Social Media Marketing and its impact on product promotion in small enterprises
–The case of Blendtec
Social media marketing (SMM) is the process of attracting attention towards specific brand or product through social platforms. Typically it is a set of activities on the use of social media as channels for promoting companies and solving other business problems. The main focus in SMM is on creating content that people will distribute through social networks themselves, without the participation of the organizer. It is believed that the messages transmitted over social networks, cause more confidence in potential consumers of the service. Promotion in social networks allows SMM specialist to accurately influence the target audience, choose the sites where this audience is more represented, and the most appropriate ways of communicating with it, while least impacting those who are not interested in this advertisement. Marketing in social networks includes many methods; some of them include working with the bloggers, reputation management, personal branding and non-standard SMM-promotion. The purpose of this bachelor thesis is to determine and summarize some of the existing SMM methods, compare their effectiveness.

KEYWORDS:
SMM, SMEs, affiliates, blogging, Blendtec, marketing
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<tr>
<td>SMM</td>
<td>Social Media Marketing</td>
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<tr>
<td>SME(s)</td>
<td>Small Medium Enterprise(s)</td>
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<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
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<td>CPS</td>
<td>Cost per sale</td>
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<td>CPA</td>
<td>Cost per action</td>
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<td>CPV</td>
<td>Cost per view</td>
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<td>CPC</td>
<td>Cost per click</td>
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<td>PR</td>
<td>Public relations</td>
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<td>WOM</td>
<td>Word-of-mouth</td>
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1 INTRODUCTION

1.1 Background of the research

In the developing world of trade relations and the increase of competitive environment for companies, the clients’ attraction becomes crucially important (Scribner, 2014). After the technological progress entered into human life, the way of buying has also changed (Scribner, 2014). It has become more challenging to attract new customers to business, since the competition has risen dramatically. Companies are using various tools to attract new customers and Internet is playing a major role in the process. (Mutaz, 2008) In this thesis, the author is willing to find out, if the benefits of the Social Media Marketing can be used for small companies in order to raise product promotion and the brand visibility, which is extremely vital for small enterprises. Therefore, the questions which will be addressed in this thesis are:

RQ1 - Can Social Media Marketing help SMEs enhance product promotion?
RQ2 -If so, how SMEs can benefit from SMM?
RQ3 -What are some of the most effective SMM techniques used to benefit SME’s performance?

The benefit of Internet for humankind is undoubted, however the Internet and other medias are strongly influencing the customer’s perception of the reality, and therefore, buying behaviour. The traditional sources of getting clients such as TV-commercials have become less relevant. (Shavitt, 1998) The development of the Internet made a great contribution to the improvement of business relations. First of all, the Internet is used for better communication with clients. Secondly, due to the Internet, the possibility of advertising the goods and Social Media Marketing (SMM) practice occurred much easier and faster comparing to traditional ways or selling (Smith P., 2016). Therefore, regardless of the company’s size, the the benefits of Social Media Marketing can be used in order to achieve better results in their businesses. According to Kujawski, today 52% of population in the world are Internet users, which translate to 4.1 billion. (Kujawski, 2018) On average, Internet users spend 6 hours a day online and approximately 3 billion users around the world regularly use social media. Many people use mobile devices to access Internet. The most popular social networks are Facebook, Instagram, and YouTube. The Central-Asian markets focus on Twitter, world’s largest conversation database. There are 330 million of users and it is still
The growing popularity of social media can be a useful platform for small business to expand. As it can be seen from Figure 1, there are 4.021 billion of Internet users worldwide and the number of social media users worldwide is 3.196 billion of people in 2018 (Chaffey D., 2018). According to global statistics, the use of Internet distribution is high. Based on Figure 1, Asia takes the leading positions in Internet user distribution – 49%, followed by Europe with 17% of Internet users. 4% of users come from Oceania and Middle East.

Figure 1. Global Internet Statistics for 2018 (Kujawski 2018).
The Figure 2. show that 39% of social media penetration has noticeably increased to 5% from 2017. (Chaffey D., 2018) Share of web traffic was at 52% higher for the various mobile devices as well has been increased as well +4% for year, while desktop follows on the second place. “Only 43% of device share to all web pages, down by 3% year-on-year” (Chaffey D., 2018).

Figure 3. Digital Around the World in 2018 (Chaffey D., 2018).
The countries of North, West and South Europe and North America demonstrate the largest penetration in social media use. The penetration value ranging from 74% to 94%. According to Richardson (Year), the social media penetration grows rapidly. 1 billion people visit social media websites monthly. The marketers invest 22% of communication budget into the digital media. The expectations show this number will increase to 27% to 2017-2018 (Richardson, Choong, & Parker, 2016). Based on Smith and Anderson, opinion Facebook and YouTube dominate among social media, used both by adults and youth. Statistic shows, that Americans aged between 18 to 24 use them most frequently. Instagram and Twitter usage follows right after and Instagram is used by 71% of Americans, while Twitter is used by 45% (Smith & Anderson, 2018). The most popular social network sites worldwide as of January 2018, ranked by number of active users (in millions) are as it can be seen from Table 1:

Table 1. Number of active social media users worldwide as of January 2018

<table>
<thead>
<tr>
<th>Name of social media</th>
<th>Number of active users in millions</th>
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<tbody>
<tr>
<td>Facebook</td>
<td>2,167</td>
</tr>
<tr>
<td>YouTube</td>
<td>1,500</td>
</tr>
<tr>
<td>WhatsApp</td>
<td>1,300</td>
</tr>
<tr>
<td>Facebook Messenger</td>
<td>1,300</td>
</tr>
<tr>
<td>WeChat</td>
<td>980</td>
</tr>
<tr>
<td>QQ</td>
<td>843</td>
</tr>
<tr>
<td>Instagram</td>
<td>800</td>
</tr>
<tr>
<td>Tumblr</td>
<td>794</td>
</tr>
<tr>
<td>QQZone</td>
<td>568</td>
</tr>
<tr>
<td>Sina Weibo</td>
<td>376</td>
</tr>
<tr>
<td>Twitter</td>
<td>330</td>
</tr>
<tr>
<td>Baidu Tieba</td>
<td>300</td>
</tr>
<tr>
<td>Skype</td>
<td>300</td>
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* made by the author based on the data of (Most famous social network sites worldwide as of January 2018, ranked by number of active users (in millions)).

Social networks represent unlimited opportunities for large and small-sized enterprises and their brand to grow the business. As Smith (2016) states the social media serve as platforms for changing the businesses globally (Smith P., 2016). Social networks
contribute to both public relations and advertisement. The other important factor is that social medias are interactive, since they allow companies to have feedback from their clients (Phillips, 2015). Social networks such as Facebook, Twitter, YouTube and others are important for keeping competitive edge. According to Wicks, companies that have no active social presence risk to miss out business opportunities (Wicks, 2015). Another advantage of SMM for small businesses is the support of databases from remote locations (Wicks, 2015). Due to direct access to clients, marketers can study the demands of their target audience and thus raise the competitive capacity of their products (Wicks, 2015).

The relevance of SMM study is explained by the wide distribution of high-technology development and its usage for the commerce. Social media are used most frequently for social communication. According to Arca, 4.6 billion people worldwide spend averagely 4.6 hours during week in the social networks as we can see from Figure 4.

![Figure 4. Average hours/week spent on online activities worldwide (Arca, 2012, p. 14).](image)

However, despite the obvious benefit of social media usage, the report shows that often social media feedback is not considered valuable to over the half of small businesses (Miller S., 2018), which can be seen from Figure 5.
Despite all the above research, according to the research still there are no unified approaches to measurement SMM usage, and the role of Facebook, Twitter, YouTube, Instagram and other social networks in the commercial activity (Valova, 2015). SMM is used as a source of spreading knowledge and information between people. Consequently, SMM belongs to one of the powerful marketing tactics for the creation of new business opportunities (Jurisova, 2013). Social media help transmit messages to the target audience and, as a result, its ability to reach global audiences greatly increased the opportunities for marketers (Bartoletti, 2013).

1.2 Research questions

The thesis is focused on the importance and role of social media in the development of business. In order to assess their effect critically, the author analyse the essence of Social Media Marketing and its’ techniques in the commerce. Firstly, it is necessary to pay special attention to the ways how social media are used for communication between clients and companies. Secondly, the author shall draw attention to using
social media as a marketing channel. Finally, author addresses how SMM could be used to improve SMEs' performance.

The research of the company Blendtec and explore answers to the following questions:

RQ1 - Can Social Media Marketing help SMEs enhance product promotion?
RQ2 - If so, how SMEs can benefit from SMM?
RQ3 - What are some of the most effective SMM techniques used to benefit SME's performance?

1.3 Thesis Structure

The paper consists of several chapters. In the “Introduction” the author gives the information about the development of Internet technologies in business. The paper is topical because SMM today is a tool of Internet marketing. In Chapter 2 the background information about SMM is provided; description of the background of the Social Media Marketing term. The traditional product promotion explanation would be provided in a following section. Finally, the implementation of traditional product promotion in SMM will be described.

In Chapter 3 the methods of investigation used in this paper are introduced. The methods include qualitative and quantitative analysis, content analysis and other methods. Chapter 4 contains the discussion of the results received during the investigation of SMM in global business. This chapter includes the general overlook of the usage of social media for marketing. In Chapter 5 the conclusions are stated.
2 LITERATURE REVIEW

2.1 The definition of Social Media Marketing

The concept of Social Media Marketing in the business environment is interpreted as the use of social media resources to raise the presence of business in the Internet. The meaning of the term “Social Media Marketing” derives from the meaning of two words “social” and “media”. “Social” usually means “in interaction of individuals within a group or community” (Neti, 2011, p. 2). “Media” generally “refers to advertising and the communication of ideas or information through publications/channels” (Neti, 2011, p. 2). Combined together, “social media” simply “refers to communication/publication platforms which are generated and sustained by the interpersonal interaction of individuals through the specific medium or tool” (Neti, 2011, p. 2). SMM is used as a tool for the promotion of products and services (Social Media Marketing) and is known as a trend in Web 2.0. The feature of this Web 2.0 is collaboration of users’ interaction through open Internet resources (Social Media Marketing). In the words of Cvijikj and Michahelles, social media marketing is often called as “viral marketing, buzz, and guerrilla marketing” (Cvijikj & Michahelles, 2011, p. 175). Such name is explained by its techniques implied to influence consumer-to-consumer communications.

Undoubtedly, one of the reasons behind the rising relevance of Social Web and, therefore, the Social Web (or Social Media) Marketing, is customer’s protest towards false advertisement, lack of companies’ responsibility and, most importantly, lack of respect for the individual. (Evans, 2008) In the early days of advertisements it used to be scarily common to advertise food or pharmalogical products without establishing solid health research on it. For example, in the beginning of the 20th century, the popular alternative for birth control pills, which has not been present so widely in the market (Pasulka, 2012) was Lysol – an antiseptic soap, which contained phenol and cresol – components believed to lead to inflammation, burning and even be lethal. (Pasulka, 2012).

Later, obviously, this and much more dangerous products were discontinued due to health safety (Pasulka, 2012), however this example shows how clueless customers are towards new introduced products. According to Andreasen, social marketing has existed from at least the 1960s, but was popularised in 1990s. (Andreasen, 2006) Kotler together with Žaltman came to the conclusion that existing marketing rules that
are used to sell products to consumers can also be used not only for selling, but also to promote ideas, attitudes and behaviours (Marketing społeczny. Teoria, 2015) (Dibb & Carrigan, 2013). For instance, infamous «Pepsi Generation» - a marketing campaign created by Pepsi Co. in 1963, targeted to speculate on the youth of the consumers, by reinforcing the idea that Pepsi as a product is an inseparable part of the «cool» consumer's life. (Frank, 1998) According to Kehe, social media started in 1978 when the first Bulletin Board Systems exchanged data over phone lines with other users. (Kehe, 2018) Since the launch of the Internet, it has become common for customers to share their experience about products and services, using blogs, forums and other messages platforms. Gradually, this practice became popular and distributed over brands and companies since online feedback has raised its influence on customer buying decisions. In a sense, “it was more valuable than any marketing message could manage” (Arca, 2012, p. 12).

In the opinion of Valova, SMM is a marketing tool include various social networks and is used to establish the communication and achieve marketing goals (Valova, 2015, p. 6). Thus, SMM can be viewed as a tool for attracting clients to a website. Valova states, that “SMM is not only a channel of advertisement” (Valova, 2015, p. 6). SMM serves as the tool for the establishment of structural relations. They cover interaction between companies with clients and vice versa, and clients with products and brands. Quick feedback from the clients is valuable for companies, since they can react instantly and change their marketing strategies accordingly. Therefore, advertising via social media can be a win-win situation both for a company and the customer, since the effective use of advertisement can increase sales and improve company's brand image. At the same time, company's response to customer's feedback can majorly improve the product or service for the customer and cause better experience and sort of life improvement for customer. (Prochenko, 2003)

In the opinion of Prochenko, the change of attitudes is the main goal of effective social media marketing. The best way to reach this goal is integration of all operations and tools to achieve the understanding with a client. Undoubtedly, there are various organizations and companies – PR agencies, celebrities, politicians, which activity is majorly directed to influence public opinion towards certain product, service, etc. (Prochenko, 2003). Celebrities and social influencers have been used to advertise products for a long time, even before the Internet itself was created. (Lowbrow, 2015)
Nowadays also, successful businesses take all the opportunities to use SMM for attracting customers. Using social media helps customers feel more freely, or non-official, in communication with the company. (Siddiqui & Singh, 2016, p. 72). The essence of social media is to be able exchange opinions freely and it is an important base for marketers to build product advertisement on. (Evans, 2008) In addition, in the opinion of C. M. Van der Bank, the effectiveness of SMM is explained by its high-competitive opportunities. Businesses today face strong competition in the global market. Companies must be flexible and should quickly adapt themselves to the changing world – states C.M. Van der Bank. Using social media is crucially important for them now, because it is a platform when adults and youth spend much time to share experience about companies and purchases (Bank, 2015).

Summarizing the above-said, Social Media Marketing refers to the social visibility in commercial campaigns. SMM impacts the reputation of a company and helps to establish long-term relations between a company and a client. Successful companies nowadays tend to rely on the promotional potential of SMM, believing that it is a powerful platform for making customer to accept or abandon certain views and ideas (Janouch, 2010, p. 380).

2.2 Traditional product promotion implementation via SMM

Traditional product promotion refers to techniques, which were created in the early days of advertisement and have proven their credibility through time. (Higuera) Traditional product promotion is meant to impact both SMEs and large enterprises due to its universality. There are numerous traditional product promotion techniques that can be successfully implemented in todays’ businesses (Geraghty, 2016). For example, the Internet has made numerous channels available, with help of which the desirable message can be distributed to customers: podcasts, video sharing hostings, photo and news sharing agencies, social networking sites and etc. (Social Media Marketing).

Word of mouth (WOM) marketing. Word of mouth is an unpaid method of advertisement, in which customers or clients attract more customers by spreading the positive information about product or service (Entrepreneur, 2018). Word of mouth as a
form of advertisement was officially identified in 1970s (Doane Information Service, 2005) and is still one of the successful ways to promote the product. Even though not literally, WOM method has been working quite well with help of Social Media Marketing. People are not only trusting the reviews (Bloem, 2017), which nowadays can be made easily on many platforms: via Youtube, Amazon reviews and etc., but also there has been recently created numerous websites intended only to write reviews on the products. It has become extremely crucial for companies to respond carefully and track any negative review, since the ratings can be the major decision in products’ success or failure. (Blanding, 2011)

Recently appeared interesting word-of-mouth method, is successfully used by Instagram, and has earned the noticeable revenue for companies, which had used it. The so-called «Tide Pod challenge» - bloggers and influencers in Twitter, Youtube has been «challenging» their subscribers and fellow bloggers to eat Tide laundry detergent capsules, and put the photos or videos of the process online. (Molloy, 2018) It has started in late December 2017, and has become a popular social culture reference. (Molloy, 2018) Perhaps started as ironically, it has led to huge media coverage and large amount of discussions on the Internet. In the end of January 2018, Tide Pods were being mentioned every six seconds (Hirsch, 2018) At the same time, research on the popularity of Tide brand was done by T. Marzilli at the end of January of 2018, and it mentiones, that «13% of adults of 18 and over have talked about the detergent with family and friends over the past two weeks». (Marzilli, 2018)

Figure 6. The increasing number of mentioning the Tide brand in daily conversations.
Figure 7 shows, that starting from January 2017, the amount of respondents, which have mentioned Tide brand in their normal day conversations have increased dramatically and as a result it has led to increased both brand awareness and sales. Marzilli states, that the explanation of this phenomenon could be considered «reverse psychology»: consumers, which are not familiar with a product have a desire to buy it. (Marzilli, 2018) T. Garcia states, that P&G, the group Tide belongs to, will expect increasing in earning and the revenue. (Garcia, 2018). Although the «Tide Pod Challenge» campaign received rather bad publicity, it has dramatically increased the brand awareness and brand recognition and presumably the boost in sales.

Branding is the process of creating a unique set of features that can include logo, tagline, corporate colors, etc. in order to make the brand recognizable for customers and partners. (Business Dictionary ). The vitality of branding could not be overestimated since the benefits that could be achieved by company with a strong branding include correct message to customers will be delivered, emotional bond between customer and company will be created, and the company’s credibility will be confirmed. (Buttle, 2008) Back 10-20 years ago, branding include name, slogan, sign, symbol or design, however nowadays it is strongly implemented with help of SMM. (ArcaneMarketing) More companies are using various methods to create a strong brand image online, especially companies that target younger audience. Furthermore, companies can nowadays also create downloadable content, which will promote the product among the customers without company directly intervening. The example of building brand image via SMM could be American makeup company “Too Faced”. On 18/03/2016 a new makeup palette of a limited quality was released, which not only appealed to the loyal customers of the brand, but also attracted new ones. (SocialBlade States) On the chart below, it can be seen, how the amount of Instagram followers has been raised dramatically after the launch.
However, due to creating irresistible offer by making a product of limited amount, the product was quickly sold out, therefore, the company continued to keep the customers’ interest towards the product to be able to make another launch for later.

The company has continued to stimulate customers’ interest by introducing free downloadable content – emojis for Apple Messenger. Emojis were designed using product’s signature colors, peach shape that resembles palette itself and wordplay appealing to popular culture. By doing that, Too Faced have been creating an image of a brand, that goes with a fashion and popular culture flow just like the customers. According to (Kelly, 2017), conversational commerce brings trust. Therefore, successful branding implementation via social media could be beneficial for sales.

*Affiliate* program is a form of business cooperation between the seller and their partners, when selling a product or providing services. Using affiliate programs, allows seller to reduce the cost of attracting the final buyer. (Lediard, 2017) Affiliate marketing
has been described as a ‘hidden powerhouse of online marketing’ that has fast become a billion-pound industry (Whitby, 2015).

With growing popularity of Youtube, the biggest video-sharing website (Dickey, 2013) the term of affiliate program is associated with a content maker, such as Youtube blogger, sharing a contract with specific company and getting paid by CPC, CPV, CPA and etc.

Launched in 2005 as a video-sharing website, YouTube has become an emblem of participatory culture (Shifman, 2013). With growing popularity of Youtube, there started to appear continuous content makers, creating and uploading videos every certain period of time, which later will be identified as «video bloggers». With Internet taking over traditional sources of information such TV and newspapers, people nowadays are tended to trust Internet representatives such as bloggers (BaZaar, 2017). Over time, youtube bloggers, who reached giant audiences and become influencers of public opinion started to partner directly with various companies or Youtube itself. Blogger as an affiliate for Youtube or other big company is a perfectly targeted and engaging marketing tool, which will get loyal customers to company (Ivanova, 2017). Moreover, video bloggers becoming affiliates has been described as an vital trend in affiliate marketing because it means they are able to link their recommendations to the places where goods can be purchased (Nichols, 2014). This makes it easier for the customer to get straight to the product they may want to buy rather than typing in the URL and searching through an online store. Also, bloggers are able to provide consumers with more detail into what products brands are selling which can help raise brand awareness, particularly if a brand isn’t very well known (Lu, 2014).
Figure 9. Blogger James Charles promotes his affiliate companies through his Twitter account with 900 thousand subscribers (Charles, 2016).

Based on the above mentioned information, bloggers’ working as companies’ affiliates will not only provide customers with advertisement of certain product, but, furthermore, can help company to achieve such marketing objectives as gaining competitive advantage, keeping good relationships with the public, creating lasting relationships with existing customers and deliver information to the public.

Affiliates can be useful tool for growing businesses, since together the branding, it can help to create a positive image of the company and target on more specific audience, and, threfore, reach it. Steve Rubel uses the term «micro persuasion», which can be an explanation of process where the company influence a blogger and therefore, blogger influence the customers. (Rubel, 2007)

To conclude the chapter, there are various methods of promotion methods, which can be successfully used by small businesses, due to continious social media growth and relevance. Social networks are one of the most dynamically platforms for doing business and investing of financial resources and mentioned examples of efficient product promotion implementation could be used in any kind of business.
3 METHODOLOGY OF RESEARCH

The author will use the following data collection methods in order to obtain the practical part of thesis. The research methods are implemented to discover and interpret the results, which is done through investigation. The deductive and inductive methods are mandatory for developing theory and hypothesis of the research strategy. Deductive method in based on the general rule of explanation of a particular case, whereas inductive method lies is the development of theory in the final result of data analysis. The other crucial for the research methods are data collection and their analysis (Fridolf & Arnautovic, 2011)

The aim of this research is to determine the benefit of using SMM methods and techniques, and, moreover, explain the SMM’s importance for small companies. As it was mentioned in the introduction, this research of the company Blendtec shall try to give an answer to the following questions:

RQ1 - Can Social Media Marketing help SMEs enhance product promotion?
RQ2 - If so, how SMEs can benefit from SMM?
RQ3 - What are some of the most effective SMM techniques used to benefit SME’s performance?

Case company Blendtec was taken as an analysis due to company’s size, accessible data and successful implementation of SMM techniques, and, as a result, increased revenue. In order to obtain the information from the company, and, therefore, to answer the research questions, the author is intending to use several main methods of investigation. One of them is qualitative analysis, that is why author shall analyse the information taken from the different social media resources, such as Facebook, Twitter, YouTube, Instagram and etc. It is important to present the way marketers realize their activity through social media and how they raise the brands’ awareness as well as brand loyalty (Bartoletti, 2013). Based on the information, taken from social media sources, reports and changes in traffic to Blendtec’s official website, the author shall identify the real outcome of using SMM. The main sources of data used in this paper are Internet articles, online social resources and blogs, academic articles and materials, dedicated to studying the subject of Social Media Marketing (Arca, 2012). In order to answer the questions of
research, the author is going to apply a methodological approach that will focus on understanding of the advantages of SMM for success of small business. The methodological approach will include further explanation concerning the research outcomes.

The qualitative method is suitable for interpretation of the SMM benefits for businesses. The quantitative method is focused on analysis of the facts and figures concerning the SMM channels and success of the company (Arca, 2012). The quantitative data include numbers whereas qualitative data usually contain information and images. The qualitative research is efficient for providing explanation to particular context of the paper. Qualitative data include the specific description of the views of various individuals about events and situation, and, therefore, their attitudes and opinions about them (Fridolf & Arnautovic, 2011). For this thesis, the qualitative data will be used as one of the main sources of information since it is more suitable for description and examination.

The descriptive and explanatory methods will help to clarify the problem, since description gives a clear picture of the problem, but reliable and valid data are required. The descriptive method supposes answering “how” (RQ2) and “what” (RQ3) questions. Therefore, explanation should be grounded on the analysis of the data collected (Fridolf & Arnautovic, 2011). The author shall use various books, reports, company’s one statistics, moreover, company’s statistics taken from different social medias. Furthermore, a case study of company Blendtec is used for this research. Case study is used in order to bring the understanding of a complicated issue, extend the knowledge of the previously done research. Using the case study as a research method can help to examine the real-life situations as examples, which can be useful to identify, i.e. working SMM methods, which have brought success to small company. (Soy, 1997) Robert K. Yin identifies case study research method as investigation of real-life phenomenon, in which various evidence sources can be used. (Yin, 2009)

Limitations of the a paper include the low academic resources, since the articles, researches, statistic and company’s own data will be used rather than academic books. That is why the information taken from above-mentioned can not be claimed to be fully reliable. Choosing the above-mentioned resources instead of academic sources can result in validity of information, and therefore, the conclusions of this paper. Moreover, the conclusions could be affected by the authors of the information taken from the open sources. Furthermore, this research does not contain a direct interview
or questionnaire of company’s representatives, the information provided to the research is taken from the open sources. Therefore, the validity of this work is rather subjective, since it lacks the original information from the company itself. Therefore, the author’s opinion and conclusions can be different to ones the company has identified.

However, using the case study as an information source can be easier for reader to understand and implement, if needed due to using the direct examples and detailed explanations. The focus of this paper is the research is Blendtec Company that after using SMM strategy “Will It Blend?” became successful (Thompson, 2011). This particular marketing campaign has resulted in a visible profit for a company, improved the brand image and attracted new customers. To summarize, this thesis shall use the following research methods:

- Sales information from companies’ websites.
- Qualitive data from the open sources
- Case study of the company
- Information from various social medias
4 DATA ANALYSIS AND DISCUSSIONS

Social medias could be extremely beneficial for a company in many aspects. First, they allow a company to operate in the conditions of virtual market, quickly expanding the circle of potential customers. Second, the profitable features of gives the possibility to obtain additional profits such as competitive strengths and achievement of long-term marketing aims. Finally, according to the statistics, the number of social media users in 2020 will reach 2.95 billion globally, therefore, the businesses shall focus more on developing their online sales rather than offline. (Pasternak, 2018).

The case study company Blendtec, is a relatively small company, which begun its history by producing grain mills in the 1980s and nowadays is focused entirely on blenders production for commercial and personal use. Their story of media success is an excellent example how the idea connected with branding was successfully implemented into a way of promotion. CEO of the company Tom Dickson had a hobby of trying to blend items like wood, marble and golf balls in order to test the capabilities of the blenders that he invented. (Thompson, 2011) Blendtec did not have a strong social media presence, since the company mostly employed engineers, until when the company's first marketing director observed CEO engineering testing techniques and came up with an idea for a marketing campaign (Thompson, 2011). The marketing campaign has not only improved company's brand image, increased profits, but also improved brand recognition. Furthermore, the SMM strategy did not cost a lot to the company. H. Thompson characterizes their strategy in social media as follows: “They simply set up a nice backdrop, bought a product, and destroyed it with a blender” (Thompson, 2011). The simple and cost-effective campaign gathered people with similar ideas and caused interest to the Blendtec products. Obviously, the people were curious what will happen to a thing, like iPhone for example, in a blender. This fun yet simple marketing idea has sparked the interest to a company, which produces home appliances, which are rather hard to promote towards customers. (Thompson, 2011).

In a creative brainstorm, the company came up with a concept called “Will It Blend?” which was made into a video series, which spreaded across the Youtube and then across the Internet extremely fast. In the videos, the CEO of the company puts different things to blend, such “iPad, an iPhone, a skeleton, glow sticks, super glue and other items that are not the usual recipients of blenders” (Thompson, 2011). During the video, Tom Dickson adds various comments such as “don't breathe this” and other funny remarks, keeping his role of «mad scientist» and video turns into an comedy
show. «After the items are completely crashed and smashed, the experiment concludes with a “yes, it blends!” caption” (Thompson, 2011). On figure 11, the screenshot of one of the «Will it Blend?» videos can be seen (Miller M., 2011, p. 58):

![Will It Blend? Video Screenshot](image)

**Figure 10.** An entertaining “Will It Blend?” video from Blendtec (Blendtec).

Aside from the YouTube videos, Blendtec also uses blog, which offers additional content for the clients. It contains, for instance, various recipes for dishes, which could be prepared using Blendtec blender. Using the interactive platform helps company attracting users with entertaining content, which is not normally expected from the product such a blender. Furthermore, Blendtec also connects with the clients via Pinterest, where the company shares pictures of product, recipes and dishes, which can be made using Blendtec blenders. Blendtec is also active on Facebook, where Blendtec’s community interacts with clients via directly. Twitter is another social media used by Blendtec, where the clients can see the new videos, best recipes of week and other useful and entertaining content (Thompson, 2011).

Analyzing the marketing campaign the above-mentioned campaign “Will It Blend?”, which made Blendtec so popular on YouTube, will help to determine the methods, which can be used successfully for product promotion in other SMEs. Blendtec started to receive more attention from customers, after starting posting videos on YouTube. Since 2006, 140 videos were posted, and were viewed by 256 million of people.
Figure 12 demonstrates that Blendtec's total visit of "Blendtec" has reached 365.87k (Fig. 12).

Figure 11. Blendtec's traffic overview for the period of October 2017 to March 2018 (Blendtec).

As it can be seen on Figure 13., traffic overview was different in various countries. Blendtec video watchers were from the USA, Canada, United Kingdom, Norway as follows.

![Traffic to Blendtec media by countries](image)

Figure 12. Traffic overview to Blendtec by countries for the period of October 2017 to March 2018 (March 2018 Overview).

The data suggests, that total traffic sources has been going up to 4.56%. The raising
traffic implies, that Blendtec was searched more in various social medias such as Facebook and Twitter, Pinterest.

![Traffic to Blendtec from Social Media](image)

Figure 13. Traffic overview to Blendtec from social media for the period of October 2017 to March 2018 (March 2018 Overview).

As it can be seen from Figure 14, the results demonstrate that YouTube was the most visited resource, when users searched information about Blendtec – 46.03%. The videos posted by the company on YouTube could be considered as effective marketing strategy, since fun content of video made users to be interested in looking what happens to the things put in blender and therefore, to get interested on other content on company’s other accounts on social medias. Another powerful platform for Blendtec business was Facebook (18.30%) and Pinterest (17.66%) users.
As can be seen from Figure 15, after the social media campaign the visibility of Blendtec on the Internet increased. Data from Figure 15 demonstrates that after video campaign, Blendtec visibility changed positively. From July 2014 to January 2018 the increase was from 650,000 subscribers to over 900,000. Its means that Blendtec received more than 200,000 users, i.e. potential clients (Dilworth, 2007). The increase of subscribes number could mean that these people expect for long-term cooperation, since subscription is oriented on constant receive of news. The statistics above shows that the number of videos views has increased for the period of July 2014 to April 2018 from 246,000 to 290,000. The number of videos offered by Blendtec on YouTube also increased from 140 to 190 (Figure 16):
To summarize the above-mentioned data, Youtube is one of the main sources of Blendtec's traffic. The amount of videos has been increasing, so did the amount of subscribers. In the opinion of N. Minkovsky, the videos were powerful engine for raising the Blendtec initial brand awareness (Minkovsky, 2015). Since Youtube is a powerful platform for advertising, Blendtec has been successfully using this platform and it resulted in increasing amount of viewers, who can be possible customers. Grant Crowell has analysed the case of Blendtec, if the company has an unique and entertaining content, the viewers will advertise it further themselves. (Crowell, 2008). Therefore, Blendtec Youtube videos has been creating WOM, and, therefore raising the awareness towards the brand. Videos has become viral, the amount of subscribers has risen, therefore, more Youtube viewers has become familiar with brand.

At the same time, videos deliver the direct message towards the product’s power and reliability, showing how well the blenders can destroy various objects. While being entertained, the customers has also been receiving the marketing message, which could result in purchasing the product after watching the videos. Blendtec successfully implements branding, by showing the capabilities of product in the videos and having company’s CEO as host. By watching the videos, potential customers are getting more acquainted with brand, which can lead not only to purchase, but to brand loyalty as well.

Blendtec videos viral phenomenon has been used efficiently by the company and has given them an opportunity to attract new customers, get customers to know the brand
and use a free platform productively to advertise themselves. Through Youtube, Blendtec implemented WOM and Branding SMM methods successfully.

Since the products offered by Blendtec cost from 400$ to 600$ in average, it has been important to identify the target audience. By making Youtube videos, company have been trying to reach the clients, to which it is important to have quality kitchen appliances. Via Youtube videos and other social medias, Blendtec have been communicating directly with customers in «easy» and understandable way, which have helped to build strong connection with the existing and potential clients, retailers and other small-sized business owners (Minkovsky, 2015). Famous tattoo artist, Billy DeCola, who is now Blendtec’s brand ambassadors told Blendtec via social media, that he often does smoothies for his young daughter. This resulted in collaboration between DeCola and Blendtec’s designers, designing a blender that features an original cherry blossom watercolour as it can be seen from Figure 16.

![Design of Blendtec's blender created by designers and tattoo artist DeCola](image)

Figure 16. Design of Blendtec’s blender created by designers and tattoo artist DeCola (Thompson, 2011)

This tattoo design inspired many artists for interaction with the company. For example, after this another design was created – a graffiti blend for the Dew Tour sports event (Minkovsky, 2015).

The social media content strategies of Blendtec are based on three different categories – fuel, nurture, and create. Content in Fuel category is focused on the counterparting to
athletes’ and healthy food addicts’ lifestyle. By sponsoring different sport events, the company demonstrates how its products help both professionals and amateurs to achieve set goals, since content for Fuel category is created by experts on diets and healthy nutrition. Nurture category content has parents as a target audience. It is focused on preparing the healthy home meals for adults and children. The content including tips and recipes for Nurture category comes from food bloggers and nutritionists. Blendtec’s Create category is made by chefs, small-sized business owners and artists. Because Blendtec prefers work with the chefs directly, chefs can share experience on how to cook better food directly with customers (Minkovsky, 2015).

Moreover, Blendtec offers an free affiliate program to retailers and small-business owners via Avantlink. (Blendtec) Retailers can place Blendtec products on their websites, blogs, web stores and earn commission from Blendtec for every CPC. By having such a program, Blendtec expands their network of retailers easier and bring more recognition to the brand eventually.

Blendtec is currently working with various affiliates such as artists, food specialists, food bloggers, chefs and other retailers via SMM. Specialists post various content with mentioning Blendtec, which can attract more customers to social medias used by Blendtec. While reading articles and recipes, customers can get initially interested in purchasing a product, or discover the product via affiliates. Moreover, the customers who have already purchased the product might look for the product information and came across with affiliates’ articles and potentially bond more with the company. Therefore, affiliating with different kind of specialists brings trust to customers.

To summarize the chapter, at the moment Blendtec's YouTube page has 440,000 subscribers and 190 million video views. In addition to this channel, they have 85,000 subscribers on Facebook and 7,000 on Twitter. Having set out to measure the economic result of their activity in social media, Blendtec decided to use Google Analytics and promotional codes. Nate Hurst, a marketing analyst at Blendtec, states: “If a person regularly uses his blender, he may want to change it to a newer model or recommend to friends. But his first step before buying will be the transition from YouTube, Facebook or Twitter to the manufacturer's website”. The result is an Internet phenomenon. Blendtec's videos, each produced on a budget of less than $100, quickly turned viral and spread across the Internet. Blendtec's example shows how a small
company can benefit from a creative idea, executed in an entertaining fashion. «There is nothing particularly informative or educational about the “Will It Blend?” spots, but they are fun to watch. And as YouTube continues to prove, videos that are fun to watch get watched a lot» (Miller M., 2011, p. 58) By using WOM via Youtube method, the company successfully brought the initial interest to the clients. By adding more videos, company has kept the interest, which has resulted in increasing amount of viewers. Blendtec enhances Branding in the videos, while still being entertaining for the viewers. Blendtec has built the community, expanding from Will It Blends series, by creating another content on different social medias, in which viewers can interacts with the company and get more information. Affiliates are creating and supporting such content via articles and recipes, promoting the blenders and demonstrating many ways the product can be used. Affiliative retailers can partner with brand and attract even more customers.
5 CONCLUSION

The aim of this research was to determine the benefit of using SMM methods and techniques, and, moreover, explain the SMM's importance for small companies. This research of the company Blendtec tried to give an answer to the following questions:

RQ1 - Can Social Media Marketing help SMEs enhance product promotion?
RQ2 –If so, how SMEs can benefit from SMM?
RQ3 -What are some of the most effective SMM techniques used to benefit SME’s performance?

The role of social marketing in the management system can be defined as follows:
First, social marketing is currently serving as a fundamental modern concept of managing social processes and changes in a modern market and democratic society. Secondly, social marketing formulates the goals, technologies, marketing mechanisms in relation to various spheres of public life (education, health care, culture, sports, ecology, science, art, etc.), forming concrete and real mechanisms for their functioning, regulation, managing them.

The virtue of SMM marketing comparing to traditional marketing is anti-advertising, an understanding that the target audience wants to see not a promoter or a merchandise, it needs a thematic communication, an expert opinion. Thus, creation of content and product promotions can easily be made by the company itself or they can turn to independent bloggers, online-consultants and analysts.

Social media are universal, they can promote the brand, make it recognizable, and can be used independently as a sales channel: by attracting traffic to the web-site, or even with a full cycle of purchase without leaving the social network.

SME can benefit from promoting products via social media marketing because:
1. To an average consumer the information is of higher credibility when does not look like average habitual advertising;
2. Small enterprises in promoting their products obtain an opportunity to appeal to the target audience from different countries and regions, increasing coverage without reducing conversion;
3. Small enterprises in promoting their products can even segment the target audience, if necessary, according to various criteria, which gives a higher quality of information.
4. The cost of an advertising campaign is much lower than, for example, TV commercials with the same or greater coverage of the target audience which is crucial for SMEs;

5. Various platforms can be used at the same time in order to achieve the target audience;

6. The results can be easily observed in number of views, subscribers, comments, etc. Therefore, the evaluation regarding the success of certain promotion can be collected more easily.

There various effective SMM techniques, which can benefit SMEs performance. The example of company Blendtec has shown, that WOM, Branding and Affiliates are cost-efficient and effective techniques which can be implemented in order to attract new customers, increase the brand loyalty, expand the retailer network and raise marketing awareness.

Due to the fact, that this thesis does not include the information, taken from the company directly, the fully objective data have not been received. For the future research, the author would suggest to receive the statistics from the company itself. Only the few SMM techniques has been researched, therefore discovering more efficient techniques is suggested as well.
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