

Social media as marketing tool for SMEs: opportunities and challenges

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Abstract

Social media is a phenomenon that has transformed the interaction and communication of individuals throughout the world. Especially, social networking websites are very popular and have become daily practice in a lot of people's lives. These sites have made significant impact on the individual's life. However, social media is not only a communication tool for amusement, but it is also an important part of marketing strategies in business life. There is a constant rise in social networking and therefore impact of social networks is becoming stronger every day, into each kind of business. Social media are often used as a source of information and spread of knowledge changing people's views and opinions. They belong among very important business marketing tactics and help to create new business opportunities, develop a stronger market position or modify consumer's behavior. Therefore, in developed countries, social media are gaining popularity and are increasingly used in regular operations of many companies, including start-ups, small, medium-sized, and large organizations. But it seems that in emerging economies such as Kosovo, Albania and other neighbor countries, marketing over social media is not taken that seriously, especially by SMEs. There are some companies who have shown interest and have created their presence, yet there is no serious focus in this innovative marketing tool. The study deals with the issue of social media and its influence on SMEs. It classifies social media and explores the possibilities and challenges of social networks in business. The authors describe features and the evolution of social media, including major social networking sites that came into existence during the 21st century. The purpose of the paper is to review the academic literature on the opportunities and challenges of using social media from SMEs, as well as identifying factors that drive social media marketing adoption and usage in SMEs. This paper offers a useful means to analyze the kinds of research that needs to be pursued to make additional research progress in the related area of social media marketing. Within this research, the qualitative method is used in order to identify opportunities and challenges and determine factors that drive social media marketing adoption and usage in SMEs.

Keywords: *social media, social network, marketing, business, SMEs, Facebook, Twitter, LinkedIn.*

Introduction

In modern societies the internet has a great impact, especially social media channels are widely used to connect people around the world together. Using various social media like social networks, shearing websites, social networks, blogs and a lot of other channels people can interact online with whomever they want without any restrictions in terms of quantity or quality. This great opportunity has allowed people to share valuable information and experiences. One of the most important

opportunities that social media has offered to the world, of course, is doing business online, so, if we look this in a business perspective we can say that social media offers really tremendous opportunities for the businesses to use it as a marketing tool, it gives them the chance to promote their brand and of course the products and services that they offer. Using internet and the freedom that it offers, people are sharing their information and experiences about certain brands and the products and services that they offer, for example there are a lot of people that offer reviews of certain products and services that they bought or tested which can be really helpful for the consumers on one hand, and in the other hand could be a really good marketing tool for businesses. The growing of media and the emergence of social media has pushed the businesses to use social media as one of their marketing tools. Lately the increasing usage of internet in general, but especially the increasing number of internet users through smart devices such as phones and tablets has increased greatly the content in the internet, which has resulted in the increasing of consumption (Nekatibeb, 2012). Big businesses have seen this opportunity on its early stages as they compete aggressively for potential consumers and have started using this new channel as a marketing tool. So, social media is being used successfully as a marketing tool for quite some time now from big companies.

However, it is still not clear how this trend is being followed in the same manner by SMEs. There are not many studies that discuss the benefits and challenges of social media as a marketing tool for SMEs, that would help SMEs to know what social media marketing would benefit to their businesses and which particular techniques to use to achieve success. The usage of social media marketing among SMEs seems to be lower especially in developing countries such as Kosovo, Albania and their neighbor countries. But it should not go without saying that lately social networking marketing has seen a really big growth of usage in those countries, this may be as a result of cheap and effective Facebook ads that made SMEs willing to use them. The increase of sales of the SMEs that have used social media as a marketing tool has boosted the interest of other SMEs in using social media for marketing purposes. However, because the social media is a relatively new phenomenon, understanding its benefits as a marketing tool still remains a challenge.

Justification

Having in mind that social media is a relatively new phenomenon especially in emerging countries, the lack of understanding of its potential, we believe that the social media marketing is a issue that deserves studying, especially its potential of marketing tool for SMEs. SMEs are really important part of world economy, they represent more than 90% of all businesses worldwide, having this in mind is of a great importance to know how SMEs are using social media marketing and what challenges are they facing while they are using it. However, as mentioned before SMEs are still not using social media marketing widely, even though it offers SMEs with a lot of opportunities in terms of marketing with a little cost. We believe that SMEs in emerging countries should start to increase the usage of this new marketing tool as it provides a great opportunity to increase their presence and their sales. The

results of this paper offer a initial understanding of how SMEs are using social media as a marketing tool, which are the benefits that they gain and also which are the biggest challenges that they face while they try to adopt this new marketing tool.

Aim and methodology

Aim

The aim of this research paper is to improve the understanding of the benefits and challenges of Social Media Marketing usage by SMEs through examining and structuring existing knowledge on social media marketing and its application, but in this paper it is discussed from SMEs point of view. Another goal of this study is to research how SMEs can use social media to benefit their businesses and also to explore challenges and benefits that SMEs face when they decide to use social media as a marketing tool.

Objectives of the study

The study was guided by the following objectives:

Specific Objectives

- Explanation and clarification of social media marketing concept and the main types of it.
- Explanation of the role and functions of social media marketing.
- Exploration of trends of usage of social media marketing within SMEs and its impact on SMEs.
- Determining factors that drive the use of social media marketing usage from SMEs.
- Identification and clarification of benefits, opportunities and challenges that SMEs face when they adopt social media marketing.

Methodology

Research can be conducted by using different methodologies and approaches, depending on the nature and aim the research. The methodology applied during the research has a key importance, thus special attention must be paid to the entire research process starting from the identification of the problem, determination of objectives, collection, and analysis of data all the way to the conclusions and recommendations, something that was observed during the writing of this paper.

As main sources of information, used in compiling this paper, were secondary sources, sources accessible through internet, and the existing literature in the field of marketing in general and social media marketing in particular. Sources used are many scientific articles on social media marketing and general literature on marketing, the results of these articles and the opinions of their authors have been analyzed and compared to fulfil the aims of this paper. These sources have provided sufficient information and material to conduct an analysis of benefits and challenges that SMEs face when adopting social media marketing, which made it possible to fulfil the aims of this research.

The qualitative approach is a method used widely in social sciences; it enables us to study the phenomenon by using qualitative data expressed in words and theory (Patton & Cochran, 2002). Therefore, pursuant to this, it is evident that the paper applies the qualitative approach as a method to realize the study, as it compares and

analyses the work of many authors to reach the objectives of the research.

Literature review

Definition of social media

The need to survive and the competition are the main factors that has been pushing the businesses to always search for the best alternatives existing in the market. In 1978, before the World Wide Web (WWW) technology came, for the first time has been presented social media in the so called BBS (Bulletin Board Systems), which was an application that has made possible the change of information within the already existing networks and has been developed by Ward Chrisensen and Randy Sues for the Department of Defense of the United States.

Until the discovery of social media we have had a chance to see an advertising on TV for example and get informed about the product, but we never had the chance to express our opinion on that product and change information between ourselves about that product. So, we can say that the term "social media" has to do with how all the participants change their information between themselves via the Internet. (Dewing 2010)

According to Sisira Neti et al (2011) when you can share your opinion, photos, content, views and when people can communicate with each other is known as 'social media'. She also defines the social media by dividing into 2 parts, "social" which has to do with the communication people do with each other and the "media" is defined as the way how we send information into different channels.

Types of social media channels (top social media networks)

Knowing that people's interests are different, it makes even the communication in social media channels be variable, depending on what we show more interest about.

The channels that are most frequently used for advertising are:

Facebook. One of the top social media networks known today worldwide by big and small existing humans is Facebook. Facebook has been launched on the 4th of February 2004, as a communication network between students of Harvard, which initially involved only 1200 students of the campus who communicated among themselves, and it was realized by three college students Marck Zuckerberger (main), Andrew McCollum and Eduardo Saverin (Charlene Croft, 2007). The network has grown from Harvard University to Stanford and Yale Universities and the interest of students to communicate with each other has been very great. By seeing a very great interest that people were showing about Facebook, Facebook has been quickly available also in other cities of America and beyond. In 2007, the company has presented their new aim "translate its popularity into bigger profits" thus enabling all businesses have the ability to communicate and access directly to consumers (Charlene Croft, 2007). Today everyone aged 13 and above have access to Facebook, they can communicate with each other by becoming friends first and allowing access to their photos and personal information they publish to everyone they have accepted as friends before. In Facebook we can create groups of interests and we can discuss and find all the information about that field. The advantage of Facebook is that there is no limit on the number of characters we can type. Official Facebook page is: www.facebook.com.

According to the site that publishes statistics, statista.com, Facebook is seen by small companies as the best opportunity to communicate with consumers (83%), 92% of companies use the most of all available social media networks Facebook, and based on the data from the second half of 2016, Facebook has 1.71 billion active users per month (statista.com). An active user is everyone who have accessed the site in the last 30 days.

Twitter. Another social media network that connects people with each other by communicating with each other and we have all heard about it, is of course Twitter. We can hear and read everywhere how important and famous people tweet about anything. But, Twitter has a fixed amount of characters you can write and it is limited to maximum 140 characters. These written characters are than called "tweet", which can be read by all, but written only by persons registered. According to the website of the company (<https://about.twitter.com/company>), they have 313 million active monthly user environments, 82% active in mobile phones, 79% Logos opened outside of the US and 40+ foreign languages are supported. Official site of the company is: www.twitter.com.

Google Plus. Right after Facebook, one of the biggest social media network according to its number of users is listed Google Plus. Google plus is launched in 2011. According to the site for statistics Global Media Insight Google plus appears to have 440 million active user per month, and has a total of 2.2 billion profiles. Most of the users are male; the proportion is 73.70% male and 26.30% female.

LinkedIn. LinkedIn was founded in 2002 by Reid Hoffman, but was not launched until 2003. LinkedIn unlike other social networks it belongs to a professional profile. LinkedIn in 2013 possessed 259 million users (Hempel, 2013) and today LinkedIn holds more than 443 million members in 200 different countries of the world according to the publications on their official website. LinkedIn enables its member's access to various job offers, different professional information and any other information that we need to succeed in what we are doing.

YouTube. YouTube was founded in 2005 by Char Hurley, Steve Chen, Jawed Karim, the three employees of PayPal. YouTube serves to make public the videos created by artists or companies that are licensed to publish them. Since 2006 YouTube is owned by Google Company. YouTube has over 1 billion users, according to the data published on their official website, almost every 3rd person who is connected to the Internet generates new views on YouTube. YouTube is available in 76 languages around the world. Video length is 15 min allowed, but for people who are regular and have good history it can be allowed to upload even longer videos. Videos can be uploaded only by registered members but can be seen by everyone whether you are registered or not. Under the videos we have the option to comment. One of the advantages for all the businesses that would like to advertise through YouTube is that ads can appear even when viewing videos and cannot be stooped immediately; you first have to watch few seconds depending on how they agreed. Then you can decide if you want to watch the whole ad or stop it. But space for advertising is also in other parts of the site. Today YouTube is one of the most selected media from various marketing companies for advertising (Whittemore Burns, 2012).

Blogs. Blog is a page in Word Wide Web, which makes enables the so-called bloggers

to post updates in the area that they have chosen to have a blog for all their viewers. You can also have a blog on a social media network where you can invite your followers to visit your page. Any information that is added at the beginning of the page appears leaving the old information listed below. According to Fenner (2012) probably the best way to communicate with the public is through bloggers, because they have constant contact with their readers.

The role and functions of social media networks

Social media networks enable all persons who have internet access to access the pages created by different companies and communicate about personal things (Palmer and Lewis, 2009). Palmer and Lewis share social media as online applications, platforms and Medias which aim to facilitate interactions, collaborations and the sharing of content (Palmer and Lewis, 2009).

Even why the social media is known to be the most important part of marketing not all the social media networks will suit the objectives of the marketing. (Fauser et al 2011). We already know that the main purpose of the social media is the communication between different groups of interests (Gummesson 2002) and that continues to be the most important contact through the companies and their customers (Gummesson 2002).

Social Media Marketing

There has always been a direct contact between companies and customers. But before the social media existed it was necessary to have a direct contact, by phone or by mail. So these have been the only opportunities to inform the customers with the existence of our product or our business in general. The possibility to notify the customer of our product or our business through the use of social networking tools is defined as social media marketing (Mohammadian and Mohammadreza 2012, p. 58). The development of information technology and Internet has made it easier the communication between the companies and customers. And social media have become the most famous factor (Kirtis and Karahan, 2011). The old way where we had a chance to send a message to more people, through email or through TV advertising, also called one-to-many communication, needed to expand. So, this method of one-to-many communication by Gillie (2009) was not enough because it left many spaces, and is definitely needed an exhaustive communication. Since that time, Gillie (2009) stated that the earliest we start working in a comprehensive communication we will succeed in marketing. This is because through the social media customers communicate also about their discontent in received products, and by Gillie (2009) is more than necessary to contact directly with unhappy customers and try to avoid escalation of situations that can be created.

The use of social media within SMEs

From the previous discussion we can clearly see that social media is a key factor in the success and growth of a business. But of course there are advantages and disadvantages of social Medias also. And according to Johansson and Corvera (2012) the main advantages are estimated to be cost savings and getting closer to the customer. But they are also well known the disadvantages as the lack of financial risks and sources of labor.

At the same time a quite positive role social media might have from Word of Mouth

(WOM) because through this from our old costumers we can gain new costumers (Braclays Review, 1997). Also it is important to be noted that WOM is very useful as it gives us information in a record time and with a significant credibility (Barbett and Wallace, 2009: 36).

In nowadays it is very important and crucial to be closer to the customer at all times (Garnett 2010). And this has become possible through social media. Given that a client, almost all of those who are online and use the internet, at the moment they receive a product and are unsatisfied with it will go immediately on a social media and leave a comment about that product and here we can see the urge for the company to be online and respond immediately to the customer, so that they can calm them before the situation can grow and get out of control. For example, one example where we can find a lot of costumers complains is trip advisor, a medium hotel, where customers directly tell about experiences they have about the hotels they visited. And there we can also see how the competent persons give answers or excuses about the dissatisfaction their costumers might have.

Social media marketing adoption factors

The authors have consulted literature in the field of marketing in general and E- marketing and social media marketing in particular to conduct this study and determine the most important factors that affect the adoption of social media marketing. Based on this literature review of different theories and methodologies we have examined we will discuss some important factors both internal and external related to technology adoption, which we believe that applies to social media marketing to. So, in the following section we will discuss some of selected factors.

End Users- form literature, this factor has an important influence on the technology adoption process from the SMEs. Training system in SMEs will allow the transfer of knowledge required to make the new tools at the same time modify the worker's attitude towards technology change (Bruque& Moyano, 2007). The lack of technological knowledge combined with little appreciation of benefits of e- commerce is a major difficulty for SMEs (Stockdale and Standing, 2006). Ease of use and usefulness have been found to have a positive direct impact on e-marketing adoption by SMEs in Egypt (El-Gohary, 2012). Pookulangara and Koesler (2011) also tested the perceieved usefulness in research on social media usage, and found statistical significant results. Those studies confirm that the end users affect the adoption of social media marketing, the impact of this factor depends on the technological knowledge of workers within SMEs in emerging countries such as Kosovo, Albania and other neighbor countries, if the workers are proficient technology users this factor has a positive influence, on contrary, this factor will be a hold back for adopting social media marketing within SMEs.

Organizational and Management- Depending on the management objectives, the resources are allocated an innovative type of management increases the resources and human capacities in the direction of adoption of new technologies and other innovative projects (Trafdar and Vaidya, 2006). These organizational characteristics determine the potential adoption and use of social media marketing, for instance, enthusiasm about emerging technologies, comfort with their use on part of managers, and the existence of related experimentation and innovation positively influences the

adoption of new technologies (Trafdar and Vaidya, 2006). Therefore, based on this the organizational factor is an important factor on the adoption of social media marketing, it can have a great impact depending on the management style of doing business, if the management has an open and innovative approach the social media marketing is more likely to be adopted if the management has more conservative approach the chances are smaller for social media marketing to be a marketing strategy for those companies.

Technological- there are not very well established systems to measure the efficiency of e-marketing, therefore, is difficult to identify sales derived directly from technology, so, it is difficult to measure the return on investment in the case of e-marketing (Gilmore et al., 2007). Trends show that users have become more receptive towards internet, however, there are some concerns about the credibility of technology when it comes to money invested (Curtis et al., 2010). There are still some barriers to SMEs when it comes to use of technology to conduct business, spamming is one of major concerns (Kendall et al., 2001). But, when we talk about technological factor we should have in mind that the technology is changing with giant steps and potential concerns are being addressed very fast. For example, Facebook has a very secure and well established system of social media marketing, and enables SMEs to target their potential consumers really effectively. Therefore, the technological factor in my opinion may not be considered a factor with negative influence, due to very fast development of technology and good use of it form social media to offer a various range of marketing options through it.

Business Environment- Technology is used as a competition tool by SMEs, when competition use technology to create a competition advantage, other SMEs tend to start to embrace that new technology in order to remain competitive (El-Gohary, 2012). Therefore, the business environment is an important factor that influences the adoption of social media marketing, but that depends on the local environment, in bigger cities the adoption of social media marketing tends to be higher due to more innovative entrepreneurs and more competitive environment. Therefore, it can be said that the business environment has a huge impact on adoption of social media marketing by SMEs.

Benefits of social media marketing for SMEs

Lateley Social Media marketing is frequently used by SMEs because it offers a cost-effective marketing tool. Social Media Marketing offers a variety of tools that can be used very easily and for free, in comparison with other marketing tools (Levinson, J.C. and Gibson, S.,2010). The main purposes of using Social Media Marketing are the amplification of word-of-mouth marketing, market research, general marketing, idea generation and new product development, customer service, public relations, employee communications and reputation management. Indeed, social networks can increase product and brand awareness, web traffic, customer loyalty, but also improve the company's Search Engine Optimization, and even increase the success of new product launches.

Social Media Marketing helps to achieve traditional goals using non-traditional ways, through the use of creativity, community, and relationships instead of using a lot of money to achieve marketing objectives. The Social Media Marketing methods

are considered to be a powerful guerrilla marketing strategies. Every SME can now be armed with very effective online marketing tools that enable them to present their products and services in the same way that many large corporations do. Therefore, Social Media Marketing is a great change in the world of marketing, and a huge opportunity for SMEs to increase their presence on the market and to improve their image (DeMers, 2014).

According to Hubspot (2012), 57% of SMEs say social media is beneficial to their business. Social Media Marketing offers a lot of important benefits for the SMEs success. Social Media platforms increase communication around brands and products, enhancing positive as well as negative word-of-mouth around a business and its products and services. Anything published on the Social Media channels can be seen by millions of people in a very short time.

In this study, we will discuss the benefits of Social Media Marketing for SMEs. Evidently there are numerous benefits that Social Media Marketing brings for SMEs but the main benefits that we have chosen to mention are:

Increased brand exposure- is the main benefit that SMEs acquire by adopting implementing Social Media Marketing, it helps SMEs to increase the brand exposure. Brand exposure occurs when the customer becomes aware of a product or service through at least one of their five senses, whether or not they paid attention to it. Therefore, brands' visibility is increased if a business creates a presence on the of Social Media channels, but also thanks to the word of mouth that is automatically expanded around the brand. According to Stelzner (2012), increased exposure is the major benefit from Social Media Marketing

Increased targeted traffic- Social Media Sites have hundred millions of users, this makes them a convenient target base for people who are trying to market products or services to people online. Actually, Social Media Marketing has become a very effective way to drive targeted traffic to companies' website or blogs. Social Media has opened many new doors, generated an extremely high amount of online traffic. Targeted traffic is traffic that reached a website thanks to an interest in the product or service offered. Targeted traffic is when the audience reads an ad for a product or service that a brand is promoting on its website and they are actually interested in purchasing that product, and so they click this link to go to the company's website (Bell, 2013).

One of the biggest benefits that advertising through Social Media can offer marketers is the ability to specifically target customers based on a variety of different factors. Social Media sites are storing all kinds of data on their users, such as age, gender, geographical location, interests, and many other pieces of information. Consequently, these data can be used to reach the company's target audience (Celine, 2012). Facebook is offers one of the best options of doing targeted marketing based on traffic, and since is a cost effective way of marketing is a great benefit for businesses in general and SMEs in particular.

Leads generation- a significant number of marketers implement a Social Media strategy is to increase lead generation (Hubspot, 2012). Leads are defined as potential customers or sales prospects. Social media is used by millions of users, which is good place for every business to have some prospective customers somewhere on these

sites. Every person who likes Facebook page of the company, or follows the Twitter profile is a potential customer. Therefore, by gaining more and more followers online, brands can raise their chances of generating new customers. The challenge is to encourage people to visit the companies' Social Media sites. Once the visitors feel interested by the brand, then only, they will become valuable leads. Since social media marketing enables SMEs to generate leads, it can be considered as one of main benefits that it offers to SMEs.

Market insights- another great benefit that adoption of social media offers to SMEs is the way it market insight is conducted since social media has gained popularity. Internet and Social Media has transformed the way market research and competitor monitoring is being accomplished. Thanks to the amount of data left in the archive of the Social Media channels, information about the target audience and the competitors is easily accessible. Therefore, Social Media highly facilitates market insights. On the one hand, Social Media channels offer the opportunity to spy on competition. Any brand can watch and read closely what is taking place on its competitors' website, blogs, and Social Media sites (Celine, 2012).

Customer interaction- Social Media channels help maintain a wide interactive dialogue between SMEs and their current or potential customers. Through the Social Media Sites, consumers are able to leave feedbacks and share their opinions, but they can also request help and support. The communication is very simple and often improve relationships between SMEs and their customers. This is a huge benefit for both sides, it helps SMEs to improve their brand image and potentially increase sales, but also it is beneficial for the consumers because they get a more personal and qualitative treatment for the product or service that they paid for, in form of help with difficulties, guidelines of usage, or can leave negative comments if the product or service is not at the expected level.

Marketing effectiveness- Social Media Marketing is a marketing tool that does not need high advertising costs or an extremely high amount of time. It is a strategy of doing good and costless business marketing. If a company is aware of where its target audience is interaction in the Social Media landscape, a small investment is enough to get a Social Media strategy started and the returns can be amazing. The best example of this cost effectiveness is Facebook, which offers a very cheap form of targeted marketing. Cost efficiency is one of the most important benefits of Social Media Marketing that SMEs gain, because SMEs do not have the financial power to implement an expensive marketing strategy as large corporations have. This benefit is of a great importance especially for SMEs and SME startups in emerging countries, because it helps them create a marketing presence and promote their brand, while saving a lot of money and time.

Challenges and risks of Social Media Marketing

As we discussed above, Social Media Marketing offers to SMEs a large variety of possibilities in terms of Social Media channels available, and a large a lot of benefits, such as those mentioned on the benefits section. However, Social Media Marketing for SMEs also requires knowledge and a lot of work, and of course has its own challenges and risks before achieving success that is worth to mention (Stelzner, 2014).

Social Media Marketing may not always be easy to use or cost efficient. Sometimes,

depending on the business type, size and age and management style, hard efforts need to be made in some areas. First, SMEs need to engage human and time resources to manage their Social Media presence. An employee, and sometimes a group of employees, needs to be ready and able to communicate with customers' and respond to their feedbacks and complaints on daily basis. Employees engaged in Social Media activities should be highly skilled and trained in order to respond effectively to every questions and complain that consumers have, they should be able to manage and control the possible negative comments before they are seen from hundred or thousand people. Also, Social media employees has to be very active and produce new content regularly in depending on the type of SMEs, in order to stay in the radar of the consumers, this is important because helps SMEs create a continuous communication with their consumers. But SMEs need to be careful not to publish irrelevant content that often that because some people find this behavior annoying. Besides, the outcomes of the Social Media Marketing need to be controlled and measured in order to understand how efficient this strategy is, and determine whether this strategy is working and what is not. Some Social Media Marketing channels might be more efficient than others for SMEs, while others are not, depending on the type of business and consumer target, and they can be considered too time-consuming and expensive comparing to its benefits. However, as was mentioned before it is quite difficult to measure the return on investment, when it comes to Social Media Marketing. Measuring social media return on investment is a very difficult task. This may be considered a serious challenge for implementing Social Media Marketing from SMEs, the impossibility to measure results of Social Media Marketing disables them to know which channel is the best way to go, and they may implement a total useless strategy, losing time and money without a real impact on improving their brand reputation and sales (Gilmore et al., 2007). Furthermore, SMEs also face other major risks such as reputational, legal and operational.

One of the main risks for SMEs using Social Media Marketing is potential damage their reputation by using their Social Media sites ineffectively. Overuse of advertising, presenting products and services in a commercial way and trying too hard for sales often is seen very badly the audience, which might get annoyed and unfollow the business on Social Media. Employees can also damage a SME image really bad, by showing bad behaviors on Social Media channels or posting embarrassing information. Therefore, reputational risks can easily equal or exceed the reputational benefits of Social Media Marketing.

Secondly, Social Media makes a whole new world of privacy, security, intellectual property, employment practices, and other legal risks possible. The Social Media employees need to understand information technology law before engaging in social media activities. Security and operational risks are also high and may be considered a hold back for adoption of Social Media Marketing, security risks occur when malware, viruses or spyware are downloaded through the Social Media sites, security concerns are a major negative factor, because SMEs are afraid that they may be the victims of financial risks through different viruses and spywares. Also, there are intellectual property and media risks concerning the protection of third-parties or the publication of fake positive reviews.

Therefore, it is really important for every SME to understand the downside that exists of using Social Media Marketing.

In general, Social Media Marketing is a really useful and powerful marketing tool that not every SME knows how to use properly yet, especially those in emerging countries. It is still very new way of marketing and it needs to be implemented through a real and concretely defined strategy.

Conclusions

In this paper, we have analyzed Social Media Marketing benefits and challenges for SMEs. We have also defined the different types of Social Media channels and their role. Depending whether a SME is developing its Social Media presence on a variety of channels channel or only on a couple of them, the SME benefits can vary in terms of value and volume. However, the main benefits identified in this paper are increased brand exposure and reputation management, increased targeted traffic and Search Engine Optimization, word-of-mouth and leads generation, market insights related to target audience and competition. In addition, while Social Media Marketing is also an extremely cost-effective solution, it mostly depends on which type of Social Media channels is used. Social Networks, Social Media Sharing sites, Forums, and Social Events sites are all considered as Social Media channels, and can all be significantly beneficial for businesses in their own way. Social Media online advertising is highly effective. SMEs should make effort to adopt it make room for it, because is a highly beneficial marketing strategy for them. For example, SMEs can begin with free options where like opening a Facebook page or creating a page on twitter or other sites. Other more advanced options can be paid promotions and adverts on social media, promoting certain banners, pictures and offers that carry advertisement messages. It is worth mentioning that a lot of SMEs in emerging countries have already started using Social Media Marketing, testing various strategies, but the Social Media presence is still far from level of SMEs from developed countries. But while implementing Social Media Marketing SMEs should have in mind the mentioned limitations and risks related to Social Media Marketing. But these limitations and risks should not serve as hold back for Social Media Marketing adoption, even though, those limitations and risks may seem scary and challenging, they are only precautions to be taken on time in order to achieve complete notable success in the Social Media strategy.

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