



The Challenges and Opportunities of Social Media for Business

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ARTICLE DETAILS

Article History

Recent years have seen a revolutionary progress in use of social media application for increasing business profits by use of Marketing on Social Media.

Keywords

Marketing, Social Media, Business Management

ABSTRACT

Social Media, in modern scenario, has provided a vital platform for business promotions, marketing, and spreading awareness. But even today, only a few people have the real knowledge about use of social media for positive moves in society and business. Mostly the top management of business, decision makers, and consultant are unaware of most of the features of the social media applications for making the business more profitable.

This white paper highlights some of the challenges and opportunities of social media in making a business more profitable.

1 Introduction

Social Media is the concept on the top of the agendas for many business executives today. Management decision makers of all levels of business, small, medium or giant, as well as consultants to business, all try to identify ways in which the business can make profitable use of social media applications such as Facebook, Twitter, Wikipedia, and YouTube.

Despite their keen interest, mostly the business decision makers have little understanding about use of these apps for the benefits of the business.

2 Quickly Understanding Social Media

Different Social Media Applications can be understood in different categories like:

- Collaborative Projects: The projects for content creation by multiple end-users where the end users not only make use of the content information but also contribute with the content on

the selective subjects. Wikies are common example of Collaborative Projects.

- Blogs: Blogs are supposed to be the earliest form of modern social media. These are special kind of websites that display the posted content with their date/time and author information, in a chronological order that may be accepting comments from its readers/visitors.
- Content Communities: Catering a wide range of media include video, music, text, images, documents, presentations, spreadsheets, source codes and more to its users without mandating for the users to create their personal profile on the community platform.
- Social Networking Sites: The sites that allow the users to create their personal profiles in the sites and share information or their interest. The users can

invite their friends, relatives and other known people to the site to join by creating their profiles and exchange information, comments, and symbols of emotions.

- Virtual Gaming Worlds: The platforms offering different games to be played among users across the world over internet.

3 Opportunities for Social Media in Business

Social media provides a platform to businesses where they can spread awareness about its products and services and can create references for more sales. Social media provides to the business a collection of people of different interests, behaviors, and needs. The applications and technologies working behind the Social Media Application provide intelligence about different categorization of users based on their regions, behaviors, interests, and needs and this intelligence can be used for any business promotions with right target of its products and services.

Businesses can use social media to display their services and products on social media in a more targeted manner. The data information from the social media apps can help business in classification of the users in their targeted and non-targeted audience for their services and products. Accordingly, they can display their products and services to the target potential customers and get better return on investment on marketing.

Businesses grow based on references and recommendations and social media is a perfect place for announcing the recommendations of a business. Businesses can show on social media the reviews and recommendations received from its past customers. This helps the potential customers to take their decision about choice of the provider of services and products.

Problem solving supports of different social media platforms can help business in understanding their market better and make

their business decisions more efficiently. Social Media Platforms can provide a way to get business experts to connect and work collectively on difficult problems. Different businesses can also collaborate among themselves to provide mutual services and expand together to cater to a larger community of consumers.

4 Challenges of Social Media in Business

This is well noticed by experts that influence of social media runs deeper than direct customer engagement. Its benefits have been well acknowledged in sales, marketing, data mining, mergers, expansions, and many more areas of business.

But, like any other golden axe, even Social Media faces many challenges in business.

Social Media offers business to promote their products and services in targeted audience. But selection of right target class of users, and creation of a class based on available parameters is a vital parameter for success of any promotional campaign run on social media. The application tools of social media offer utilities for classification of the users and selecting the target audience but neither they provide nor they influence the business decision about selection parameters target audience and any gaps in selection of potential users can significantly impact the returns on investments and success of campaigns.

Further, any business after running an awareness and promotional campaign about its products and services would be interested to measure the success of the campaign. Social media may not be directly providing true measures on return on investments or success of a campaign because social media ROI is much different from traditional online marketing.

Selection of a social media is another big challenge for business. Currently there are many popular social media platforms including FaceBook, Twitter, LinkedIn, Instagram, YouTube, Google Plus, and many

more. Not all can be considered equally well for all types of business, products, and services and the decision makers need to closely analyze the major community active on different platforms and wisely select the optimum for their business. The selection of social media platform also depends on the focus and objective of the campaign, whether it is for promoting a product and attracting consumers, or this is for calling service partners or business promoters, or other service providers.

Besides others, regulatory and regional controlling authorities related parameters are other challenges for social media in business.

5 Conclusion

Social media provides a rich platform of potential users and intelligent enabling tools for business that can be used in different business operations including sales, marketing, finance, production, data mining, mergers, expansions, and many more areas of business.

Use of Social Media in Business face multiple challenges including optimal selection of social media platform, promotional packages, tools, user category, and other parameters for optimum return on investments.

6 Acknowledgement

International Association of Research Scholars and the team of IARS' ResEarth are acknowledged for opportunity to write and publish this title. IARS' team is acknowledged for their support in carrying out the study and documenting it.

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