well as determining the perceptions or “rewards” gained utilizing social media sites in small businesses. The purpose of this study was designed to determine the characteristics of small businesses’ externally communicating and utilizing social media with their clients and consumers, as well as the discovering the perceptions these businesses have toward utilizing, updating, and monitoring social media sites.

Methods and Procedures

A quantitative, descriptive research design was used to collect data with both close-ended and open-ended questions. The population (N=515) consisted of individuals listed in a database of small businesses in the state of Georgia obtained by the Small Business Association (SBA) through their Dynamic Small Business Search (DSBS). An online survey instrument was developed to help answer the research questions of this study. Approval for the study was submitted and approved by the Institutional Review Board (IRB). Collected data was analyzed for frequency and cross tabulation comparisons and correlations.

Instrument

An online survey was prepared by the researchers and distributed using Qualtrics for easy access to all the invited participants. The survey consisted of three sections. The first section collected four generalized questions about the company, including: (1) size of company, (2) age of company, (3) industry representation, and (4) whether the company currently uses social media. If the company indicated “no, they did not currently use social media,” they were asked reasons to “why” based on a list of choices, thanked for their participation, and exempted from continuing with the survey. The second section collected data based on current external communication and social media, including: (1) methods of communication most frequently used for external communication (face-to-face, meetings, telephone, Skype/Google Hangouts/video conferencing, social media, newsletter/e-newsletter, press release, email, letters, company website, trade journals/magazines, podcasts, television, newspaper, other) and (2) social media applications utilized by your company (company blog, Facebook, Twitter, Linked In, Google+, YouTube, Instagram, Pinterest, Craigslist, forums/review sites, podcasts, other). The third section collected data addressing usage and rationale for using social media, including: (1) how long the company has been using social media, (2) how often social media sites are updated or monitored, (3) has the person(s) responsible for social media received training (formal or specialized training), and (4) a series of six questions related to perceptions of social media based on a five-point Likert scale.

Reliability

The survey instrument was pilot tested through telephone interviews prior to sending out the email invitations to participants. The telephone interviews were conducted with local small business owners who agreed to be a part of the test run of the data collection. These results are not included in the final results. Questions on the survey were corrected for clarity when necessary prior to the final survey link being sent.

Participants

The population for this study was obtained through the Small Business Association (SBA) website called the Dynamic Small Business Network (DSBN). The search parameters included the state of Georgia and no more than 200 employees. The database filtered and limited the number of entries available; email addresses were the only data collected from the search and produced 11,804 individual addresses. Initially, 11,804 invitations were sent through email requesting participation in this study. Of those, there was a bounce rate of 6.5%, which indicated that 11,036 emails were received. Of this number,

a total of 515 (N=515) responded to the survey, which is a 4.7% response rate. Once the survey asked whether the company currently uses any forms of social media, the response rate dropped to 3.5% (n=397) as the participants who indicated “no” were exempt from continuing to answer questions related to social media and external communication. According to Bartlett, Kotrlik and Higgins (2001), the ability to make generalizations based on a population of this size, response rates of 3.5% and 4.6% are found to be both achievable and sufficient.

Data Collection/Analysis

An online survey was prepared by the researchers and distributed using Qualtrics for easy access to all the invited participants. Qualtrics is a secure website allowing access to results by only the researchers. The first email was sent to the entire database in early April 2015. A second email was sent two weeks later. Those who requested to opt out of receiving the survey were removed from the list of invited participants.

Data was analyzed through Microsoft Excel and SPSS v.23 statistical software to determine measures of frequency and cross tabulation comparisons and correlations.

FINDINGS

The findings of the data collected contain valuable information to the communications field and to small businesses that are using or considering using social media as part of their communication or marketing strategies.

Based on the generalized questions in the first section of the survey, the participants (N=515) in this study represent companies ranging in size from less than 10 employees to more than 200 employees. The majority of the participants represent companies with less than 10 employees (70%, 362). Participants were also asked to provide information about the age of the company they represent. Fifty-six percent of the companies have been in business 3 to 10 years (32%, 164) and 11 to 20 years (24%, 126), respectively. Only 26 companies indicated they have been in business more than 50 years (5%, 26), and 88 companies indicated they have been in business less than 3 years (17%, 88). (See Table 1)

TABLE 1

<i>Demographical Data: Age of your company v. size of your company</i>							
	Age of Company v. Size of Company						Total
	<10	11-20	21-49	50-99	100-200	>200	
<3 years	84	0	2	0	1	0	88
3 to 10 years	126	25	8	2	2	1	164
11 to 20 years	84	18	14	4	3	3	126
21 to 30 years	26	7	6	5	1	4	49
31 to 40 years	5	3	2	2	1	2	15
41 to 50 years	7	7	3	2	3	4	26
>50 years	30	4	9	2	1	1	47
Total	362	64	44	17	12	16	515

Further, in order to determine the industries represented by our participants, we used the U.S. Department of Education’s Career Cluster Framework, which is used by many schools and state agencies (Bureau of Labor Statistics, 2015). The 16 career clusters in this model include:

- Agriculture, food, and natural resources
- Architecture and construction
- Arts, audio/video technology, and communications

- Business management and administration
- Education and training
- Finance
- Government and public administration
- Health science
- Hospitality and tourism
- Human services
- Information technology
- Law, public safety, corrections, and security
- Manufacturing
- Marketing, sales, and services
- Science, technology, engineering, and mathematics
- Transportation, distribution, and logistics

All industries were represented in these findings, which further validates the ability to generalize based on sample size and response rate (See Table 2). Additionally, 87% of the respondents indicated that they were the owner/operator/partner (52%, 267) or president/CEO/COO (35%, 179), which also provides credibility of the responses received.

TABLE 2

<i>Demographical Data: Categories of industries represented</i>		
	Respondents	Percent
Agriculture, food, and natural resources	24	4.7
Architecture and construction	70	13.6
Arts, audio/visual technology, and communications	25	4.9
Business management and administration	41	8.0
Education and training	46	8.9
Finance	15	2.9
Government and public administration	18	3.6
Health science	33	6.5
Hospitality and tourism	17	3.3
Human services	20	3.9
Information technology	37	7.4
Law, public safety, corrections, and security	11	2.1
Manufacturing	37	7.4
Marketing, sales, and services	60	11.7
Science, technology, engineering, and mathematics	37	7.4
Transportation, distribution, and logistics	19	3.7
Total	515	100

Finally, we asked whether the small business used any forms of social media. The responses were overwhelmingly positive with 77% (n=397). The 23% (n=118) of respondents who indicated their companies do not use social media were then asked, “Is your company considering adopting any forms of social media in the future?” and, of the respondents, 81% indicated either “no” (41%, 48) or not sure (40%, 47). If they indicated “not sure,” they were directed to a final question that asked, “If not sure, please select the reasons below.” The possible choices included:

- Selecting effective social media sites (11%, 5)

- Frequency of updating or monitoring social media sites (30%, 14)
- Determining who should update and/or monitor sites (15%, 7)
- How much social media will cost the company (i.e. sites and/or resources) (19%, 9)
- Unsure if company will benefit from social media (81%, 38)
- Concerned about training on how to use and implement social media (6%, 3)
- Other (allowed an open-ended response) (6%, 3)

As for the companies who indicated they were using social media, they were asked, “How long has your company been using any forms of social media?” The majority of respondents (48%, 190) indicated they have been using social media between 1 to 3 years, and 26% (104) indicated they have been using social media for 4 to 6 years. Only 13% (51) indicated they have been using social media for less than a year; in contrast, only 6% (22) indicated they have been using social media for over 10 years.

Research Question 1: How are small businesses communicating with their external audiences?

Participants were asked, “For external communication, which of the following communication methods are used most frequently (select up to 5 choices)?” Fifteen choices were given that included: (1) face-to-face (in person), (2) business meetings, (3) telephone, (4) Skype/Google Hangouts/video conference, (5) social media (i.e. Facebook, Linked In, YouTube, Twitter, etc.), (6) newsletter/e-newsletter, (7) press releases, (8) email, (9) letters, (10) trade journals/magazines, (11) company website, (12) television, (13) newspaper, (14) podcasts, and (15) other (allowed an open-ended response). Of the fifteen choices, the top five choices that were most commonly selected were: email (89%, 339), telephone (75%, 287), face-to-face (64%, 244), company website (57%, 219), and business meetings (52%, 198). The “other” responses included: trade conferences/shows, text, Facetime, fax, Google Docs, and webinars. (See Table 3)

TABLE 3

Question: For external communication, which of the following communication methods are used most frequently (select up to 5 choices)?

	Respondents	Percent
Face-to-face (in person)	244	64
Business meetings	198	52
Telephone	287	75
Skype/Google Hangouts/video conference	102	27
Social Media (i.e. Facebook, Linked In, YouTube, Twitter, etc.)	175	46
Newsletter/e-newsletter	66	17
Press releases	52	14
Email	339	89
Letters	94	25
Trade journals/magazines	31	8
Company website	219	57
Television	7	2
Newspaper	13	3
Podcasts	10	3
Other	14	4

Research Question 2: What different types of social media are being used?

Participants were asked, “*Select all of the social media applications utilized by your company (you can select as many choices as applicable).*” Twelve choices were given that included: (1) company blog (i.e. WordPress), (2) Facebook, (3) Twitter, (4) Linked In, (5) Google+, (6) YouTube, (7) Instagram, (8) Pinterest, (9) Craigslist, (10) forums/review sites (i.e. Yelp), (11) podcasts, and (12) other (please specify). Of the twelve choices, the top three choices that were most commonly selected were: Linked In (79%, 295), Facebook (74%, 277), and Twitter (45%, 167). The “other” responses included: eBay, Angie’s List, Tumblr, Nixie, Basecamp, Solve360, and Office 365 Team Site. (See Table 4)

TABLE 4

Question: Select all of the social media applications utilized by your company (you can select as many choices as applicable).

	Respondents	Percent
Company blog (i.e. WordPress)	107	39
Facebook	277	74
Twitter	167	45
Linked In	295	79
Google+	138	37
YouTube	106	28
Instagram	40	11
Pinterest	42	11
Craigslist	45	12
Forums/review sites (i.e. Yelp)	31	8
Podcasts	18	5
Other	17	5

Research Question 3: How often are social media sites being updated? Are individuals trained on how to effectively update or moderate social media?

This research question has a two-prong approach. We were determining how often social media sites are being maintained while understanding whether individuals updating the sites have any training (either formal or specialized) on how to effectively update, moderate, or curate social media. The first question asks, “*On average, how often are your social media sites updated and/or monitored?*” The choices included: as needed (39%, 147), once a day (7.9%, 30), more than once a day (8.7%, 33), once a week (12.6%, 48), more than once a week (7.9%, 30), monthly (11.6%, 44), quarterly (6.3%, 24), annually (2.4%, 9), and other (3.9%, 15). Some of the “other” comments included: maybe twice a year, when special events occur, or that social media is being used inbound—not outbound. There were 17 missing responses (n=380). (See Table 5)

The second question asks, “*Are individuals at your company trained (formally or through specialized training) to effectively update or moderate social media content?*” Based on either “yes” or “no” as selection options, 72% (274) indicated “no” while 28% (106) indicated “yes”. From there, the final question asked, “*If yes, please indicate the types of training (you can indicate more than one answer).*” The choices included: degree program at a college or university (16.8%, 18), in-person workshops or seminars (62.6%, 67) online workshops or webinars (42%, 45), company-sponsored workshops/seminars/courses (28.9%, 31), and other (4.6%, 5).

TABLE 5

<i>Question: How often are your social media sites being updated and/or monitored?</i>		
	Respondents	Percent
As needed	147	38.7
Once a day	30	7.9
More than once a day	33	8.7
Once a week	48	12.6
More than once a week	30	7.9
Monthly	44	11.6
Quarterly	24	6.3
Annually	9	2.4
Other	15	3.9
Total	380	100

Research Question 4: How do small businesses perceive incorporating and using social media in their external communication?

The final research question states: *How do small businesses perceive incorporating and using social media in their external communication?* In order to determine how small businesses perceive social media, we asked a series of six questions based on a Likert-scale (1 – strongly disagree, 2 – disagree, 3 – neither agree or disagree, 4 – agree, 5 – strongly agree). The specific questions asked included:

Do you feel social media...

1. is beneficial to my company's reputation?
2. can help to increase my company's sales/business?
3. is a great resource to see what clients and customers feel about my company/products/services?
4. is a reliable (credible) news outlet through posts and tweets?
5. is overwhelming due to choices available?
6. is overwhelming due to amount of time needed to update and monitor site(s)?

Once analyzed, it was determined that the mean of the responses were “agree” for Question 1 (M=4.05) and Question 2 (M=4.04). The next two questions fell into the “neither agree or disagree” category with Question 3 at the high end with a mean of 3.83 and Question 4 in the middle with a mean of 3.47. The final two questions were worded negatively to see how companies would respond. Question 5 (...is overwhelming due to choices available) was at the low end of “disagree” with 3.22, and Question 6 (...is overwhelming due to amount of time needed to update and monitor sites) was in the middle of the scale at 3.39. There were 13 missing responses (n=367). (See Table 6)

TABLE 6

<i>Question: Do you feel social media...</i>	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree	Mean
...is beneficial to my company's reputation?	9	6	63	169	120	4.05
...can help to increase my company's sales & business?	8	11	72	145	131	4.04
...is a great resource to see what clients and customers feel about my company/products/services?	10	29	76	149	103	3.83
...is a reliable (credible) news outlet through posts and tweets?	15	36	134	125	57	3.47
...is overwhelming due to choices available?	28	66	113	118	42	3.22
...is overwhelming due to amount of time needed to update and/or monitor sites?	26	52	96	138	55	3.39

DISCUSSION

Based on the findings, there are several key points that add to the literature related to how small businesses' externally communicate, select, update, and perceive social media.

Communication Approaches

When considering how small businesses are communicating with their clients and stakeholders (RQ1), the top five channels of communication included: email (89%), telephone (75%), face-to-face (64%), company website (57%), and business meetings (52%). Other channels of communication such as social media (46%) and letters (25%) were not highly represented. As indicated in the introduction, small businesses that increase their time building their brands on social media gain new customers—36% of marketers acquired customers via Twitter, 52% via Facebook, and 43% via LinkedIn (Hylbak, 2013). Based on the data collected about social media selection (RQ2), those particular sources were the three most utilized sites—LinkedIn (79%), Facebook (74%), and Twitter (45%). As a result, in addition to the traditional channels of communication that ranked high in this study, small businesses should definitely consider investing resources (human, time and capital) to have a strong, active social media presence not only for customer acquisition and individual sales, but to focus on long-term customer engagement and customer loyalty as part of their on-going customer relationship marketing (CRM) initiatives.

Further, the data reinforces the need for small businesses to consider hiring employees that show strong writing and organizing skills so they may effectively create meaningful content for both emails and

company websites. Plus, small businesses need to hire employees that have strong skills in oral communication so they can carry out responsibilities professionally, ethically, and consistently when dealing with individuals in face-to-face meetings and/or verbal interactions through the telephone.

Social Media Presence

Updating, monitoring, and curating social media is the only way to maintain a strong, active social media presence. Based on the data collected about updating social media sites (RQ3), 38.7% (n=147) of small businesses update their social “as needed” and not on a particular schedule. In order for a business to have an active social media presence, they should update, monitor, and curate on a consistent basis (Kotenko, 2013). If small business only set up social media accounts, but do not actively post, tweet, chat, pin, connect, and advertise, the return on investment (ROI) from social media will not be realized (Geho, 2012). According to Kotenko (2013), there are peak times of the day to reach targeted audiences using social media platforms including: Facebook, Twitter, LinkedIn, Pinterest, Tumblr, and Google+. If small businesses cannot communicate during these peak hours due to their schedules or other responsibilities, they could adopt a social media management dashboard in which specific posts, tweets, chats, or pins could be automatically scheduled during these peak times on social media platforms of their choice. Some highly recommended dashboards include Cyfe (<http://www.cyfe.com>), Hootsuite (<http://www.hootsuite.com>), Sendible (<http://www.sendible.com>), or SproutSocial (<http://www.sproutsocial.com>) (Lohana, 2015). These social media management dashboards “sync” all social media sites into one convenient place. Additionally, these dashboards provide a host of benefits including productivity, tracking, scheduling, analytics, and collaboration (Lohana, 2015).

Another important finding (RQ3) recognized that the individuals responsible for updating, monitoring, and curating social media have not received formal or specialized training (72%, 274); whereas, only 28% (106) have received training with the majority of training coming from in-person workshops or seminars (62.6%, 67). It is highly recommended that small businesses find opportunities for the individuals responsible for social media to attend classes or training workshops, either in-person or online, to get the skills needed to maintain a strong social media presence. Training programs, specializing in (1) how to use social networks, (2) how to write updates and posts, (3) how to write blog posts, (4) how to manage social media marketing campaigns, how to organize your social media marketing team, (5) how to schedule blog and social media posts, or (6) how to maintain a consistent brand, can be found through private companies (i.e. Social Media Hat), community education (i.e. local colleges and/or universities), or non-profit organizations (i.e. Small Business Development Centers). Additionally, there are several free resources on how to maintain social media sites from sites such as Social Media Examiner (<http://www.socialmediaexaminer.com>).

Social Media Perceptions

Of the small businesses using social media to communicate with their clients and customers, the findings of this study suggest that they “agree” that social media is beneficial to their company’s reputation (M=4.05, SD=.89) and help increase their company’s sales and business (M=4.04, SD=.93). This reinforces the theory of social exchange that frames this study. The theory indicates that small businesses need to believe that engaging in social media activities are rewarding and provide a benefit to the human or nonhuman environment (Cook, et. al., p. 62). Reinforcing this theory, the data collected about social media perceptions (RQ4) indicates that small businesses are *not sure* (neither agree or disagree) whether social media “is a great resource to see what clients and customers feel about their company/products/services (M=3.83, SD=1.01),” “is a reliable (credible) news outlet through posts and tweets (M=3.47, SD=1.00),” “is overwhelming due to choices available (M=3.22, SD=1.10),” and “is overwhelming due to amount of time needed to update and/or monitor sites (M=3.29, SD=1.12).” Perhaps, if these small businesses had more evidence to the potential results (rewards or benefits) of these aspects of social media, they may be more apt to adopt social media into their external communication. It is recommended these businesses obtain additional evidence by trial-and-error through actually (a) selecting social media sites appealing to them, (b) taking the time to update and maintain these sites, as

well as (c) posting *reliable* and *credible* stories on their own social media. They could also review other companies (small- or large- businesses) to confirm the reliability and credibility of the news and/or posts they find, which may help solidify their perceptions about social media as a whole.

CONCLUSION

For small businesses, the implications of this study can help guide external communication and social media approaches toward reflection and growth. The recommendations provided will assist these companies by helping to increase their company's image (reputation), sales, and CRM efforts by considering how they communicate with their stakeholders. Through realizing the benefits of their selected channels of communication, especially adopting or utilizing social media as a viable medium, continual rewards such as acquiring new customers and developing lasting long-term relationships promoting customer loyalty can be attained.

There are some limitations to this study that would help to clarify the perceptions small businesses have towards social media. For example, this study could have been framed using the social media integration (SMI) model (2011), which would have focused on the reasons "why" companies use social media. According to the SMI model, the objectives for social media include exposure (i.e. blogging), feedback (i.e. social recommendations/reviews), connecting (i.e. social networking), and sharing (i.e. social bookmarking) (Garcia, 2011). It would be interesting to discover the rationale behind using Facebook or Twitter over other sites such as Linked In or Google+.

In this study, generational data was not collected. The study would have been enriched by including a variable describing the generational makeup of each company such as Baby Boomers (ages 55-70), Generation X (ages 34-54), Generation Y (ages 21 to 33), Generation Z (ages <20), or a combination of varying age groups within one company. By collecting this data, it could be determined whether there is a difference if a millennial or baby boomer is the one working with social media or if there is a connection between the age of the business, the age of the owner of the business, or the age of the personnel in charge of social media. This data may provide an insight to the generational status of the person who is responsible for the updating, monitoring, and curating the company's social media presence and if there are differences as a result.

These suggestions for future studies will add to the abundant literature on social media; however, addressing communication and social media approaches related to selection, presence, and perceptions in small businesses is unique. Studies addressing these concerns will be well-received due to the beneficial, meaningful, and supportive information specifically designed to help these thriving business entities grow and evolve.

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