

The Success Factors in Social Media Marketing in Start-Ups and Small and Medium Enterprises

Bachelor Thesis for Obtaining the Degree

Bachelor in International Management in

Entrepreneurship and Governance

Submitted to Stefan Bauer

Eva Johanna Vipavc

1821034

Vienna, 31. May, 2021

Affidavit

I hereby affirm that this Bachelor's Thesis represents my own written work and that I have used no sources and aids other than those indicated. All passages quoted from publications or paraphrased from these sources are properly cited and attributed.

The thesis was not submitted in the same or in a substantially similar version, not even partially, to another examination board and was not published elsewhere.

31.5.2021

Date

Abstract

The continuous growth of digital communication technologies, such as the internet and social media networks, has shifted traditional marketing strategies, as companies are increasingly focusing on utilizing digital channels to their advantage. These changes are making it significantly interesting to research which marketing strategies are most beneficial and lucrative for companies, and what makes them effective. This research paper aims to investigate the success factors of social media marketing, with a focus on start-ups and small and medium enterprises. The main research question this paper intends to answer, is as follows:

“What are the success factors of social media marketing in regards to start-ups and small and medium enterprises?”

In order to answer this research question three success factors will be investigated. The success factors that will be investigated include a direct comparison of an informative marketing approach with an interactive marketing approach, and influencer marketing. The informative and interactive marketing approach will be explored within three different social media channels, which are Instagram, Facebook, and YouTube.

First, an extensive literature review was conducted, summarizing significant research that has been done in relation to this topic. The main focus of the literature review is on start-ups and small medium enterprises, traditional marketing, social media, social media marketing and its benefits and challenges, social media marketing strategies, influencer marketing, and an investigation of the three social media channels Instagram, Facebook, and YouTube. Furthermore, the specific topics which have not yet been researched, and why this research paper will be able to contribute its findings to others, will also be discussed.

An online questionnaire tested whether an informative or interactive marketing approach is more efficient at achieving user engagement on Instagram, Facebook, and YouTube, by presenting respondents with visual examples of advertisements and then asking them to rate how likely they are to interact with this post if they would receive

this on their social media platform, through the use of a five-point Likert scale. In addition to this, respondents were asked about their attitudes towards influencers and whether or not influencers' recommendations impact their purchasing intentions of a product. An analysis of the results showed that users are more likely to engage with an interactive advertisement than an informative advertisement, on all of the three investigated platforms, and that influencers' recommendations impact their purchasing decisions. Therefore, the conclusion can be drawn, that the success factors of social media marketing for start-ups and small and medium enterprises is using an interactive marketing approach, and utilizing an influencers' social media platform.

Table of Contents

Affidavit	2
Abstract.....	3
1 Introduction.....	7
2 Literature Review	9
2.1 Start-Ups and Small Medium Enterprises	9
2.2 Traditional Marketing	10
2.3 Social Media	11
2.4 Social Media Marketing	14
2.5 Social Media Marketing Advantages	16
2.6 Social Media Marketing Disadvantages.....	18
2.7 Social Media Marketing Strategies.....	20
2.7.1 Informative and Interactive Marketing Appeal	23
2.8 Influencer Marketing	24
2.8.1 Benefits of Influencer Marketing.....	26
2.8.2 Challenges and Risks of Influencer Marketing.....	28
2.9 Social Media Channels and their Respective Success Factors.....	29
2.9.1 Instagram	29
2.9.2 Facebook	29
2.9.3 YouTube	31
2.10 Startups and Small Medium Enterprises and Social Media Marketing ...	32
2.11 Hypotheses.....	33
3 Methodology.....	35
3.1 Research Design.....	35
3.2 Data Collection	35
3.2.1 Sampling	35
3.2.2 Survey Design	36

3.3	Data Analysis	38
4	Findings	38
4.1	Process Model	38
4.2	Sample Characteristics	39
4.3	Hypothesis Testing.....	41
5	Conclusion	47
5.1	Managerial Implications	49
5.2	Limitations and Further Research	50
	Bibliography	53
	Appendices	63
	Appendix 1 - Questionnaire.....	63

1 Introduction

Digital communication technologies, such as the internet and social media, have evolved into becoming an integral part of people's everyday life (Dwivedi et al., 2020). Recent statistics have shown that as of January 2021, 4.66 billion people worldwide are active users of the internet, which accounts for 59.5% of the world population (Statistica, 2021a). Furthermore, social media usage has steadily increased, reaching 3.6 billion active users in 2020, which is a growth of 740 million users within three years (Statistica, 2021b). This number is projected to increase even further, estimating that social media will reach approximately 4.41 billion users by 2025 (Statistica, 2021b). Consumers are using the available social media platforms to find information on products (Stubb et al., 2019), communicate with others, or to interact and engage with companies (Dwivedi et al., 2020). This has led to a shift of traditional marketing campaigns, as companies are focusing on utilizing social media channels to their advantage (Kumar & Mirchandi, 2012). Start-ups and small medium enterprises (SME) aim to maximize profits while maintaining high quality, making it essential for customers to be aware of, and understand the products they offer (Basri & Siam, 2017). Social media provides the opportunity to easily reach a large targeted audience within a short time span, while being relatively inexpensive, making it a highly attractive option for start-ups and SMEs (Iblasi et al., 2016). However, the efficient utilization of social media can only be done through the employment of a marketing strategy, which encompasses many challenges (Dwivedi et al., 2020).

Extensive research has been conducted on social media marketing and various types of social media marketing strategies (Arca, 2012), however academic research investigating specific social success factors is still scarce. In order to assess the specific social media marketing success factors in relation to start-ups and SMEs, this thesis will investigate three social media strategies: an informative approach, an interactive approach, and influencer marketing. By the end of this research, it will be visible which of these approaches is, in comparison to the others, more beneficial for start-ups and SMEs, and on which of the three platforms, Instagram, Facebook, or YouTube, it is encouraged to be used.

The purpose of this research is to answer the question:

What are the success factors of social media marketing for startups and SMEs?

With the goal of answering this research question, a quantitative research approach was created in the form of an online survey. The survey's questions focus on evaluating the impact of three different social media marketing approaches, in regards to start-ups and SMEs. This is of great significance, as it can potentially aid start-ups and SMEs in allocating their resources efficiently, as it will give them a greater understanding of what the success factors are, and which marketing strategy could benefit them. Drawing on previous research, we propose that an interactive approach on its own can be more useful than an informational approach, however these two combined could yield the greatest amounts of user engagement (Kusumasondjaja, 2018). Furthermore, the combination of both of these approaches, with an additional incorporation of influencer marketing has the potential to highly benefit start-ups and SMEs, on all of the three investigated social media platforms, Instagram, Facebook, and YouTube.

The following parts of this thesis will be the literature review, methodology, findings, and conclusion. Within the literature review the most important concepts, which are start-ups and small medium enterprises, traditional marketing, social media, social media marketing and its benefits and challenges, social media marketing strategies, influencer marketing, and the three social media channels Instagram, Facebook, and YouTube, will be defined and examined. This is followed by the methodology, which gives an explanation as to why this research method was chosen, how the data was collected, and how it will be analyzed. Within the findings section all relevant calculations will be depicted and thoroughly explained, taken from the survey's results. Lastly, this paper will present a conclusion, including managerial implications and future propositions of the study, as well as considerable limitations.

2 Literature Review

This paper aims to investigate what the success factors of social media marketing for startups and SMEs is, therefore its focus lies on the topics of start-ups and small medium enterprises, traditional marketing, social media, social media marketing and its benefits and challenges, social media marketing strategies, influencer marketing, and the three social media channels Instagram, Facebook, and YouTube. The literature review will begin with exploring previous research that has been conducted on these specific topics, in order to see what this research could potentially expand on, in order to provide valuable insights.

2.1 Start-Ups and Small Medium Enterprises

There are multiple types of companies that aim to utilize social media marketing to their advantage, each managing it differently, specifically aligned to their business's structure. According to Investopedia, a start-up is defined as: "a company in the first stages of operations". Defining Small and Medium Enterprises (SME) is more complex, as there is no universally agreed upon definition available (Berisha & Pula, 2015). Definitions have been formed using both quantitative and qualitative approaches, using characteristics such as the number of employees or sales volume (Berisha & Pula, 2015). This research paper will be using the definition of Gilmore et al., (2001), which states that SMEs are companies employing less than 250 people. The reason why this definition has been chosen is because it aligns with the EU's categorization of Micro, Small, and Medium Businesses, which can be seen below.

Company Category	Employees	Turnover	Balance Sheet Total
Micro	< 10	< €2 million	< €2 million
Small	< 50	< €10 million	< €10 million
Medium	< 250	< €50 million	< €43 million

Table 1: Definition of Micro, Small, and Medium Enterprises (EU, 2014)

Previous research has shown that marketing can be one of the most challenging hurdles for SMEs, even though marketing is an essential part of their survival and growth (Simpson and Taylor, 2002). According to Gilmore et al. (2001), the marketing

of small enterprises cannot be compared to large companies, as SMEs are unstructured, spontaneous, and loose. Small companies cannot compete with the resources, such as the monetary means, time, and expertise that large corporations have available (Gilmore et al., 2001).

SMEs aim to maximize their profits, while maintaining high quality products, therefore relying on customers to be informed about their product and consequently purchase these, which cannot be achieved without some form of marketing (Basri & Siam, 2017). A large portion of SMEs fail, because their budget is not large enough to cover marketing and brand promotion, which causes them to search for cost efficient strategies and channels (Basri & Siam, 2017), which will be further elaborated on within this literature review.

2.2 Traditional Marketing

The term marketing refers to the strategies revolved around a company bringing its products to its customers, which requires a thorough understanding of customer's needs (Todor, 2016). According to Kotler & Armstrong (2013) marketing is a process involving the creating of value for a customer, as well as building and maintaining solid customer relationships. This means that marketing focuses on creating value for others, while also gaining value for the company itself, which can be done in multiple ways, utilizing multiple different channels (Kotler & Armstrong, 2013). It entails a broad spectrum of complex business operations, which all work towards maximizing revenue and achieving global growth (Taherdoost & Jalaliyoon, 2014).

The traditional marketing mix consists of the 4Ps, which are namely “product, price, place, and promotion” (Gordon, 2012). Based on this marketing mix, traditional marketing mediums include tangible items, for example printed advertisements, billboards, or business cards (Todor, 2016). According to Taherdoost & Jalaliyoon (2014), traditional marketing is a term describing all marketing tactics with the exception of digital tools. Furthermore, Todor (2016) describes traditional marketing as “outbound marketing”, which represents the purchasing of customers’ attention. Traditional marketing has lots of benefits, such as the factor of personal communication, tangibility, and achieving direct responses (Taherdoost & Jalaliyoon,

2014). While various benefits exist, traditional marketing is known to be relatively expensive and hard to measure, whereas social media channels provide cheaper and easily measurable options (Taherdoost & Jalaliyoon, 2014). Advances in technologies have shifted marketing methods to also incorporate electronic marketing (e-marketing), which is defined as: “the application of marketing principles and techniques via electronic media and more specifically the Internet” (Taherdoost & Jalaliyoon, 2014). E-marketing is a very broad term, which according to Kalyanam & McIntyre (2002) incorporates more than 30 tools, such as homepages, webpages, search tools, recommendations, banner ads, and many more. E-marketing also includes social media, which has led to the 4Ps of the traditional marketing mix being expanded to 7Ps, in order to further account for new interactive marketing options (Patano et al., 2019). The term social media marketing is highly important to this research paper, which is why it will be further discussed in the next subsection of this literature review.

2.3 Social Media

The rise of the internet and the emergence of new communication and information sharing possibilities has shifted companies’ marketing strategies (Constantinides, 2014). This has been an important determining factor of the extension of traditional marketing approaches, which have been discussed above, as they now include new dimensions of promotional and advertisement tools (Klaus, 2013).

Consumers are given more opportunities to interact with others on a large scale when sharing on social media platforms, empowering their opinions, and subsequently changing traditional mass-marketing strategies (Constantinides, 2014). As this paper will focus on the impact of social media marketing on start-ups and SMEs, it is important to understand the concept of social media, how it works, what the possible advantages and disadvantages are, and which platforms exist.

One possible marketing strategy is utilizing the internet, more specifically social media, for value creation. Social media is defined as “new media technologies facilitating interactivity and co-creation that allow for the development and sharing of user-generated content among and between organizations and individuals” (Filo et

al. 2015). Social media includes any website enabling users to discuss their views, therefore encouraging the interaction and connection of groups online (Sajid, 2016). Furthermore, Tuten and Solomon (2018) define social media marketing as the utilization of these technologies and channels, in order to communicate and exchange something that is of value to an organization.

Social media provides a platform for individuals to engage with others online on a massive scale, allowing for companies to be directly connected with their potential clients, removing the middleman (Sajid, 2016). Additionally, social media is focused on content that is created by the users, allowing companies to understand their customers opinions on their products, which is valuable feedback (Sajid, 2016). A customer's opinion on a brand is easily changeable, especially through the influence of online comments, which is why social media marketing is necessary to involve and positively persuade customers (Wang et al., 2012). The significance of social media arises from its interaction with multiple parts of the consumption process, as Filo et al. (2015) found it to be relevant during the information search, decision making, acquisition, and usage stage. Extensive research has been conducted around the influence of social media on customers, providing various findings that suggest that multiple behavioral trends arise from social media (Constantinides, 2014). While numerous studies have investigated this influence, a direct comparison of platforms in regard to start-ups and SMEs has not yet been conducted, therefore this paper will be able to add new findings to existing research.

According to Aichner & Jacob (2015), social media is a broad term for web-based platforms, and includes a large variety of different types of networks. More specifically, there are thirteen different categories of social media, which can be seen in Table 2.

Types of Social Media:	Example:
Blogs	The Huffington Post
Business Networks	LinkedIn
Collaborative Projects	Wikipedia
Enterprise Social Networks	Yammer
Forums	IGN Boards
Microblogs	Tumblr
Photo Sharing	Instagram
Products & Services Reviews	Amazon
Social Bookmarking	Pinterest
Social Gaming	World of Warcraft
Social Networks	Facebook
Video Sharing	YouTube
Virtual Worlds	Second Life

Table 2: Types of Social Media (Aichner & Jacob, 2015)

The table above depicts the thirteen types of social media, with each including a corresponding example. This categorization is taken from a study conducted by Aichner & Jacob (2015). This paper will focus on three platforms in specific, which are Instagram, Facebook, and YouTube, and will be discussed in greater detail below.

Companies utilize social media as a marketing tool, because of its alignment with their overall objectives, which can include increasing sales and brand awareness, or interacting with their customers (Reto et al., 2017). According to Kietzmann et al. (2011), there are seven building blocks of social media, which are: identity, conversation, sharing, presence, relationships, reputation, and groups. These building blocks and their associated social media platforms present promising opportunities for companies to promote themselves (Popp & Woratschek, 2016).

Additional reasons why companies choose to utilize social media is because it provides a more emotional connection to their consumers, as they have the ability to share their opinions and experiences with their products and services, while also providing the company with the option to directly connect and interact with their customers (Dwivedi et al., 2020). All types of customers are highly valuable to a company, which includes old, recent, and potential customers, and being able to directly interact with them can give a company a greater insight into their opinions, providing them with a possible advantage over competitors who are not utilizing these options (Rana & Kumar, 2016).

A detailed list of social media benefits to companies, and specifically start-ups and SMEs, can be found in a later subsection of this literature review. Furthermore, social media marketing will also be analyzed, as well as the advantages and disadvantages of marketing, and the three specific social media channels Instagram, Facebook, and YouTube.

2.4 Social Media Marketing

The development of social media has shaped customers' attitudes, as they have developed refined tactics to search for information and evaluate products (Constantinides, 2014). These changes have also influenced marketers, as social media is being widely used as a tool for companies to promote themselves, or to advertise their products (Saravanakumar & SuganthaLakshmi, 2012). According to Felix et al. (2014), social media marketing can be defined as: "an interdisciplinary and cross-functional concept that uses social media (often in combination with other communication channels) to achieve organizational goals by creating value for stakeholders" (p.6).

According to research conducted by Saravanakumar & SuganthaLakshmi (2012) companies utilize social media platforms for the three main reasons of creating buzz, learning from customers, and targeting customers. An example of a famous company benefiting from social media marketing, by creating buzz, is Ford with their Ford Fiesta Movement in 2010 (ibid). Within this movement, they gave 100 social media influencers a Ford Fiesta, leading to videos of this car model generating 6.5 million views on YouTube, and selling more than 10,000 cars within the first ten days that it was available (ibid). This demonstrates the effectiveness of utilizing online platforms to create awareness, or more specifically buzz, about a certain product, as it can directly impact the sales of a company (Saravanakumar & SuganthaLakshmi, 2012). An example of a company, which has been using social media to learn from its customers is PepsiCo, which has used their customer insights to create new varieties of Mountain Dew (ibid). Lastly, another reason why companies use their social networks for marketing purposes, is to target their customers, such as the company

Levi Strauss, which uses their channels to provide customers with location-specific deals (ibid).

Various research studies have extensively investigated company's' social media marketing objectives, and have found that they include: increasing sales, creating brand awareness, improvements of the brand image, creating user interaction, improving website traffic, or also to gather valuable information about their customers opinions (Felix et al., 2014).

Another important aspect of social media marketing is the E-Marketing Pyramid, which presents marketers with the relationship between social media marketing and the overall marketing approach (Constantinides, 2014). Understanding this pyramid is of essence, as a failure to address all levels below social media marketing, could lead to an inefficient utilization of the company's resources, making it less lucrative (ibid). The pyramid consists of four levels, which are product / service (1), marketing organization (2), web presence (3), and social media marketing (4), these can be seen in Figure 1, below. The base consists of the product or service that a company is selling to its customers; within this level it is most important that a company can deliver the customers' expected product quality, as if this is lacking then social media users will notice and report about this, leading their social media marketing strategy to fail (ibid). The second part of the pyramid focuses on the organization, which needs to be able to support both traditional and digital marketing strategies, by achieving continuous innovation and quality control systems (ibid). This is followed by the organizations web presence, which is very important for customers, as they have high expectations in regards to their online experiences, as websites that are poorly made lead to lower perceptions of brand quality (ibid). The synergy between a company's website and their social media platforms is crucial, as social media applications need to be backed up with an organizations capabilities and qualities (ibid).

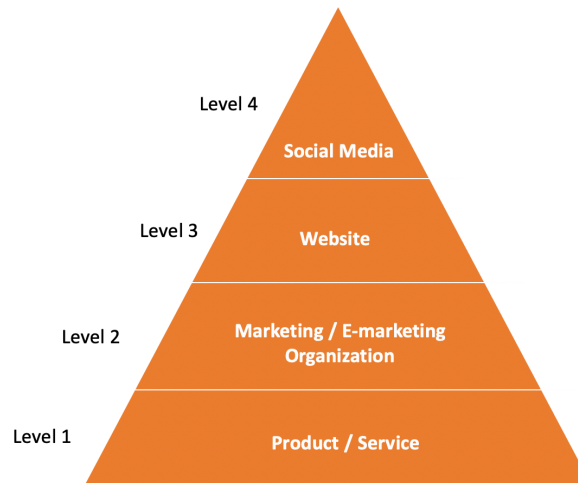


Figure 1: The E-Market Synergy Pyramid (Constantinides, 2014)

2.5 Social Media Marketing Advantages

The utilization of social media platforms for marketing purposes has various benefits for all types of companies, including start-ups and SMEs. The benefits this form of marketing provides is visible within six functional areas: marketing, customer support, research and development, finance, public relations, and human resources. The table below depicts the individual benefits within these functional areas, and was taken from Arca (2012).

Functional Area:	Benefits:
Marketing	• Higher Brand Exposure
	• Increased Awareness
	• Increased Traffic
	• Lower Marketing Costs
Customer Support	• Increased Customer Interactions
	• Improved Customer Experience
	• Higher Customer Retention & Loyalty
Research and Development	• Increased Marketing Insights
	• Competition monitoring
	• New Idea Input from Community
Finance	• Overall cost effective
Public Relations	• Real Time Communication
	• Higher Brand Exposure
Human Resources	• Business Networking
	• Reduced Recruiting Costs

Table 3: The Benefits of Social Media Marketing (Arca, 2012)

The table above is a summary of the various benefits that arise from using social media marketing. However, it is important to further analyze these and discuss how they are an advantage to start-ups and SMEs.

First, the two main factors which have been encouraging companies, including start-ups and SMEs, to utilize social media marketing is the increased brand awareness and exposure. According to Arca (2012), brand exposure is defined as: “when customers become aware of a product, service, or advertisement through at least one of their five senses, whether or not they paid attention to it”. The large variety of social media channels, in combination with the rapid spread of word-of-mouth marketing, leads to brands being expanded, and increasing the awareness of their presence in the market (Arca, 2012). Findings from Stelzer (2012) show that increased exposure is rated to be the most important benefit of social media marketing, as this is the first step new and small brands need to take. All companies, but start-ups and SMEs in specific, need to focus on building customer relationships, of which the first step is brand exposure, or being exposed to a certain brand for the very first time, which is of essence for further steps such as purchasing a product and then becoming a loyal customer (Arca, 2012).

The next advantage of social media marketing is increased amounts of targeted traffic. Using social media as a tool when creating a start-up is of essence, as it is inexpensive to reach a large, but targeted, audience within a short time span (Iblasi et al., 2016). Social networks consist of an infinite potential audience, which has the option of reaching all around the world, or only one targeted place (Todor, 2016). Important to note is that online traffic occurs whenever “a person visits a website”, and is of greater value to a start-up when it is targeted, as the audience reached would hopefully show genuine interest in a promoted product (Arca, 2012). Unlike traditional marketing forms, social media channels have detailed information about their users stored, such as their age, gender, or interests, which enables companies to focus on their target audience (Arca, 2012).

Social media channels heavily focus on their interactivity with users, making marketing on these platforms a lot less one sided than traditional marketing (Todor, 2016). There are various interactive methods available that allow start-ups and SMEs

to communicate with their audience, such as polls or questions and answers, which can attract even more potential customers (Iblasi et al., 2016). These methods allow for a certain collaboration with customers, which exposes start-ups and SMEs to their customers opinions on their products, which can be of great essence for further online content that can be tailored or adapted based on this feedback (Todor, 2016). Therefore, customer interaction directly improves customers' experiences, as start-ups and SMEs will know if they are meeting their audience's expectations and how they could potentially improve (Arca, 2012). This personalized experience for customers has various benefits within itself, as it helps build trust in a start-up and SMEs, which can lead to retention and loyalty, while at the same time saving costs, as the cost per interaction is cheaper on social media than through emailing or telephone calls (Arca, 2012).

While many benefits of social media marketing have been listed and thoroughly expanded on, the most crucial one for start-ups and SMEs is the low costs which are associated with this (Taherdoost & Jalaliyoon, 2015). Start-ups, small, and medium sized companies do not have the same marketing budget as large corporations, which is why they need to think cost efficiently, and social media marketing is suitable for them with the high duration and respectively low costs (Todor, 2016). Therefore, in conclusion, social media marketing ensures low costs, high effectiveness in both short-term and long-term success, and easy measurability (Arca, 2012).

2.6 Social Media Marketing Disadvantages

Utilizing social media can provide both companies and individuals with various benefits, which have been previously discussed, however there are also multiple potential drawbacks which need to be mentioned. In order to investigate the drawbacks of social media marketing from the perspective of an advertiser or a marketer, it can first be beneficial to understand what consumers believe to be the downsides of social media. A study conducted by Drahosova & Balco (2017) found that consumers believe that the increased time spent on social media and the potentially associated internet addiction are the most prominent disadvantage,

followed by the lack of security they are provided, the overload of available information, and the loss of social contacts.

The disadvantages that are visible from a marketing perspective are very different from those that consumers have mentioned, as they focus less on the usage of social media for personal enjoyment, but rather for reaching company goals such as increasing sales or increasing awareness (Arca, 2012). One difficulty arises from the challenge's companies face when evaluating the impact of their advertisements, as it is hard to track how an advertisement affected consumers and how this influenced sales or awareness (Rubtcova & Pavenkov, 2018). Furthermore, the utilization of the Web 2.0 has led to consumers having a crucial role in value creation, causing a shift away from product management and towards platform management, which can be relatively complex, as marketers need to focus on engaging customers (Hofacker & Belanche, 2016). Engaging and interacting with customers is key, as social networks are commonly known for rapidly spreading news, which can either be good or bad, and if the latter is the case, then managers need to know how to handle such a situation to prevent large amounts of negative awareness regarding a company (Hofacker & Belanche, 2016).

Another potential disadvantage of social media marketing, or more specifically using social media platforms for placing direct ads, is that advertising is not always appreciated by consumers, especially not on Facebook and Twitter (Voorveld et al., 2018). If an advertisement from a company appears on a user's timeline, it can catch their attention, however this could be negative, as it interrupts their social experience, which can have obstructive implications for the brand being promoted (ibid). Therefore, with social media advertisement there is a potential tradeoff present between gaining attention from customers, and losing their acceptance of the brand (ibid).

Overall, it can be said that social media marketing can be highly beneficial for companies if they utilize the channels effectively, as it can increase customers awareness, loyalty, and sales, however it requires lots of research and a certain amount of knowledge in order to be able to cope with all of the challenges (Rana &

Kumar, 2016). It is of essence that marketers know how what to post, to which platform, and at what time, while also being able to handle negative feedback from users, so that they can efficiently compete with other brands (ibid).

2.7 Social Media Marketing Strategies

After having discussed what social media marketing is defined as and what it entails, this literature review will investigate various social media marketing strategies. These strategies and options will then be further investigated within three different social media platforms, in order to understand what the channel specific success factors of social media marketing are for startups and SMEs. According to Effing and Spil (2016), a social media marketing strategy is defined as “a goal-directed planning process for creating user generated content, driven by a group of internet applications, to create a unique and valuable competitive position”. Furthermore, the research conducted by Effing and Spil (2016) found seven key elements of a marketing strategy, which have been depicted in the table below.

Elements of Marketing Strategies:
Target Audience
Channel Choice
Goals
Resources
Policies
Monitoring
Content Activities

Table 4: Seven Key Elements of Marketing Strategies (Effing and Spil, 2016)

When aiming for a successful marketing strategy it can be beneficial to incorporate the seven key elements listed above. First, the reason why the target audience is one of the key elements of any companies marketing strategy, is because they “must be able to segment their priority populations, that is, be able to identify, isolate, and know the degree to which these populations use and access Web 2.0 social media” (Thackeray et al., 2008, as cited in Effing and Spil (2016)). Second, a company’s choice of a social media channel is an important determinant of the effectiveness of an advertisement (Effing and Spil, 2016). Furthermore, according to Dutta (2010) within

different social media channels various target groups require specialized addressing. Goals are another key element of a marketing strategy, as a social media platform is more likely to be of value when it fits a company's business goals (Dutta, 2010). In addition, resources include for example budgets, expertise, and staff capacities (Thackeray et al., 2008). These need to be thoroughly researched when used within a marketing strategy, as successful implementation can benefit your advertisements' quality (Thackeray et al., 2008). The following two elements are called policies and monitoring. Policies need to be implemented in order to protect the corporate reputation from being harmed if employees are not given set boundaries (Burkhalter et al., 2014). In addition to certain policies within a company being required, it is also important to monitor social media accounts closely, which can for example be done through impact measurements which can include the number of followers, visitors, likes, etc. (Klang and Nolin, 2011). Lastly, the planning of content activities can aid success, as it gives a clear structure as to when and in which order campaigns are being launched (Thackeray et al., 2008).

In addition to these key factors that make up a marketing strategy, various other researchers have tried to categorize potential marketing approaches that companies could utilize to their advantage. According to Constantinides (2014), there are two main approaches to social media marketing, which are called the passive approach and the active approach.

The first of the two marketing approaches that Constantinides (2014) discusses in the research is called the passive approach, also known as companies listening into social media platforms. This approach focuses on using social media as an intelligence source for information about the market and customers attitudes or opinions at a given time (ibid). As consumers use social media channels, usually blogs, content communities, or forums, to interact with over online users, discuss their experiences, and provide recommendations, the Web 2.0 domain has turned into an enormous source of high-quality information (Constantinides, 2014). Within traditional marketing, marketers often seek out information regarding their customers, competitors, or the market they operate in, which they can gather through surveys, focus groups, or data mining, however these all include monetary

costs, while also being time consuming (ibid). With the development of the internet and social media platforms, marketers have gained a network that provides them with continuous up to date information relevant to them and their products, without being highly expensive, as there are various free of charge applications available, such as Google Alerts (ibid).

The second social media marketing approach that Constantinides (2014) investigates is called the active approach, and can be split into four categories: public relations and direct marketing tool, product or brand advocate, personalizing experience and product customization, product reviews and innovation process. The first sub-category targets using social media platforms for public relations and marketing tools, which includes companies creating websites or forums for their brand, in order to get customers to interact about their products within the environment they have created (ibid). Through this, they aim to answer their customers questions, help them with their problems or concerns, or to moderate the comments that are being made, therefore they are in full control of the conversation and have an impact on what is being said (Singh et al., 2008). Within this category, an example of a marketing strategy that would be suiting for startups and SMEs is using content communities as a PR tool, such as video sharing sites like YouTube or GoogleVideo (Contantinides, 2014). The second part of the active approach is the utilization of opinion leaders to promote the company's product, which is also known as influencer marketing and will be further expanded on below (ibid). The third part of this approach focuses on customizing products and personalizing the experience customers have, which addresses customers need of individuality (ibid). Lastly, the final sub-section of this approach is the engagement of customers through online reviews, which is commonly known as electronic word of mouth, which will be explained in greater detail in a later part of the literature review (ibid).

According to Tafesse & Wien (2018), creating a social media marketing strategy can aid social media effectiveness for three reasons. First, because it can help create clear goals, second, because it helps coordinate actions, and lastly because it establishes policies and procedures (Tafesse & Wien, 2018). As various researchers have identified a link between implementing a social media marketing strategy and

having a successful social media platform, it is of importance to further study this subject. This paper will investigate the success factors that should be incorporated into a social media marketing strategy within three different online platforms. This section of the literature will focus on what type of options are available for companies. The first category that will be looked into is the marketing appeal, followed by influencer marketing.

2.7.1 Informative and Interactive Marketing Appeal

The first type of marketing strategy companies can use is implementing creative strategies on their social media platforms. According to Ashley & Tuten (2015) a creative strategy is “the executional factor and message strategy used to bridge the gap between what the marketer wants to say and what the consumer needs to hear”. These creative strategies can increase the viewer’s motivation or even their ability to process the advertisements information (MacInnis et al., 1991). This type of social media marketing strategy can be categorized into emotional and rational, or interactive and informative (Ashley & Tuten, 2015).

The first type of marketing appeal is called informative, and according to Lee et al. (2018), informative content includes all types of product-oriented facts, such as the price, or brand and product mentions. An informational appeal is an effective method to describe and explain a product to a potential customer, allowing companies to highlight specific features or benefits they find most interesting (Bangen, 2018).

In contrast to the informative marketing appeal stands interactivity, which is defined by Steuer (1992) as “the extent to which users can participate in modifying the form and content of a mediated environment in real time”. Furthermore, according to Pokornyyk (2019), interactive content encourages active engagement, rather than passive consumption. There are various types of interactive content options, such as interactive videos, polls and surveys, or contests (Pokornyyk, 2019).

A study conducted by the researcher Kusumasondjaja (2018) analyzed 10,752 social media posts to investigate whether interactive brand posts or informative message content is more effective on Facebook, Twitter, or Instagram. The findings show that

interactive brand posts got a larger amount of engagement, in form of respondents, than informative message contents (Kusumasondjaja 2018). Additionally, it was found that all channels required a different type and mix of approaches. Twitter is suited for an informative appeal, Facebook suggests that interactive entertainment posts are highly effective, and on Instagram using a combination of interactive and informative appeals could be beneficial (Kusumasondjaja 2018). Similar findings by Lee et al. (2018) show that informative content lead to lower levels of engagement, and need to be used in combination with other approaches to be beneficial. This research paper aims to use these existing findings and further investigate this topic. The two approaches will, similarly to Kusumasondjaja's research, be investigated in terms of online platforms, however this time YouTube will also be used, in addition to also measuring the effectiveness of influencer marketing.

2.8 Influencer Marketing

As advertising agencies are shifting their focus towards the utilization of social media platforms, they are continuously searching for successful online marketing strategies, one of which is influencer marketing (Woods, 2016). This marketing strategy shifts the focus away from targeting the whole market, and rather concentrating on a specific individual. Before investigating this strategy, it is important to define the terms "influence" and "influencer". According to Brown & Hayes (2008) the term influence is defined as: "the power to affect a person, thing, or course of events". Therefore, a social media influencer is someone who "significantly shapes the customer's purchasing decision, but may ever be accountable for it" (Brown & Hayes, 2008). Social media influencers are an independent third party who use social media channels to influence consumer's opinions (Freberg et al., 2011). Influencers use their platforms to give advice to their followers while simultaneously providing them with entertainment (Papp-Vary, Szolnoki & Beres, 2020). Furthermore, social media celebrities are called influencers, when they "build a large network of followers, and are regarded as trusted tastemakers in one or several niches" (De Veirman et al., 2016, p.1).

The main goal of influencers is to enhance the relationship to their followers, while improving the reputation of the company or brand they are promoting, which they do by increasing customers' awareness, and persuading them to be interactive (Booth and Matic, 2011). Social media influencers promote products by showing their customers how they are using this in their personal lives, which helps them create a relatable bond between consumers and a brand (Glucksman, 2017). Influencer marketing is powerful, because the line between genuine recommendations of an influencer, and their paid advertisement is very blurry (Woods, 2016). Paid collaborations incorporate sponsored products, where the influencer creates a product recommendation and then publishes this on their social media channel, for which they receive a form of compensation (Stubb et al., 2019). Consumers value influencers' recommendations, as they view them as a direct source of information, rather than as a marketing tool which companies can use for their benefit (De Veirman et al., 2016,). Influencer marketing is a form of electronic word of mouth, which consumers are more likely to trust and perceive positively, than an advertisement (Woods, 2016). According to Bughin et al. (2010), word of mouth is a form of consumer to consumer communication, which influences approximately 20 to 50 percent of consumers' purchasing decisions. Also, according to Stokes and Lomax (2012) "a number of studies have indicated that the most important source of new customers for small first is recommendations" (p.351). Therefore, utilizing an influencers platform as a marketing strategy can be highly beneficial for startups and SME, as research suggests that eWOM is most valuable to customers when they are deciding on purchasing a product for the first time (Bughin et al., 2010).

There are multiple ways advertisers can utilize social media influencers, as a marketing strategy (Woods, 2016). Approximately 67% of marketers use influencers for content promotion, while 59% utilize this approach for marketing tactics in regards to product launches and content creation (Marketers Pair Up with Influencers – and It Works, 2015). Important to note, is that Influencers are required to communicate to their followers that they are providing paid content, which is most commonly done with the hashtags "#ad" or "#sponsored" (Woods, 2016).

2.8.1 Benefits of Influencer Marketing

Influencer marketing is beneficial for startups and small medium enterprises, because research has found them to be the most cost efficient, yet effective marketing tool (Harrison, 2017). A study found that influencer marketing provides companies approximately 11 times more return on investment, in comparison to traditional marketing strategies (Kirkpatrick, 2016). Within this study the return on investment refers to the reach, engagement, and overall sales (ibid). Additionally, this studies' findings also suggest that consumers exposed to influencer marketing purchase more products when shopping, than those exposed to traditional marketing, leading to higher sales in relation to influencers' recommendations (ibid).

Another advantage of influencer marketing is that it is a great tool to increase both awareness of a brand, and traffic to a brands' website or social media account (Haran, 2018). It can be challenging for companies to produce engaging social media content by themselves, especially if they are a startup or small medium enterprise, which is why gaining access to an already existent network is highly advantageous (ibid). Another reason why it is great to make use of an influencers platform, is because influencers have already gathered a trusting follower base, which share the same interests, therefore filtering out potential "noise" (ibid). The impact that social media influencers have on brand awareness can be seen in Figure 2, taken from Haran (2018).

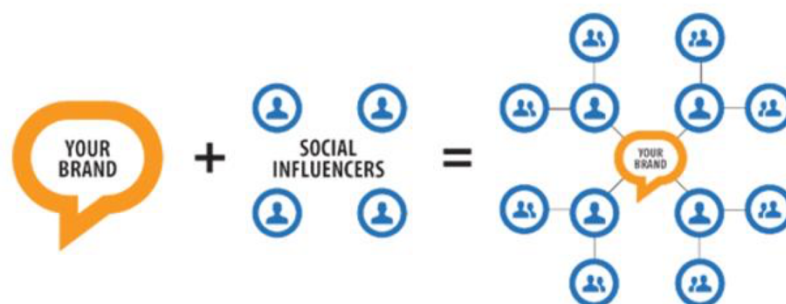


Figure 2: The Impact of Influencer Marketing on Brand Awareness (Haran, 2018)

Another advantage is that social media influencers have demonstrated that they have a wide media coverage and also high consumer persuasiveness (Booth and Matic, 2011). This persuasiveness arises from them being viewed as more reliable and credible than traditional advertisements (Lim et al., 2017). Additionally, also in comparison to celebrity endorsement promotions, they are seen as more trustworthy and knowledgeable (Berger et al., 2016, as cited in Lim et al., 2017). They are seen as opinion leaders who exert influence on consumers, because of their expertise within their field (Uzunoglu & Kip, 2014). Research conducted by Talaverna (2015) found that within their survey 82% are more likely to follow their favorite influencer's recommendation, than a company advertisement. Furthermore, Lim et al.'s (2017) findings demonstrate that social media influencers have a positive impact on individual's purchasing intention, because they see a resemblance to themselves within SMI. Studies have found that consumers feel a stronger connection towards influencers, in comparison to traditional celebrities, because they perceive them as more authentic, and therefore identify with these influencers, buying what they recommend, in order to imitate them (Jin et al., 2019).

Influencers are embedded digitally to a great extent, as they have the tools to facilitate more recommendations than individual normal users (Nisbet & Kotcher, 2009). Some may argue that influencers' recommendations are seen as less trustworthy, because they are required to state that they are being paid for this, however studies have shown that they are still seen as an authentic and trustworthy source (Woods, 2016). Followers online view an influencers' recommendation favorably, as they can see someone they trust and relate to apply a product into their personal life (Woods, 2016).

According to a 2019 study conducted by Asano, 80% of marketers found influencer marketing effective, and 89% found the return on investment to be either the same, or greater than that of traditional marketing. Therefore, it can be said that there are various advantages and benefits to companies if they choose to utilize influencer marketing, however there are a few challenges and ethical considerations companies, more specifically startups and small medium enterprises, should look into before deciding on this marketing strategy.

2.8.2 Challenges and Risks of Influencer Marketing

Although there are various benefits to utilizing influencer marketing as one of the success factors in a companies' marketing strategy, there are a few challenges that need to be addressed. The primary challenge of working with influencers, from an advertiser's perspective, comes from having to identify who is best suited for the job (Zietek, 2016). As the cooperation relies on the individual influencer, companies have to focus on finding someone who's channel aligns with their objectives and ideas (Nazare, 2019). If this is not the case, this could have a negative impact on a brand, potentially damaging their companies' reputation (ibid).

Another potential challenge would be that some influencers only appear to have a large sum of followers, when in reality these have been bought (Myyrä, 2020). This is problematic, because if an influencers' followers are computer-generated accounts, then they will not have a high level of engagement, and therefore cannot create lots of brand awareness (ibid). According to a study conducted by Graham (2019), fake followers cost brands \$1,3 billion in 2019. This challenge, similar to the first one, can be solved if companies spend enough time researching who they want to represent their company or product on social media (Myyrä, 2020). This includes an investigation of the influencer, as well as their profile, to see if their engagement lines up with the number of followers they have (ibid). Therefore, it needs to be acknowledged that companies should always take precautions when deciding on an influencer (ibid).

An ethical implication of influencer marketing would occur when an influencer promotes a product, only because of the monetary incentive, and not because they use this product or think it is recommendable (Woods, 2016). This is unethical, as it would be a manipulation of consumers, as influencers would be lying (ibid). This is part of the reason why it is legally binding that social media influencers need to disclose when they are being rewarded for a promotion (ibid).

2.9 Social Media Channels and their Respective Success Factors

2.9.1 Instagram

The first type of social media platform this research paper will investigate is called Instagram. It is a free photo sharing platform, which enables users to upload, manage, and share pictures, which can be liked and commented on by other users (Aichner & Jacob, 2015). Instagram was founded on the 6th October 2010, and to date has over 50 billion shared pictures on its platform (The Enterprise World, 2020). It is known to be the first ever mobile exclusive social media platform, influencing the shift towards the new mobile revolution (Miles, 2014). The social media channel is worldwide one of the most engaged networks, reaching approximately 80 million daily shared images and 4.2 billion daily likes (The Enterprise World, 2020). Finally, it is estimated that of all internet users 32% use Instagram, which has 8 million business profiles (The Enterprise World, 2020). The popularity of this specific social media channel arises from its utilization of predominantly visual content online, which according to Neher (2013) helps increase traffic and build awareness.

According to the official Instagram website, they allow advertisements on their platform to be very targeted and specific, based on various factors, such as location, demographics, interests or behaviors (Instagram). The website also emphasizes how easy it is for companies to place advertisements on their channel, as it only includes the four steps: creating a business page & profile, setting up an advertisement, determining a budget, and finally publishing (Instagram).

2.9.2 Facebook

Another famous social media channel is called Facebook, and is categorized as a social networking platform. These sites are commonly known for providing a digital infrastructure, which offers users a place to share their opinions and interests, while connecting to other users (Assimakopoulos et al., 2017). More specifically, Boyd and Ellison (2010) define Social Networking Sites as: “web-based services that allow individuals to construct public or semi-public profiles within a bounded system, articulate a list of other users with whom they share a connection, and view and

traverse their list of connections and those made by others within the system". The 2004 established site allows its users to participate in online activities, such as commenting on posts, liking brands or professional pages, or participating in discussions (Assimakopoulos et al., 2017). Threatt (2009) refers to this famous networking platform as a social media portal, as increasing amounts of organizations create profiles revolving around their products, which has shifted the sites' focus away from personal relationships, and towards companies reaching consumers.

Facebook's significance for marketing purposes arises from its popularity among users, which is apparent, as it is the third most popular website in the world, following Google and YouTube (McCoy, 2020). Furthermore, 71% of all Americans have a Facebook account, which in comparison to Instagram is 33% more (McCoy, 2020). McCoy (2020) also wrote that 86.3% of marketers use the platform for brand promotion, while 39% of users have said they follow brands merely because of giveaways. This massive network is clearly of interest to various marketers, for very apparent reasons.

From a marketing perspective, the available communities on Facebook are the most relevant and lucrative (Casteleyn et al., 2009), as these aid in identifying user's preferences and tastes, which are crucial for market segmentation and positioning (Treadaway & Smith, 2010). Therefore, Facebook is key for gathering information on potential customers, which is especially important for marketing, and can be applied to startups and small and medium enterprises. According to Ramsaran-Fowdar & Fowder (2013), there are various tools Facebook provides companies with, such as creating a profile or group for your brand, sharing events, or even making social polls. Lastly, there are various benefits for companies utilizing Facebook, such as lower marketing costs and creating personalized advertisements (Ramsaran-Fowdar & Fowder 2013).

Research conducted by Saravanakumar & SuganthaLakshmi (2012) has investigated potential ways for companies to connect with their consumers through Facebook, which are through promotions, crowd sourcing, check-ins, games, and social shopping. The first strategy to connect with consumers on Facebook would be by

providing them with Facebook exclusive discounts, early access, or sneak peaks of new products (Saravanakumar & SuganthaLakshmi, 2012). Promotions on Facebook have been highly effective at creating engagement, excitement, and providing users with an incentive to share this information and invite their friends or family to the page (ibid). The second possibility is to use crowd sourcing, where a company uses Facebook to invite users to shape a certain offer or strategy (ibid). The third option stated within the research is called mobile check-ins, which electronically announces their arrival at a specific location, where they can then receive discounts or loyalty points, which help a company gain more traffic, as well as giving them greater insights into their customer's purchasing behavior (ibid). Another strategy arises from the games that are available on Facebook, which allow companies to incorporate merchandising into something that is entertaining (ibid). Lastly, the most commonly used application of Facebook, is the creation of an online store, where retailers provide their customers with the option to browse and shop their products online, without requiring a separate website or online shop (ibid).

2.9.3 YouTube

The final social media channel this literature review will describe is YouTube, which is classified as a video sharing platform. The content community was founded in 2005, and allows its users to view, comment, or post videos (Smith et al., 2012). Users can then go on to create a public profile, displaying what videos they have posted, what comments are under these videos, and what their recent activities have been (Smith et al., 2012). The website includes both professionally produced and user produced content, with research conducted by Burgess and Green (2009) suggesting that among the most popular videos are vlogs, live material, and informal content. Overall, what differentiates YouTube from social media channels such as Instagram and Facebook, is the platforms ability to provide influencers with an opportunity to share videos of their personal life (Glucksman, 2017). These videos include how-to videos, advice videos, vlogs, or one of many more potential options (ibid).

When Google purchased the platform in 2006 their goal was to promote the platform as a lucrative marketing tool, focusing on advertising (Schwemmer & Ziewiecki, 2018).

There are multiple advertisement formats available on the site, such as display ads, and both non-skippable and skippable advertisements (Gerhards, 2017). With companies increasingly moving away from traditional marketing, YouTube has presented itself to have great potential, as a study found that over 60% of marketing experts in Germany reserve a company budget for only influencer marketing (Territory, 2016). Therefore, suggesting it to potentially be beneficial for marketing purposes of start-ups and small and medium enterprises.

While a great amount of research has been conducted on individual social media channels, no direct comparison of Instagram, Facebook, and YouTube, in the context of startups and small and medium enterprises has been made. Therefore, this research paper aims to find out more about this topic through conducting research into existing literature, and then conducting its own survey.

2.10 Startups and Small Medium Enterprises and Social Media Marketing

After having defined social media, discussed its overall advantages, and investigated the different types of platforms, it will now be explored with a direct focus on startups and small medium enterprises. The reason why it is important to separately look at startups and small medium enterprises in regards to social media, is because there are notable differences to larger companies. SMEs face various challenges, such as increasing variation and uncertainty within their own markets demand, while at the same time always facing strong international competition (Wardati & Mahendrawathi., 2019). In addition to these challenges, SMEs are also known to have limitations in regards to finances, human resources, and organizational resources, which is why they often look to implement social media marketing strategies (ibid). The study conducted by Brooks et al. (2014) created a SWOT analysis of social media usage in regards to small medium enterprises. They found that the main strengths include the ability to customize and personalize a consumers' experience, and the ability to gain valuable insights through the comments and reviews left by consumers on social media (Brooks et al., 2014). The weaknesses include the limited resources and time available to them, the fact that they cannot target all potential customers,

there is no ROI information, and that there is a limited exposure available within the social media environment (ibid). Furthermore, opportunities include the emerging new tools for social media content creation and analysis, the ability to create a strategy which will improve exposure, and the potential to integrate and expand their technologies for optimized business processes (ibid). Lastly, the threats include the continuously changing technologies, the regional competitors increased social media usage, and the rapidly changing customer communication media preferences (ibid).

This studies' findings suggest that small medium enterprises should utilize social media marketing, and focus on the available free social media tools to help them get started (Brooks et al., 2014). The researchers also included a short-term and long-term recommendations list for small medium enterprises that are focusing on social media marketing. The research advises them, that in the short-term they should focus on using fewer social media sites, and to investigate which ones best align with their strategic goals, as they need to focus on working with their limited resources (ibid). They should also develop a social media tools strategy, while also updating content on a regular schedule, and focusing on the interrelationship of social media sites (ibid). The list with long-term recommendations includes the suggestion to incorporate a strategy fitting with the companies' goals, as well as mission statement, to analyze the effectiveness of the chosen social media tools on a quarterly basis, and to create policies within the social media communication channels (Brooks et al., 2014).

2.11 Hypotheses

After thoroughly investigating the previous research that has been done in regards to the topic at hand, various hypotheses have been formulated, with the aim of answering the main research question, which is as follows:

What are the success factors of social media marketing for startups and SMEs?

In order to gain a greater understanding of the success factors, this research paper will evaluate the effectiveness of an informative versus interactive marketing approach within the three platforms Instagram, Facebook, and YouTube. Resulting in the first hypothesis:

An interactive marketing approach is more effective at achieving user engagement than an informative marketing approach.

This hypothesis will be tested through various questions in a survey asking respondents how likely they are to engage with either an interactive or an informative advertisement. Furthermore, this hypothesis will be tested in regards to all three social media platforms: Instagram, Facebook, and YouTube. Therefore, the following hypotheses have been created:

H1: An interactive marketing approach is more effective at achieving user engagement than an informative marketing approach on Instagram.

H2: An interactive marketing approach is more effective at achieving user engagement than an informative marketing approach on Facebook.

H3: An interactive marketing approach is more effective at achieving user engagement than an informative marketing approach on YouTube.

Also, this paper investigates influencer marketing as a success factor for startups and SMEs, which will be researched with the goal of answering the hypotheses that follow:

H4: Influencer marketing has a significant impact on customers purchasing decision.

Based on the main research question and the various hypotheses that have just been stated, a visual models have been created to depict the measured variables.

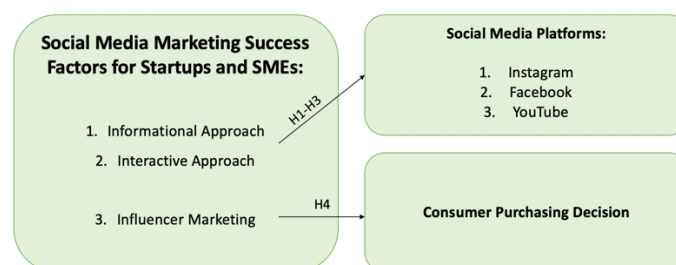


Figure 3: Visual Model Depicting Social Media Marketing Success Factors, Social Media, Platforms, and the Consumer Purchasing Decision

3 Methodology

3.1 Research Design

According to Creswell (2014), research approaches are: “plans and procedures for research that span the steps from broad assumptions to detailed methods of data collection, analysis, and interpretation (p.3). Deciding on a specific approach includes choosing a research design and research method. The three possible research approaches are called qualitative, quantitative, and mixed methods (Creswell, 2014). Out of these options, a quantitative approach was chosen. This type of approach has the purpose of testing a theory through the examination of measurable variables, where the numerical data is then analyzed and interpreted (Creswell, 2014). Furthermore, it entails the analysis with the use of statistical techniques that aim to answer “who, what, where, when, how many, and how” (Apuke, 2017). The reason why a quantitative approach was chosen, is because a survey was created to gather specific data which can further be analyze for any correlations between the variables. The predetermined and close-ended questions of the survey all focus on investigating the presence or absence of a relationship between the variables to then propose an answer to the hypotheses.

3.2 Data Collection

3.2.1 Sampling

This research paper’s data was collected through an online survey, which was created with the free online tool called “Google Forms”, with the chosen language being English. Considering the importance of a survey’s respondents and therefore the sample chosen for a research, the sampling strategy needs to be decided beforehand. Generally, there are two types of sampling methods, classified as probability sampling and non-probability sampling (Jager et al., 2017). Probability sampling includes a form of random selection, giving everyone within a population the same chances of being chosen, while non-probability sampling is not randomized (ibid). This chosen method of this thesis for gaining respondents is called convenience sampling, which is a form of non-probability sampling. This entails selecting participants based on how

accessible they are to complete this survey. The online created survey was distributed by sharing its corresponding link on various social media platforms of the researcher, such as Instagram and Facebook. Therefore, the survey reached participants within the close friends' circle or of acquaintance with the researcher. Important to note is that this chosen method has both advantages and disadvantages. The advantages of this sampling method include that it is cheap, simple to implement, and often highly efficient, while disadvantages include the decreased generalizability (Jager et al., 2017). This research aims to gather approximately 100 participants for the online survey with 22 questions.

3.2.2 Survey Design

The survey was designed to include a total of 22 questions, which can be separated into various categories. The categories are: demographics, general background, informative approach, interactive approach, interactive vs. informative, and influencer marketing. Each category has various questions all aiming to answer one of the stated hypotheses. The majority of the questions use a 5-point Likert scale that ranges from strongly disagree to strongly agree, highly unlikely to very likely, or from never to very often. The questions within the "informative approach" and "interactive approach" each depict three example advertisements, one from each of the three social media platforms (Instagram, Facebook, and YouTube). Participants are then asked to rate how likely they are to click on this advertisement, in order to measure how likely the given advertisement is to achieve user engagement. These pictures were added in during one of the multiple revision steps of the survey design, as originally participants would only have received direct questions regarding possible informative or interactive advertisements. This change was implemented, because supplying respondents with a direct visual example makes it easier for them to picture an informative or interactive advertisement, and because various other surveys have used similar approaches. The pictures were chosen, because they represent what an advertisement utilizing one of the two approaches would look like. All chosen images will now be displayed:

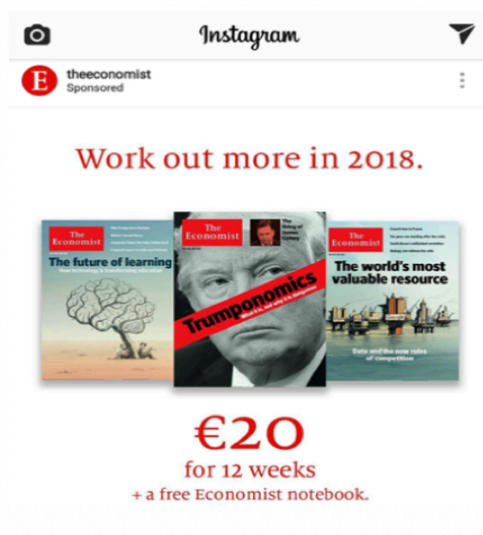


Figure 4: Informative Approach; Instagram



Figure 5: Informative Approach; Facebook



Figure 6: Informative Approach; YouTube



Figure 7: Interactive Approach; Instagram

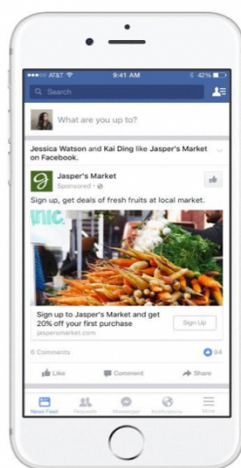


Figure 8: Interactive Approach; Facebook



Figure 9: Interactive Approach; YouTube

All of the survey questions can be found in the appendix, at the end of this research paper.

3.3 Data Analysis

The data collected from the Google Forms survey was downloaded after the survey was online for 10 days, receiving 101 responses. The downloaded data was put into SPSS, where a detailed statistical analysis was done, and afterwards tables and graphs were created in excel to visually depict the found results. First, the sample characteristics will be investigated, after which the hypotheses will be tested. The hypotheses will be evaluated through the use of a MANOVA and a Spearman's rho test. All calculations include their interpretations can be found in the next section of this thesis, called findings.

4 Findings

4.1 Process Model

Within this section of the research paper the findings that have been gathered through the online survey will be investigated through the use of specific statistical tests, to conclude whether or not the four main hypotheses can be accepted. The four main hypotheses are as follows:

H1: An interactive marketing approach is more effective at achieving user engagement than an informative marketing approach on Instagram.

H2: An interactive marketing approach is more effective at achieving user engagement than an informative marketing approach on Facebook.

H3: An interactive marketing approach is more effective at achieving user engagement than an informative marketing approach on YouTube.

H4: Influencer marketing has a significant impact on customers purchasing decision.

The first three hypotheses will be grouped and tested through the use of a MANOVA statistical analysis, while the fourth hypothesis will be investigated with a Spearman's Rho test. The relationship between the variables and the tests that will be performed are visually depicted in the process model below.

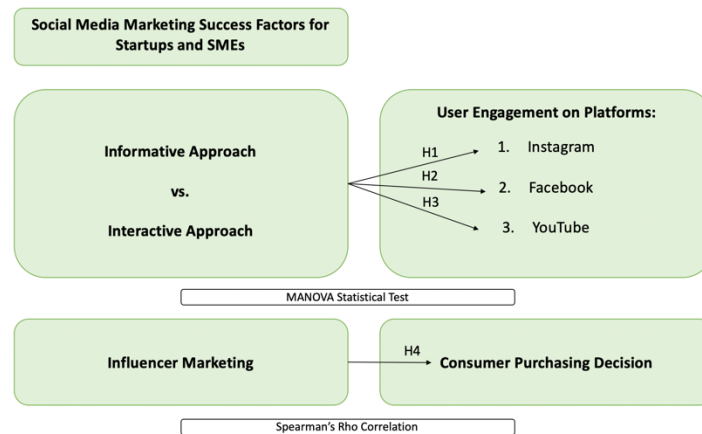


Figure 10: Process Model of this Research

4.2 Sample Characteristics

The first section of the findings focuses on the sample characteristics of the respondents, which will be crucial further on in the paper, as it aids in understanding how representative the results are. The four sample characteristics that will be discussed are the age and gender of the respondents, as well as which social media platforms they use most, and how much time they spend on social media on average per day.

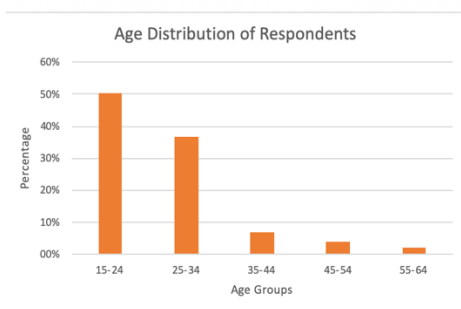


Figure 11: Age Distribution of Respondents

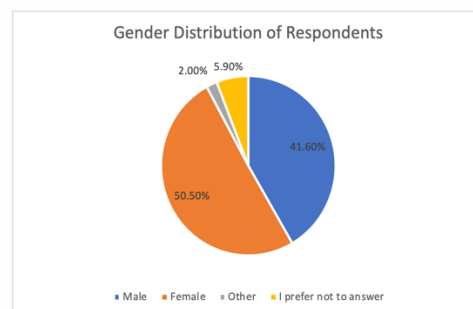


Figure 12: Gender Distribution of Respondents

The first two sample characteristics that were investigated are the age and gender distribution of the respondents, which are visually depicted in Figure 8 and Figure 9 above. The sample consists of 101 responses, with a mean age of 27, where the majority of respondents are either in the age group of 15 to 24 years, or 25 to 24 years. Additionally, over 50% of the respondents are female.

Platform	N	Percentage (%)
Instagram	86	85,15%
Facebook	54	53,47%
YouTube	74	73,27%
TikTok	36	35,64%
WeChat	5	4,95%
Snapchat	6	5,94%
Twitter	8	7,92%
Tinder	2	1,98%
Pinterest	2	1,98%
Reddit	2	1,98%
Tumblr	1	0,99%
Other	1	0,99%

Table 5: Social Media Platform Usage

The table above depicts the various platform choices that were available to participants, along with all additional options that were added within the “Other” field. The table depicts that 85.15% of all respondents indicated that they use Instagram, 53.47% of them use Facebook, and 73.27% use YouTube. This data suggests that the majority of respondents are active social media users, and therefore they represent an appropriate sample, with the required knowledge to fill out a questionnaire regarding social media advertisements.

Active Hours on Social Media / Day	N	Percentage (%)
Less than 1	6	5,94%
1-3	54	53,47%
4-6	25	24,75%
More than 7	16	15,84%

Table 6: Active Hours Spent on Social Media per Day

In addition to the researcher asking participants about their social media platform preferences, a question regarding the amount of time participants actively spend on social media was added to the survey. Table 6 depicts the respondent’s answers to

this question, which has been confined into four categories, which are less than one hour, one to three hours, four to six hours, and more than seven hours. Overall, the majority of respondents, 53.47% to be exact, spend approximately one to three hours per day actively on social media, followed by 24.75% of respondents answering four to six hours per day.

4.3 Hypothesis Testing

A multivariate analysis of variance called MANOVA was used in order to test if the manipulation of social media advertisements, which were allocated into either the informative or interactive group, demonstrates the predicted outcome. This test was chosen, as various previous researchers have also effectively utilized this (Wiid et al., 2014). In order to investigate to what extent this test was successful, the means, standard deviations, F value, and p-value of each condition and their respective social media platforms, Instagram, Facebook, or YouTube, are displayed in Table 7 below.

MANOVA	Informative		Interactive		F	P-Value
	Mean	SD	Mean	SD		
Instagram	2,95	1,19	3,37	1,04	7,04	<0,01
Facebook	2,76	1,16	3,26	0,97	9,94	<0,01
YouTube	2,62	1,04	2,95	1,25	4,08	<0,01

Table 7: MANOVA Test of Informative and Interactive Group for Instagram, Facebook, and YouTube

The MANOVA test aims to investigate whether the first three hypotheses can be accepted or rejected, based on the differences in mean values of the three social media platforms within the informative and interactive condition. The purpose is to test if an interactive marketing approach is more effective at achieving user engagement than an informative approach. It is important to note, that respondents were asked to answer these questions on a Likert Scale ranging from one (highly disagree) to five (strongly agree). Therefore, higher values represent a higher level of agreement of the respondents, which correlated to a higher potential engagement. The usefulness of an interactive and informative approach will be tested specifically

in regards to the three social media platforms Instagram, Facebook, and YouTube. The hypotheses are as follows:

H1: An interactive marketing approach is more effective at achieving user engagement than an informative marketing approach on Instagram.

H2: An interactive marketing approach is more effective at achieving user engagement than an informative marketing approach on Facebook.

H3: An interactive marketing approach is more effective at achieving user engagement than an informative marketing approach on YouTube.

The first hypothesis focuses on the social media platform Instagram, where the mean value in the informative condition is 2.95 ($p < 0.01$) and 3.37 ($p < 0.01$) in the interactive condition. Therefore, it can be said that participants responded to the social media advertisement in the interactive group to a more positive extent, as they reported higher levels of engagement. This concludes that the first hypothesis can be accepted, as the interactive approach is more effective at achieving user engagement on Instagram, than an informative marketing approach.

The second hypothesis investigates the platform Facebook, which reports a mean value of 2.76 ($p < 0.01$) in the informative group and 3.26 ($p < 0.01$) in the interactive group. Similarly, to the first hypothesis, these values help conclude that the hypothesis can be accepted, as the interactive condition reports a higher level of agreement, and therefore also a higher level of user engagement.

The third hypothesis follows the same pattern as the previous hypotheses, as it compares the informative and interactive group, but for the social media platform YouTube. This group reports the overall lowest means, which could correlate with YouTube not being as popular among users as the other two platforms. The mean value in the informative group is 2.62 ($p < 0.01$) and 2.95 ($p < 0.01$) in the interactive group. Therefore, all three hypotheses can be accepted, as all groups report a higher level of user engagement in the interactive group.

Another interesting observation is that the standard deviation values are all relatively similar, while the interactive YouTube condition reports the most dispersion among the data, with a value of 1.25. Overall, this means that respondent's answers were approximately one point away from the mean, on average. These values are not directly representative of the correlation between the two groups and the level of user engagement, however they do depict how spread out the data is. In conclusion, the mean values suggest a stronger relationship between the interactive group and the respondent's user engagement with the advertisement, as the mean values are greater within every social media category, resulting in the acceptance of the first three hypotheses.

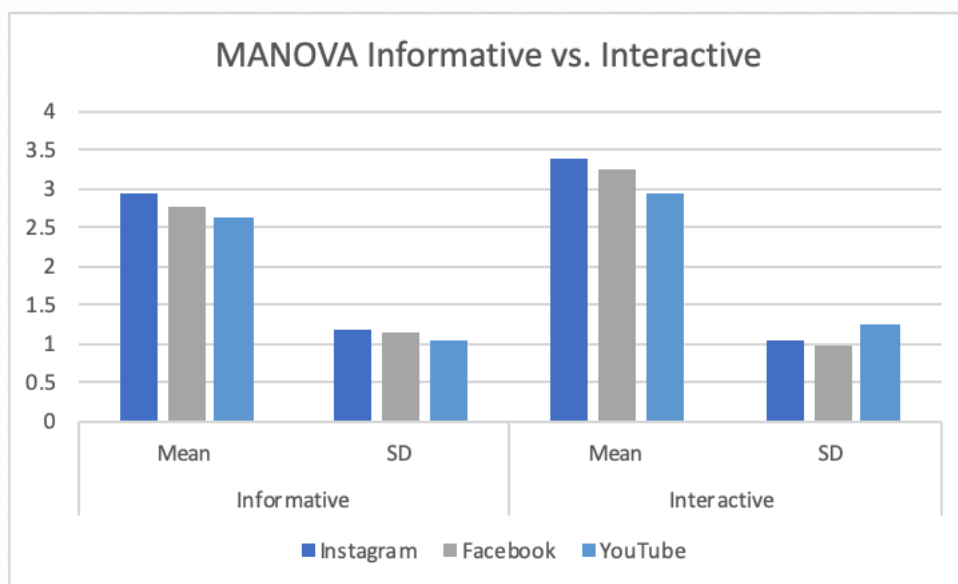


Figure 13: Mean and Standard Deviation Comparison of the Informative and Interactive Group of Instagram, Facebook, and YouTube

Figure 13 depicts the means and standard deviations that were found during the MANOVA statistical test, for the three social media platforms Instagram, Facebook, and YouTube, in the informative and interactive group. This data can also be found in Table 7 above. A visual inspection of the figure shows that the interactive condition reports higher mean values for all social media platforms, and that within both groups Instagram reports the highest mean values, followed by Facebook, and then YouTube.

After conducting a MANOVA test to investigate the first three hypotheses, the final hypothesis regarding influencer marketing will be statistically tested through the utilization of a Spearman’s rho. The fourth hypothesis is as follows: *H4: Influencer marketing has a significant impact on customers purchasing decision.*

In order to see if there is a significant correlation between influencer marketing and customer’s purchasing decision three questions in the survey targeted this concept. The first question asks respondents if they view influencer’s recommendations before they purchase a product, the second one asks whether they trust these recommendations, and the final question asked if they purchase products based on influencer’s recommendations. These questions therefore target the concepts of viewing, trusting, and purchasing in relation to influencers’ recommendations on social media platforms, in order to determine if recommendations influence the purchasing decision. The reason why one of the questions asks respondents about trust, is because previous studies have found that trust is an important factor influencing consumer’s decision-making process.

	Mean	SD
I look at influencer's recommendations before purchasing a product.	3,50	0,93
I trust influencer's recommendations.	3,43	0,92
I purchase products based on influencer's recommendations.	3,22	0,94

Table 8: Mean and Standard Deviation of Viewing, Trusting, and Purchasing in Regards to Influencer Marketing

Table 8 reports the mean and standard deviation values of the three Likert-scaled questions focusing on the impact of influencers’ recommendations on the purchasing intention. Similarly, to before, a higher mean value represents a higher level of agreement with the statement given to the respondents, as the answer possibilities ranged from 1, which stood for “strongly disagree”, until 5, representing “strongly agree”. The data depicts that the statement “I look at influencer’s recommendations before purchasing a product” has the highest mean (3.50), followed by the statement “I trust influencer’s recommendations” (3.43), and lastly “I purchase products based on influencer’s recommendations” has the lowest mean (3.22). In order to draw a conclusion as to whether or not influencers’ recommendations have an impact on

customers' purchasing decision a correlational analysis has to be done, as this data alone is not sufficient.

When choosing the most appropriate statistical test, the collected data's distribution was investigated, by looking at the skewedness as well as the visual dispersal on a scatter plot. This showed that the output was not normally distributed, as the values were negative, and skewed left. Therefore, a Spearman's correlation was found to be most suiting for the final hypothesis test (Schmid & Schmidt, 2006).

			Viewing	Purchasing
Spearman's rho	Viewing	Correlation Coefficient	1,00	0,83**
		Sig. (2-tailed)		<0,001
		N	101	101
	Purchasing	Correlation Coefficient	0,83**	1,00
		Sig. (2-tailed)	<0,001	
		N	101	101

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

Table 9: Spearman's Rho of Viewing and Purchasing in Regards to Influencer Marketing

Table 9 reports the findings of the Spearman's rho correlation test. This test was run in order to determine the relationship between looking at influencers' recommendations and purchasing a product based on influencers' recommendations. There is a strong monotonic correlation between these two constructs ($r_s = 0.83$, $n = 101$, $p < .001$). The significance value for this correlation coefficient is below 0.05, which indicated that there is a significant relationship between the groups, and therefore the null hypothesis can be rejected, and the alternative hypothesis is accepted. In regards to looking at online reviews, it can be said that influencer marketing has a significant impact on the purchasing intention.

			Trust	Purchasing
Spearman's rho	Trust	Correlation Coefficient	1,00	0,69**
		Sig. (2-tailed)		<0,001
		N	101	101
	Purchasing	Correlation Coefficient	0,69**	1,00
		Sig. (2-tailed)	<0,001	
		N	101	101

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

Table 10: Spearman's Rho of Trusting and Purchasing in Regards to Influencer Marketing

Table 10 depicts the output of the Spearman's rho correlation test, when comparing customers' level of trust and their purchasing intention. Similarly, to the results in the table above, there is a strong monotonic relationship present ($r_s = 0.69$, $n = 101$, $p < .001$). This data also reports that the significance value of the correlation coefficient is below 0.05, meaning that a significant relationship is present. The null hypothesis can be rejected, and the alternative hypothesis can be accepted. The two tests also indicate that the relationship between viewing an influencer's recommendation and purchasing a product is stronger than the relationship of trusting an influencer and purchasing a product, which could be explained by trust only being one factor of many which influences the purchasing intention of consumers. The question regarding trust is relatively vague, as trusting something could mean a multitude of things, and highly depends on the product and the influencer. In conclusion, as these two Spearman's rho tests indicate that both the constructs of looking at influencers' recommendations and trusting influencers' recommendations have a strong correlation with the purchasing intention, and the fourth hypothesis can be accepted. Therefore, influencer marketing does have a significant impact on the purchasing intention.

5 Conclusion

This thesis provides an investigation into the success factors in social media marketing in regards to start-ups and small and medium enterprises. First, a literature review section discusses all relevant background information and previous research which has been done in regards to social media marketing and start-ups and small and medium enterprises. The main focus of distinguishing the success factors was done by specifically investigating three social media marketing strategies. Two of these are marketing approaches on social media platforms; informative and interactive advertisements. The third strategy was utilizing influencer marketing. In order to evaluate these potential success factors, an online survey was distributed, which used pictures representing the informative and interactive approaches, in order to test how consumers would respond if they were to receive this advertisement. In addition, multiple questions about influencer marketing and its potential effect on the purchasing intention were included. The data was then statistically analyzed in SPSS with a MANOVA and Spearman's rho correlation test, in order to see if the hypotheses can be accepted, or need to be rejected.

The first three hypotheses focused on comparing an interactive and an informative marketing approach on three social media platforms. These results were analyzed with a MANOVA test which found that for Instagram, Facebook, and YouTube an interactive approach correlates to higher user engagement, therefore H1, H2, and H3 are accepted. These results align with the findings of the previous research conducted by Kusumasondjaja (2018), which also suggest that interactive brand postings gain larger amounts of engagement. This research also suggests that channels require a different mix of approaches (Kusumasondjaja, 2018), which could be an explanation as to why the means of an interactive and informative approach for YouTube are closer than the values. Within the other channels the difference between an informative and interactive advertising approach was significantly further apart, suggesting that an interactive approach has a greater impact than the other, however this was not true for YouTube. The findings also demonstrate, that there is a difference between the effectiveness of an advertisement approach on a platform, proposing

that the success factors in social media marketing are highly dependent on the channel.

Afterwards, the Spearman's rho correlational test was conducted in order to test the relationship between influencer marketing and consumers' purchasing intention. The correlational analysis was conducted for three questions from the survey: one regarding how often respondents look for influencers' recommendations, the second one asked whether they trust influencers' recommendations, and lastly if they purchase products based on these recommendations. The first test found that there is a strong correlation between users looking for influencer's recommendations, and purchasing based on this information. The second statistical analysis also showed a strong correlation between trusting these recommendations and purchasing products that have been recommended. Overall, these results suggest that influencers' recommendations can have a positive impact on the purchasing intention of their followers. According to the second correlational analysis, the factor of trust is significant, as this is what customers potentially base their opinions about an influencer on. They also suggest, that customers seek out to read through influencers' recommendations, proposing that their platforms could be utilized as an influential marketing place. Therefore, also the fourth hypothesis was accepted.

Overall, these results suggest that some of the potential success factors for social media marketing are utilizing an interactive advertisement approach and promoting a product through an influencer. In regards to startups and small medium enterprises, respondents of the survey were asked two specific questions about their attitudes. The questions ask them to what extent they agree with the given statement, measured on a five-point Likert scale from 1, strongly disagree, to 5, strongly agree. The statements are: "I am likely to purchase a product from a startup", and "I will trust an influencer's recommendation even if they promote a product I do not know, from a startup or small medium enterprise". The responses to the first statement show that 24.2% are likely, or highly likely to do so, while 35% feel neutral about this, and 40.8% either disagree, or strongly disagree. There is a high dispersion among these results, indicating that consumers are more hesitant

when buying a product, they are unfamiliar with. The responses of the second question report similar findings, as 33.3% either strongly agree, or agree with the statement, 31.4% feel neutral, and 35.3% either strongly disagree, or disagree. These answers suggest that startups and small medium enterprises have a harder time selling their product, as consumers are unfamiliar with the item. The second question however also proposes that influencers recommendations could have an impact on customers, negligent of whether the product comes from a famous brand or not. It can also be said that therefore it would be beneficial for startups and small medium enterprises to use influencer marketing, as well as an interactive marketing approach to gain popularity among social media users. Potentially, the implementation of both an interactive marketing approach and influencer marketing could have a greater impact than just one alone, however this was not investigated by this research.

5.1 Managerial Implications

The results of this study propose that startups and small medium enterprises should implement an interactive marketing approach on their social media channels Instagram, Facebook, and YouTube in order to increase user's engagement, while also considering to utilize an influencer's platform and presence online. Social media has developed into an enormous platform, and advertisers are increasingly implementing social media into their programs (Voorveld et al., 2018).

As the type of social media advertisement strategy correlates to user's engagement, these findings have important managerial implications. This research suggests that social media marketers need to select the correct approach which fits their brands' purpose and goals in order to maximize the effectiveness of their advertisements. The survey results suggest that users are more likely to engage with an interactive advertisement than with an informative one. Therefore, if a company aims to increase the interactivity of their potential customers, in addition to increasing their awareness, an interactive approach would be beneficial for them. The findings suggest that this is true for all of the three tested social media platforms, however the effectiveness varies depending on the platform.

This leads to the implication that various marketing approaches should be investigated in relation to a certain platform, as companies should be advised to adjust their strategy depending on which channel they use. For example, while the interactive approach scored higher than the informative approach on YouTube, it showed distinctively lower mean values than for Instagram and Facebook, which proposes the idea that potentially an incorporation of both the informative and interactive approach is necessary for video platforms, such as YouTube.

Lastly, this research has also investigated the impact of influencer marketing on customers' purchasing intention. The results show that influencers' recommendations have a positive impact on the purchasing intentions of consumers, as consumers actively search for these recommendations, trust what influencers promote, and also make their purchase based on this information. This information can be valuable for marketing experts, as it depicts a potential marketing strategy for their brand. This can be of essence for startups, as they could promote their products through a sponsored advertisement with an influencer. This would help them achieve awareness, while potential customers get a positive review about this product from a trustworthy source, which could lead them to purchase their product.

Overall, this research gives an insight into which factors could aid a startups social media marketing strategy. Based on these findings, startups and small medium enterprises would be recommended to use an interactive approach on their social media platforms, as this is beneficial on Instagram, Facebook, and YouTube. However, additional research on the platforms is advised. Another success factor would be utilizing a social media influencers' platform and reach to promote their product, as this could help them increase awareness as well as their amount of sales.

5.2 Limitations and Further Research

Although this research provides general insights into the topics of social media marketing's success factors, in regards to an advertisement approach and influencer marketing, there are multiple limitations that need to be addressed. These limitations will be explained, while also providing possible expansions for further research.

The first limitation of this research is the survey's sample size, which only received 101 respondents, which limits the generalizability of the study. While this sample size is sufficient for conducting this research, it is not representative of the Austrian population, or that of other countries. This limitation can easily be improved on with further research, where a larger sample size is encouraged, as more responses would lead to a better representation of the targeted population.

Also, the vast majority of respondents were aged between 15 and 34 (87.13%), while there are barely any responses from people over the age of 35 (12.87%). However, not all social media users fall into this age group, and depending on the startup or business and their product, they could be targeting people aged over 35, and therefore this information would not be relevant to them. Therefore, it would be advised that further research ensures that they gather more responses, which also include all age groups, and not only those between 15 and 34.

While the results have the potential to be helpful to startups and small medium enterprises, there are many factors that could be improved on, and various potential options for further investigation. One example would be to create an experiment that only focuses on one product and then compares advertisement which are only informative or only interactive. This would give a greater insight into which is more beneficial for a specific product, as the advertisements used in this study represent various product categories, which could have influenced the respondents' answers. Another option would be to not only test an informative approach versus an interactive approach, but to also investigate whether utilizing both has a greater result than either one alone. Furthermore, testing advertisements on social media platforms could be incorporated into an experiment, where respondents see the advertisement on the platform, which would make it more natural and the results would be more accurate. In regards to the testing of influencer marketing, there are various external factors which could be investigated. This research suggests that trust is a one of the factors influencing the impact of influencer marketing, but how this trust is formed was not investigated. Previous research has found that there are various factors that can change the level of trust users have in influencers, such as responsiveness, morality, or predictability (Mcknight, Choudhury, & Kacmar, 2002).

A further investigation into this would be beneficial to both influencers and companies who decide to work with a certain influencer.

Bibliography

Aichner, T., & Jacob, F. (2015a). Measuring the Degree of Corporate Social Media Use. *International Journal of Market Research*, 57(2), 257–276. <https://doi.org/10.2501/ijmr-2015-018>

Aichner, T., & Jacob, F. (2015b). Measuring the degree of corporate social media use. *International Journal of Market Research*, 57(2).

Apuke, O. D. (2017). Quantitative Research Methods: A Synopsis Approach. *Arabian Journal of Business and Management Review*, 6(10), 40–47.

Arca, C. (2012, June). *Social Media Marketing benefits for businesses: Why and how should every business create and develop its Social Media Sites?* Aalborg University Denmark. https://vbn.aau.dk/ws/files/63562608/CelineArca_MScInternational

Ashley, C., & Tuten, T. (2015). Creative Strategies in Social Media Marketing: An Exploratory Study of Branded Social Content and Consumer Engagement. *Psychology & Marketing*, 32(1), 15–27. <https://doi.org/10.1002/mar.20761>

Assimakopoulos, C., Antoniadis, I., Kayas, O., & Dvizac, D. (2017). Effective social media marketing strategy: Facebook as an opportunity for universities. *International Journal of Retail & Distribution Management*. Published.

Bangen, E. (2018, October 22). *Advertising Appeals: Informational Vs. Emotional*. Baer Performance Marketing. <https://baerpm.com/2018/02/14/advertising-appeals-informational-vs-emotional/>

Basri, W., & Siam, M. (2017). Maximizing the Social Media Potential for Small Businesses and Startups: A Conceptual Study. *International Journal of Economic Perspectives*, 11(02), 241–245. https://www.researchgate.net/profile/Wael-Basri/publication/321058367_Maximizing_the_Social_Media_Potential_for_Small_Businesses_and_Startups_A_Conceptual_Study/links/5b35b140aca2720785f4923c/Maximizing-the-Social-Media-Potential-for-Small-Businesses-and-Startups-A-Conceptual-Study.pdf

Berisha, G., & Pula, J. S. (2015). Defining Small and Medium Enterprises: a critical review. *Academic Journal of Business, Administration, Law and Social Sciences*, 1(1), 17–28. https://www.researchgate.net/profile/Gentrit-Berisha/publication/276294683_Defining_Small_and_Medium_Enterprises_a_critical_review/links/5556724708ae6fd2d82363a3/Defining-Small-and-Medium-Enterprises-a-critical-review.pdf

Booth, N., & Matic, J. A. (2011). Mapping and leveraging influencers in social media to shape corporate brand perceptions. *Corporate Communications : An International Journal*, 16(3), 184–191.

Boyd, D., & Ellison, N. (2010). Social network sites: definition, history, and scholarship. *IEEE Engineering Management Review*, 38(3).

Brooks, G., Heffner, A., & Henderson, D. (2014). A SWOT Analysis Of Competitive Knowledge From Social Media For A Small Start-Up Business. *Review of Business Information Systems*, 18(1), 23–34.

Brown, D., & Hayes, N. (2008). *Influencer Marketing*. Elsevier.

Bughin, J., Doogan, J., & Vetvik, O. J. (2010). *A new way to measure word-of-mouth marketing*. <http://designdamage.com/wp-content/uploads/2009/04/A-new-way-to-measure-WOM-marketing.pdf>

Burgess, J., & Green, J. (2009). *Youtube (Digital Media and Society Series)*. Polity Press.

Burkhalter, J. N., Wood, N. T., & Tryce, S. A. (2014). Clear, conspicuous, and concise: Disclosures and Twitter word-of-mouth. *Business Horizons*, 57(3), 319–328. <https://doi.org/10.1016/j.bushor.2014.02.001>

Casteleyn, J., Mottart, A., & Rutten, K. (2009). How to use Facebook in your market research. *International Journal of Market Research*, 51(4), 439–447.

Constantinides, E. (2014). Foundations of Social Media Marketing. *Procedia - Social and Behavioral Sciences*, 148, 40–57. <https://doi.org/10.1016/j.sbspro.2014.07.016>

De Veirman, M., Cauberghe, M., & Judders, L. (2016). Marketing through Instagram influencers: impact of number of followers and product divergence on brand attitude. *International Journal of Advertising*, 36(5), 798–828.

Drahosova, M., & Balco, P. (2017). The analysis of advantages and disadvantages of use of social media in European Union. *Procedia Computer Science*, 109, 1005–1009. <https://doi.org/10.1016/j.procs.2017.05.446>

Dutta, S. (2010). What's your Personal Strategy. *Harvard Business Review*, 127–130.

Dwivedi, Y. K., Ismagilova, E., Hughes, D. L., Carlson, J., Filieri, R., Jacobson, J., Jain, V., Karjaluoto, H., Kefi, H., Krishen, A. S., Kumar, V., Rahman, M. M., Raman, R., Rauschnabel, P. A., Rowley, J., Salo, J., Tran, G. A., & Wang, Y. (2020). Setting the future of digital and social media marketing research: Perspectives and research propositions. *International Journal of Information Management*, 102168. <https://doi.org/10.1016/j.ijinfomgt.2020.102168>

Effing, R., & Spil, A. (2016). The social strategy cone: Towards a framework for evaluating social media strategies. *International Journal of Information Management*, 36(1), 1–8.

Felix, R., Rauschnabel, P. A., & Hinsch, C. (2014). Elements of strategic social media marketing: A holistic framework. *Journal of Business Research*, 70, 118–126. <https://doi.org/10.1016/j.jbusres.2016.05.001>

Filo, K., Lock, D., & Karg, A. (2015). Sport and social media research: A review. *Sport Management Review*, 18(2), 166–181. <https://doi.org/10.1016/j.smr.2014.11.001>

Freberg, K., Graham, K., McGaughey, K., & Freberg, L. A. (2011). Who are the social media influencers? A study of public perceptions of personality. *Public Relations Review*, 37(1), 90–92. <https://doi.org/10.1016/j.pubrev.2010.11.001>

Gerhards, C. (2017). Product placement on YouTube: An explorative study on YouTube creators' experiences with advertisers. *Convergence: The International Journal of Research Into New Media Technologies*. Published.

Gilmore, A., Carson, D., & Grant, K. (2001). SME Marketing in Practice. *Marketing Intelligence & Planning*, 19(1), 6–11.

Glucksman, M. (2017). *The Rise of Social Media Influencer Marketing on Lifestyle Branding: A Case Study of Lucie Fink*.
<https://www.elon.edu/u/academics/communications/journal/wp-content/uploads/sites/153/2017/12/Fall2017Journal.pdf#page=77>

Gordon, R. (2012). Re-thinking and Re-tooling the Social Media Marketing Mix. *Australasian Marketing Journal*, 20(2), 122–126.

Graham, M. (2019). *Social Media Marketing 2019*. Vaclav Vrbensky.

Haran. (2018). *How to grow your business with influencer marketing and brand partnerships*. Single Grain. <https://www.singlegrain.com/content-marketing-strategy-2/guide-influencer-marketing/>

Harrison, K. (2017, January 9). *Top 10 trends that will transform digital marketing in 2017*. Forbes. <https://www.forbes.com/sites/kateharrison/2017/01/09/top-10-trends-that-will-transform-digital-marketing-in-2017/>

Hofacker, C., & Belanche, D. (2016). Eight social media challenges for marketing managers. *Spanish Journal of Marketing - ESIC*, 20(2), 73–80.
<https://doi.org/10.1016/j.sjme.2016.07.003>

Iblasi, W. N., Bader, D. M. K., & Al-Qreini, S. A. (2016). The Impact of Social Media as a Marketing Tool on Purchasing Decisions (Case Study on SAMSUNG for Electrical Home Appliances). *International Journal of Managerial Studies and Research*, 4(1), 14–28. <https://www.arcjournals.org/pdfs/ijmsr/v4-i1/2.pdf>

Jager, J., Putnick, D. L., & Bornstein, M. H. (2017). II. MORE THAN JUST CONVENIENT: THE SCIENTIFIC MERITS OF HOMOGENEOUS CONVENIENCE SAMPLES. *Monographs of the Society for Research in Child Development*, 82(2), 13–30.
<https://doi.org/10.1111/mono.12296>

Jin, S. V., Muqaddam, A., & Ryu, E. (2019a). Instafamous and social media influencer marketing. *Marketing Intelligence & Planning*, 37(5), 567–579. <https://doi.org/10.1108/mip-09-2018-0375>

Jin, S. V., Muqaddam, A., & Ryu, E. (2019b). Instafamous and social media influencer marketing. *Marketing Intelligence & Planning*, 37(5), 567–579. <https://doi.org/10.1108/mip-09-2018-0375>

Kalyanam, K., & McIntyre, S. (2002). The E-Marketing Mix: A Contribution of the E-Tailing Wars. *Journal of the Academy of Marketing Science*, 30(4), 487–499.

Kietzmann, J., Hermkens, K., McCarthy, I., & Silvestre, B. (2011). Social media? Get serious! Understanding the functional building blocks of social media. *Business Horizons*, 54(3), 241–251.

Kirkpatrick, D. (2016). Influencer marketing spurs 11 times the ROI over traditional tactics: Study. *Marketing Dive*. Published.

Klang, M., & Nolin, J. (2011). Disciplining social media: An analysis of social media policies in 26 Swedish municipalities. *First Monday*. Published. <https://doi.org/10.5210/fm.v16i8.3490>

Klaus, P. (2013). New insights from practice: exploring online channel management strategies and the use of social media as a market research tool. *International Journal of Market Research*, 55(6), 829–850.

Kotler, P., & Armstrong, G. (2013). *Principles of Marketing*. Prentice Hall.

Kumar, V., & Mirchandi, R. (2012). Increasing the ROI of Social Media Marketing. *MIT Sloan Management Review*, 54(1), 55–61.

Kusumasondjaja, S. (2018). The roles of message appeals and orientation on social media brand communication effectiveness. *Asia Pacific Journal of Marketing and Logistics*, 30(4), 1135–1158. <https://doi.org/10.1108/apjml-10-2017-0267>

Lee, D., Hosanagar, K., & Nair, H. S. (2018). Advertising Content and Consumer Engagement on Social Media: Evidence from Facebook. *Management Science*, 64(11), 5105–5131. <https://doi.org/10.1287/mnsc.2017.2902>

Lim, X. J., Mohd Radzol, A. R. B., Cheah, J. H. J., & Wong, M. W. (2017). The Impact of Social Media Influencers on Purchase Intention and the Mediation Effect of Customer Attitude. *Asian Journal of Business Research*, 7(2). <https://doi.org/10.14707/ajbr.170035>

Marketers Pair Up with Influencers—and It Works. (2015, July 9). EMarketer. <https://www.emarketer.com/Article/Marketers-Pair-Up-with-Influencersand-Works/1012709>

McCoy, J. (2020, July 13). *25 Amazing Facts About Facebook*. Search Engine Journal. <https://www.searchenginejournal.com/facebook-facts/359408/#close>

Miles, J. G. (2014). *Instagram Power Build Your Brand and Reach More Customers with the Power of Pictures*. Success Book Reviews. http://videoplus.vo.llnwd.net/o23/digitalsuccess/SUCCESS%20Book%20Summaries/2014%20March%20SBS/InstagramPower_Review.pdf

Myyrä, T. (2020). *The advantages and disadvantages of influencer marketing in fashion promotion*. https://www.theseus.fi/bitstream/handle/10024/342278/Myyrä_Teemu.pdf?sequence=2&isAllowed=y

Nazare, K. (2019). *Development of a Social Media Marketing Strategy for Wine Tour Travel Agencies with a Focus on Influencer Marketing*. <https://repositorio-aberto.up.pt/bitstream/10216/126708/2/390166.pdf>

Neher, K. (2013). *Social media marketing. Harnessing images, Instagram, Infographics and Pinterest to grow your business online*. Boot Camp Publishing.

Nisbet, M., & Kotcher, J. E. (2009). A Two Step Flow of Influence. *Science Communication*, 30, 328–354.

Pantano, E., Priporas, C., & Migliano, G. (2019). *Reshaping traditional marketing mix to include social media participation: evidence from Italian firms*. <https://doi.org/10.1108/EBR-08-2017-0152>

Papp-Vary, A., Szolnoki, S., & Beres, E. (2020). *Advancement in Geoeconomics through Tourism Promotion*. International Scientific Conference on Economic and Social Development. http://www.papp-vary.com/english/Advancement_In_Geoeconomics_Through_Tourism_Promotion_Influencer_Marketing.pdf

Pokornyik, R. (2019). *7 Types of Interactive Content—Why and How to Use Them*. Single Grain. <https://www.singlegrain.com/blog-posts/content-marketing/7-types-of-interactive-content-why-and-how-to-use-them/>

Popp, B., & Woratschek, H. (2016). Introducing branded communities in sport for building strong brand relations in social media. *Sport Management Review*, 19(2), 183–197.

Ramsaran-Fowdar, R. R. (2013). The Implications of Facebook Marketing for Organizations. *Contemporary Management Research*, 9(1), 73–84. <https://doi.org/10.7903/cmr.9710>

Rana, K. S., & Kumar, A. (2016, April). *Social Media Marketing : Opportunities and Challenges*. <http://www.jctindia.org/images/articles/15509287201.pdf>

Reto, F., Rauschnabel, P. A., & Hinsch, C. (2017). Elements of strategic social media marketing: A holistic framework. *Journal of Business Research*, 70, 118–126. <https://doi.org/10.1016/j.jbusres.2016.05.001>

Rubtcova, M., & Pavenkov, O. (2018). *Advantages and Disadvantages of Social Media Marketing in Russia*. Communication Association International Conference. <https://ssrn.com/abstract=3265296>

Sajid, S. (2016). Social Media and Its Role in Marketing. *Business and Economics Journal*, 07(01). <https://doi.org/10.4172/2151-6219.1000203>

Saravanakumar, M., & SuganthaLakshmi, T. (2012). Social Media Marketing. *Life Science Journal*, 9(4), 4444–4451.

Schmid, F., & Schmidt, R. (2006). Multivariate Extensions of Spearman's Rho and Related Statistics. *Statistics and Probability Letters*, 1–11.

Schwemmer, C., & Zwiewiecki, S. (2018). Social Media Sellout: The Increasing Role of Product Promotion on YouTube. *Social Media and Society*, 1–20.

Simpson, M., & Taylor, N. (2002). The role and relevance of marketing in SMEs: towards a new model. *Journal of Small Business and Enterprise Development*, 9(4), 370–382. <https://doi.org/10.1108/14626000210450559>

Singh, T., Veron-Jackson, L., & Cullinane, L. (2008). Blogging: A New Play in your Marketing Game Plan. *Business Horizons*, 51(4), 281–292.

Smith, A. N., Fischer, E., & Yongjian, C. (2012). How Does Brand-related User-generated Content Differ across YouTube, Facebook, and Twitter? *Journal of Interactive Marketing*, 26(2), 102–113. <https://doi.org/10.1016/j.intmar.2012.01.002>

Statista. (2021a, January 28). *Number of global social network users 2017–2025*. <https://www.statista.com/statistics/278414/number-of-worldwide-social-network-users/>

Statista. (2021b, April 7). *Worldwide digital population as of January 2021*. <https://www.statista.com/statistics/617136/digital-population-worldwide/>

Steuer, J. (1992). Defining virtual reality: Dimensions determining telepresence. *J. Commun.*, 42, 73–93.

Stokes, D., & Lomax, W. (2002). Taking control of word of mouth marketing: the case of an entrepreneurial hotelier. *Journal of Small Business and Enterprise Development*, 9, 349–357. <https://doi.org/10.1108/14626000210450531>

Stubb, C., Nyström, A. G., & Colliander, J. (2019). Influencer marketing. *Journal of Communication Management*, 23(2), 109–122. <https://doi.org/10.1108/jcom-11-2018-0119>

Tafesse, W., & Wien, A. (2018). Using message strategy to drive consumer behavioral engagement on social media. *Journal of Consumer Marketing*, 35(3), 241–253. <https://doi.org/10.1108/jcm-08-2016-1905>

Taherdoost, H., & Jalaliyoon, N. (2014). Marketing vs. E-Marketing. *International Journal of Academic Research in Management*, 3(4), 335–340.

Talaverna, M. (2015). *10 Reasons Why Influencer Marketing is the Next Big Thing*. AdWeek. <https://www.adweek.com/performance-marketing/10-reasons-why-influencer-marketing-is-the-next-big-thing/>

Territory. (2016). Influencer Marketing glaubwürdiger als klassische Werbung [Influencer marketing more trustworthy than traditional advertising]. *Territory*. Published.

Thackeray, R., Neiger, B. L., Hanson, C. L., & McKenzie, J. F. (2008). Enhancing Promotional Strategies Within Social Marketing Programs: Use of Web 2.0 Social Media. *Health Promotion Practice*, 9(4), 338–343. <https://doi.org/10.1177/1524839908325335>

The Enterprise World. (2020, January 29). *32 latest and interesting facts about Instagram*. <https://www.theenterpriseworld.com/interesting-facts-about-instagram/>

Threath, R. S. (2009). *Facebook and the Ideal Social Market Place: A Study of The Marketing Benefits of Social Media Practices*. University of Southern California. <http://digitalibrary.usc.edu/cdm/ref/collection/p15799coll127/id/171962>

Todor, R. D. (2016). *Blending traditional and digital marketing*. Bulletin of the Transilvania University of Braşov. http://webbut.unitbv.ro/bu2015/series%20v/2016/BULETIN%20I%20PDF/06_Todor%20R.pdf

Treadaway, C., & Smith, M. (2010). *Facebook marketing an hour a day*. Wiley Publishing.

Tuten, T. L., & Solomon, M. R. (2018). *Social Media Marketing* (3rd Edition). SAGE Publications.

Uzunoglu, E., & Kip, S. (2014). Brand communication through digital influencers: Leveraging blogger engagement. *International Journal of Information Management*, 34, 592–602.

Voorveld, H. A. M., van Noort, G., Muntinga, D. G., & Bronner, F. (2018). Engagement with Social Media and Social Media Advertising: The Differentiating Role of Platform Type. *Journal of Advertising*, 47(1), 38–54.
<https://doi.org/10.1080/00913367.2017.1405754>

Wang, X., Yu, C., & Wei, Y. (2012). Social media peer communication and impacts on purchase intentions: A consumer socialization framework. *Journal of Interactive Marketing*, 26(4), 198–208.

Wardati, N. K., & Mahendrawathi, E. R. (2019). The Impact of Social Media Usage on the Sales Process in Small and Medium Enterprises (SMEs): A Systematic Literature Review and Medium Enterprises (SMEs): A Systematic Literature Review. *Procedia Computer Science*, 161, 976–983.

Wiid, J. A., Cant, M. C., & Nell, C. E. (2014). Perceptions And Uses Of Social Media Networking Systems By South African Students. *International Business & Economics Research Journal*, 13(4), 715–726.

Woods, S. (2016). *#Sponsored: The Emergence of Influencer Marketing*.
https://trace.tennessee.edu/cgi/viewcontent.cgi?article=3010&context=utk_chanho
noproj

Zietek, N. (2015, July). *The Characteristics and Components of Fashion Influencer Marketing*. <https://www.diva-portal.org/smash/get/diva2:972106/fulltext01.pdf>

Appendices

Appendix 1 - Questionnaire

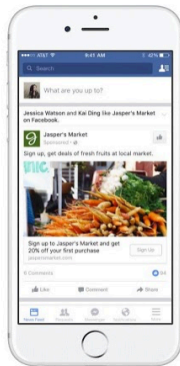
<p>Eva Johanna Vipavc Bachelor Thesis Survey</p> <p>Dear Participants,</p> <p>My name is Eva Johanna Vipavc and I am currently writing my Bachelor Thesis at MODUL University Vienna. My thesis is about the success factors in social media marketing in startups and small and medium enterprises (SMEs).</p> <p>All responses are fully anonymous, the data gathered from this survey will only be used for my research paper, and will not be shared with a third party.</p> <p>I would highly appreciate it if you would take a few minutes of your time to fill out the following questions.</p> <p>If you have any questions about the survey, feel free to contact me via email at: eva.vipavc@icloud.com</p> <p>Thank you for your participation!</p> <p>* Required</p>	<p>How many hours do you actively spend on social media per day? *</p> <p>Your answer _____</p>
<p>Please state your gender. *</p> <p><input type="radio"/> Female</p> <p><input type="radio"/> Male</p> <p><input type="radio"/> Other</p> <p><input type="radio"/> I prefer not to answer</p>	<p>Which social media platforms do you use? (Please choose all options that apply) *</p> <p><input type="checkbox"/> Instagram</p> <p><input type="checkbox"/> Facebook</p> <p><input type="checkbox"/> YouTube</p> <p><input type="checkbox"/> LinkedIn</p> <p><input type="checkbox"/> TikTok</p> <p><input type="checkbox"/> WeChat</p> <p><input type="checkbox"/> Other: _____</p>
<p>Please state your age. *</p> <p>Your answer _____</p>	<p>How likely are you to purchase from a startup that advertises a product that is about to be launched? *</p> <p><input type="radio"/> Highly Unlikely</p> <p><input type="radio"/> Unlikely</p> <p><input type="radio"/> Neutral</p> <p><input type="radio"/> Likely</p> <p><input type="radio"/> Very Likely</p>

Imagining you like online clothing shopping, how likely are you to click on the following advertisement from Instagram?



- Highly Unlikely
- Unlikely
- Neutral
- Likely
- Very Likely

Imagining you like local markets, how likely are you to click on the following advertisement from Facebook?



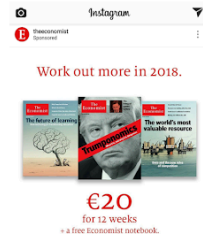
- Highly Unlikely
- Unlikely
- Neutral
- Likely
- Very Likely

Imagining you like beer, how likely are you to click on the following advertisement from YouTube?

The image shows a YouTube advertisement comparing two beers. On the left is a blue can of Bud Light with '110 CALORIES' and '6.6g CARBS' listed next to it. On the right is a white can of Miller Lite with '96 CALORIES' and '3.2g CARBS' listed next to it. Below the cans is a dark blue banner with white text that reads 'BUD LIGHT: MORE CALORIES. MORE CARBS. MILLER LITE: MORE TASTE.'

- Highly Unlikely
- Unlikely
- Neutral
- Likely
- Very Likely

Imagining you like online newspapers, how likely are you to click on the following advertisement from Instagram?



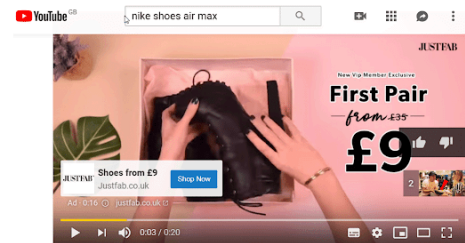
- Highly Unlikely
- Unlikely
- Neutral
- Likely
- Very Likely

Imagining you are interested in getting education credits, how likely are you to click on the following advertisement from Facebook?



- Highly Unlikely
- Unlikely
- Neutral
- Likely
- Very Likely

Imagining you like shoes, how likely are you to click on the following advertisement from YouTube?



- Highly Unlikely
- Unlikely
- Neutral
- Likely
- Very Likely

I value gathering information about a brand more than interacting with a brand on social media.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

I read through online reviews before buying a product.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

I rely on online reviews when buying a product.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

I trust online reviews when buying a product.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

I purchase products based on online reviews.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

I look at influencer's recommendations before buying a product.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

I rely on influencer's recommendation when buying a product.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

I trust influencer's recommendation when buying a product.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

I purchase products based on influencer's recommendations.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

I am more likely to buy a product if it is recommended by an influencer I follow.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

I will trust an influencers review even if they promote a product I do not know, from a startup.

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree