

Social Media and Micro-Entrepreneurs: Lifestyle Marketing

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Abstract

This paper attempts an analysis of the use of social media to empower micro entrepreneurs in reaching out to niche as well as mass markets. The inroads of technology having touched all aspects of business communication, the internet has altered the modes as well as intensity of spread of innovations and ideas with tech savvy followers interacting with their new age marketers through the virtual world. This paper touches upon the challenges faced by micro entrepreneurs and focuses on four contemporary cases, which demonstrate effective usage of social media networks. Two trends are visible; one being the use of social media in addition to traditional market practices, and the second being exclusive dependence on social media networks. Social media networks have provided enabling environments to micro-entrepreneurs thus facilitating their last mile connectivity with a wider and dispersed audience.

Keywords: Micro-entrepreneurs, Lifestyle Marketing, Social Media, Technology

1. Introduction

This paper attempts an analysis of the use of social media to enable and empower micro entrepreneurs in reaching out to niche as well as mass markets. The inroads of technology having touched all aspects of business communication, the internet has altered the modes as well as intensity of spread of innovations and ideas with tech savvy followers interacting with their new age marketers through the virtual world. Never before has the arena been so wide and extensive for peddlers of goods and services in terms of reach and diversity of content. This

paper examines the use of social media for the spread of awareness and interactions between buyers and sellers as well as buyers and buyers.

The use of mass media for micro-entrepreneurs has grown following the penetration of ICTs to the remote corners of the world and affordability of internet access. With increasing inroads of technology into the day to day life, the new globalised market has heightened the need for on-line platforms for communication as well as commerce.

The precursor to the usage of social media marketing for life style products has been the extensive use of television channels for programmes based on appliances and products of day-to-day use ranging from gym equipment to kitchen knives to jewellery. With the advent of satellite television and day long beaming of television programmes, an unexplored opportunity presented itself for airing of content that catered to the segment of population with disposable income and readiness to try new products. From here, the transition to internet based platforms was quick and smooth. The audience has kept up with the technology and since almost all professional work requires comfort with computers, there is hardly any resistance to access goods and services on social media marketing platforms.

2. History of Social Media Marketing

The advent of social media can be traced back to 1978 with the invention of the bulletin board system by Ward Christensen and Randy Suess. The next milestone was the development of the browser Mosaic, in 1993, by the students of University of Illinois, which facilitated the development of the World Wide Web and the extensive diffusion of the Internet. The new platform of internet was

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making inroads into the traditional modes of networking as well as business. This was followed by the huge popularity of chat as new service offered by AOL instant messenger and sites like Geocities, which made a history of sorts by going public and was eventually bought by Yahoo. The next in line was the launch of the blogging service Blogger and Google came into life in the 1997. There was a short period of uncertainty about the future of the internet as a tool of business and commerce, with the dot com bubble bursting in the late 1990s. The turn of the century saw the beginning of full blown social networking phenomenon with the likes of Friendster, Myspace, LinkedIn, Orkut, Youtube and Facebook changing our lives like never before. While sociologists were debating the impact of Orkut's no holds barred openness wrecking marriages and poisoning friendships, Twitter began tweeting in 2006 and Oxford American Dictionary added the word 'unfriend' in 2009. The launch of the new music focused social networking site Ping by Apple and Google+ by Google last year followed by Pinterest have been the recent developments in this field.

3. The Business Aspect of Social Networks

Essentially, social networks are for people to connect with each other and share news and views. This was put to commercial use by some smart marketers, who saw an enormous business opportunity in the informal exchanges between friends and strangers. A casual mention of a certain preference or appreciation of a certain product or its features could be used to enhance the penetration of traditional promotional strategies. Social networking websites helped the users to interact with one another and reinforce or challenge views and opinions. The use of this platform for business led to revolutionizing the methods in which traditional marketing departments worked. The end user now became an extension of the virtual identity of the organization in general and the product in particular. As opinions of customers got shared by other customers or invoked responses, there was a participatory feel as strangers joined in discussions, responses and threads and contributed towards the product life cycle of the entity in unique ways. The platform was successfully exploited by the sleek Adidas campaign of 2007 in which, people had to declare their preferences for two models of Adidas shoes.

The 2008, US presidential election saw the Democrats use social media marketing as an effective tool to hoist Barack Obama on the White House. The extensive use of Twitter and Facebook by Obama started a trend of sorts and now we have politicians, film stars, sports men and celebrities of all hues and colours use social networking sites to augment their fan following. Closer home, the fall from grace of minister Shashi Tharoor following his twitter post on the Congress party's austerity drive and the announcement of Abhishek Bachchan's daughter's birth have been some of the amusing incidents of celebrity association with social media. The platform has also been put to successful use during the 2011 Egypt revolution, Osama's capture by USA commandos and scores of emergencies and accidents.

3.1. Marketing Challenges for Micro Entrepreneurs and The Social Media Advantage

Traditionally micro entrepreneurs have always faced financial constraints related to branding and promotion and have had to depend either on word-of-mouth publicity or government sponsored cost effective platforms like exhibitions to showcase their products. Both the media suffer from severe challenges in terms of reach as well as effectiveness. Budget being the chief constraint, micro entrepreneurs are neither able to employ professional agencies to design glamorous campaigns, nor are they able to afford the overheads of maintaining high profile displays at strategic locations. In this scenario, social media offers a win-win solution to their needs. With the entry of professional and well educated people into small business, the traditional image of micro-entrepreneurs has also undergone a big change. Even the traditionally run micro-businesses are realizing the potential of social media as a highly cost effective option to make an impressive presence among a buyer class that is becoming increasingly image conscious as well as techno savvy.

With fastidious preferences, these buyers demand services customized to their needs. The advent of social media has made it possible for the entrepreneurs connect directly with buyers in real time on one to one basis and address their needs and apprehensions. This platform frees them from the need of maintaining extensive inventory. The saving is tremendous in terms of real estate investments, staff expenses, as well as display hassles. All that is required

is dressing up the product and clicking glossy pictures of digital quality, which are then uploaded to the social media spaces. This facilitates the two way communication whereby the buyers visit the page accidentally or intentionally and begin to post enquiries or comments. The process might or might not lead to an actual sale each time, but adds to the body of communication and enhances the web presence of the entrepreneur.

It becomes easy to cater to the classes as well as masses while working through social media platforms. This is because if the visitor is happy to pick up the product as it is displayed, the process of order and dispatch sets in. In case the buyer turns out to be fastidious and demands exclusive features, it is well within the reach of the entrepreneur to quickly add or delete features in the product offerings and provide a virtual feel of it to the buyers.

3.2 Micro Entrepreneurs and Social Media Marketing: Evolving Cases

While it is too early to predict about the long-term sustainability about specific micro-entrepreneurs using social media marketing as an effective marketing channel, the phenomenon is here for good and seemingly becoming a part of our shopping experience. What began with technical software based products that could be easily downloaded and did not require the 'touch and feel' experience for purchase, has now received acceptance even for lifestyle products. A decade back, buyers wouldn't have been receptive to buying clothes, jewellery and art-based merchandise without tactile or direct visual experience. However, with cash on delivery schemes, the barrier came down and the success of portals like Flipkart, e-bay and Amazon cleared the way for niche marketers to sell anything from roses on Valentine's Day to Rakhi thaalis for Rakshabandhan. This paper highlights some of the micro entrepreneurs, who seem to have flourished using this platform and are going consistent. Data has been collected through personal visits and interviews along with social network interactions.

Case 1: Mora by Ritika

For the residents of Mumbai, the Kala Ghoda Art and Cultural Festival opens doors to diverse consumer and

cultural experiences. From art installations to life-style products, Kala Ghoda showcases rich diversity of product offerings. We came across the vibrant textile genre of designer sarees, dupattas, stoles and skirts created by Ritika Mittal, the founder of Mora. Ritika's case is a classic example of a chance event pushing a happy well-earning executive into entrepreneurship. Dissatisfied with the market offering of sarees, Ritika went on to design her own wedding trousseau which elicited lot of appreciation. The regular persistence of people around her to design sarees for special occasions made her acknowledge the entrepreneurial opportunity and she eventually gave up her cushy job and went on to create Mora in the year 2008.

When asked about her retail outlets, Ritika proudly said that she only operates online. She said that this platform had helped in a number of ways to overcome the traditional constraints dogging a new venture. Since she maintains an online identity, she has freed herself from the overheads related to buying or renting retail space and can focus on travelling to the remote corners of India and engage with the weavers to make customized designs for her. She has also engineered the innovative promotional strategy of using the buyers of Mora sarees as models featured on the Social networks.

Along with a professional website, Ritika's venture is prominently featured on Facebook. She continuously uploads her creations on her page, which has received 3,003 likes so far and 82 people are talking about it through their posts on Facebook. Encouraged by this response on social media, Mora is planning to venture into home furnishing products soon.

Case 2: Anagha by Sarvamangala

From being an air-hostess to running her own business venture, Sarvamangala has travelled a long way to realize her true calling. Her brand, Anagha, started in 2007 and has made a place for itself in the hearts of handloom lovers. She creates designer ethnic wear including Sarees, Cholies, Kurtas, Dupattas and Salwar Sets. She has become couturier to the connoisseurs. Despite having a physical outlet in Hyderabad, for people in other parts of the world, she offers a store-like experience through social media networks. Her uploads are elaborate, clear and descriptive.

Her posts and feedbacks on these posts show a high degree of appreciation and considerable demand in International markets. At times, there are also requests for customized colour and fabric combinations, which being true to the marketing concept, she happily complies. The new designs reach faster to a wide audience on their personal space, thus freeing her from the need to chase customers repeatedly. Her Facebook page has 1326 subscribers indicating a huge following in a short span of time.

Case 3: Karmasuthra by Divya Thomas

Divya Thomas, the owner of Karmasuthra Jewellery, studied Environmental Science. But she found her true calling in the colourful world of beads in United States, where she moved after her marriage. In 2007, she had a chance encounter with the owner of a shop selling beads. A small course of beads stringing led her to start her own label selling hand-made jewellery.

The constraint of being thousands of miles away from India was overcome through social media networks, where her creations are displayed beautifully. She lovingly describes her creations as “an exciting line of one of a kind pieces, recognized the world over for its bold and intriguing design. The designs are created piecing together nature and emotion, fused together in one organic explosion.” Her Facebook page boasts of a phenomenal 7,787 likes and 157 live discussions.

She has taken the genre of hand-made jewellery to another level by designing jewellery for weddings also. Her designs have now access to a wide international buyership and get shipped to all corners of the world.

Case 4: Lai - silver jewellery by Puja Bhargava Kamath

Puja Bhargava Kamath went to National Institute of Fashion Technology (NIFT), Delhi and also qualified as a gemologist. She began her career as a freelance designer to a number of leading national & international jewellery houses. She also worked with craft clusters across India. Thereafter, she decided to use the networks and experience to start her own brand Lai in 2011. Now, she supplies only a select clientele like Fabindia and prefers to sell her designs under her own brand name.

As Puja contends, Lai jewellery is an attempt to recreate Indian themes in contemporary designs. Paisley motifs, old palaces, and havelis are her sources of inspiration. All the pieces are hand-made using the traditional techniques. She modernizes the traditional themes to suit today’s tastes and sensibilities. The pieces range from silver jewellery to wood, bone, glass and fabric based handcrafted jewellery under the sub-brand “Jujubi jewellery”. In her own words, “Lai is contemporary, classic, chic, unique ...with a touch of fun!”

Lai’s presence is prominent in exhibitions and in-store shows in various cities, and even through Facebook. The designs have been made alive through professional photography and innovative background props. The Facebook page has 754 likes and 67 live discussion. Puja has won many design awards including those from DeBeers, World Gold Council and Perles de Tahiti.

4. Trends and Take-aways

Social media networks have added a commercial angle to conventional friendship-based networks. Some common trends can be clearly identified in the cases discussed so far. The entrepreneurs came from educated background, which perhaps explains their readiness to explore technology based platforms. Half of them used social media networks exclusively, while half of them used these to supplement the traditional outlets.

The benefits of using social media are more or less similar in these four cases.

- *Breaking territorial barriers:* Each of the cases shows the entrepreneurs receiving queries and orders from a customer base spread across wide geographies. This would not have been possible with tradition models for micro-entrepreneurs.
- *Live catalogue:* The nature of the social networks is such that updated catalogues appear automatically on the home pages of interested audience effortlessly. Thus, all the entrepreneur needs to do is to upload a new photo or a new design trend on his/her page and it goes live to all the people who have ever eschewed interest in it. This feature enhances ease of customer tracking compared to traditional database marketing, whereby every new addition had to be communicated personally to every customer in the database.

- *Price discrimination:* Most of these entrepreneurs are able to practice price discrimination through a policy of declaring prices on request. The discrimination allows the entrepreneurs to charge more or less as per the affordability offered by the consumer segment.
- *Customization on demand:* The interaction on social media brings insights into the extent of personalization sought by the customer and in most cases, promptly provided by the entrepreneur. This offers an opportunity to the customer to get involved in the design process itself, leading to higher degree of satisfaction and more repeat orders.
- *Capturing the diversity of consumer needs:* Even though the entrepreneurs start with a niche in mind as their target group, they are able to penetrate wider market segment, which starts appreciating them through their friends.
- *Freedom from maintaining huge inventories and unsold stock:* Many of the discussion threads on social networks show interactions in which, the customer wishes to buy the product displayed and the entrepreneur replies saying the order is placed since the piece on display has already been sold. Single pieces made for displays do not block scarce resources on huge inventories and thus make customization easy. Also, the wait for the desired product adds to the value.
- *Saving on real-estate and other overheads:* The entrepreneurs maintain virtual identities through social media networks, which are very cost effective compared to purchasing or renting retail space at market prices. Since, apart from manufacturing, there is almost no need to maintain a front office, the entrepreneur makes huge savings in terms of staff costs.

5. Conclusion

Looking at the benefits of Social Media Marketing, we can expect a symbiotic growth in social media as well as micro entrepreneurship. Social media networks do not seem to be replacing traditional marketing models, at least in near future, but they are definitely enhancing market presence by overcoming the shortcomings of traditional models. However, we are also likely to witness more and more micro-entrepreneurs use this platform in exclusivity. Social media networks have provided enabling environments to micro-entrepreneurs, thus facilitating their last mile connectivity with a wider and dispersed audience.

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