

To What Extent Can Online Platforms of Marketing and Analytical Programs Improve a Small Business's Revenue and Attracting Clientele

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Abstract

In America's current climate, extensive corporations and powerful online retailers are dominating not just the majority of the retail market, but the economy as a whole. The relatively new platform of online retail has added an entirely new aspect of convenience and ease by way of finding a specific product for a customer with direct marketing methods that are incomparable to smaller business with a actual physical presence. As a result, small businesses in the United States must take measures to increase their sales and emphasize their significance and relevance to communities around the nation. One of the ways they can do this is through improved methods of marketing as well as managing their company in a more efficient manner through data analytics programs. Such programs are able to assess the various components that factor into running a business; this can include assessing the most popular products or the times in which customers are more likely to visit the business.

This research surveyed small businesses within the Ventura County area of California in order to determine the success of given marketing methods, with a focus on online platforms and to assess the possible benefits of implementing data analytics programs in a small business. Through surveys and analyses, it is apparent that small businesses have the potential to benefit from utilizing both social media platforms, such as Facebook, as well as data analytics programs, specifically, Tableau. With this in mind, this study has the ability of aiding in the struggle of survival that small businesses across the nation are experiencing.

Terms and Variables

A primary term used throughout this study is the effectiveness of a given marketing tactic that is utilized by the store and the individual owner. Small business owners are aware that the strongest businesses are those which remain agile, relevant and adaptable to the changing needs of the marketplace. In recognition of this, the variables of marketing which will be more closely examined will be the effectiveness of online marketing tactics though programs such as social media accounts and the corresponding benefits in incorporating such into a company's marketing platform.

One of the variables addressed in this research is the use of analytical data programs in a small business. Thought to be an extremely significant aspect adjunct to marketing, it has the potential to have a significant impact on the dynamics of a workplace and its overall strategic approach to everyday protocol. When the project refers to analytics, it is referring to the processing of a variety of data which could be used to analyze times when the majority of shoppers come to a given brick and mortar store as well as which products are the most popular and at what times when they are most likely to be purchased. Though these sound like rather advanced methods of analysis for a small business, there are currently a variety of programs available, at a range of costs, which can aid in this analysis. Regardless, this aspect of the project is not expected to have a great amount of users actually taking advantage of any analytical programs; rather it will simply be used to assess how many businesses actually use any of the possible programs or software available and whether or not they find it to be of use or would possibly recommend them to other businesses.

When the term effectiveness is used to describe a specific tactic or variable, it was chosen to describe the overall picture through the effort and time it takes to implement. This includes both the initial time it takes to complete the learning curve and then also the subsequent implementation in order to further benefit the business. The cost is also considered. While there are some free programs available, such as Facebook Business and Instagram, there are also more costly platforms, such as Grubhub, which collect a tenth to a fifth of the net profit of each sale as a return for allowing the business to use their server.

Methodology

The first step taken to conduct research was identifying participants for the survey. This was created for the project through Google Forms. This proved to be a difficult task since one would expect that a business owner may not be anxious to expose their marketing tactics. In order to address this and source the necessary information, the assurance of complete confidentiality was given in the only the description of store is given or the category their business would fall under. Additionally, a specific location or name was not disclosed. The category of businesses chosen were as follows: retail/wholesale, specialty entertainment, hospitality (including food and beverage), niche services and small scale repairs/construction. In order for the participant to qualify to take this survey, their business would also have to be operating from an actual brick and mortar location having set hours that a customer could go to in order to inquire about possible services or products.

In an effort to recruit small business owners to participate in the survey, contact was made with the Thousand Oaks Change of Commerce directory, which listed businesses based on category. Following this, it was necessary to assess whether or not the member was in fact a small business and if they had a method of contact through email or phone. Though it was preferred to use an email as the form of contact since it allowed more time to send more emails with an average time of sending one email to roughly be a minute, while calling a business often varied from anywhere between thirty seconds, with no response, or getting to speak to an employee and being given a time to call back. With this in mind, it was much more efficient to send emails instead of calling in that a link to the survey could easily and quickly be sent.

In addition, to lure more possible participants to take part in the survey, potential participants were notified that all data that I received through the project would be accessible to them if they wished, thereby offering great benefit to the business owners so that they could learn other types of marketing efforts were being utilized in the community and use this information to they to increase revenue and improve their bottom line. With this in mind, these were the precautions taken when addressing the human subjects which were involved in this study.

Regarding the number of subjects which took part in the study, it was realistically estimated that roughly 30 participants would actually take part. Although over 150 businesses were contacted in the process, not all were willing to complete the survey.

The survey was created from modern literature reviews and projects that examined the marketing aspects of small businesses in the United States. Further, the survey was also constructed with the help of a peer mentor who is a retired small business owner, who now offers consulting and marketing advice through an SBA funded program called Score. Through phone calls and video chats, he was able to provide crucial insight on how a small business owner might be more willing to answer questions in the survey as well as other possible aspects to look at while conducting research.

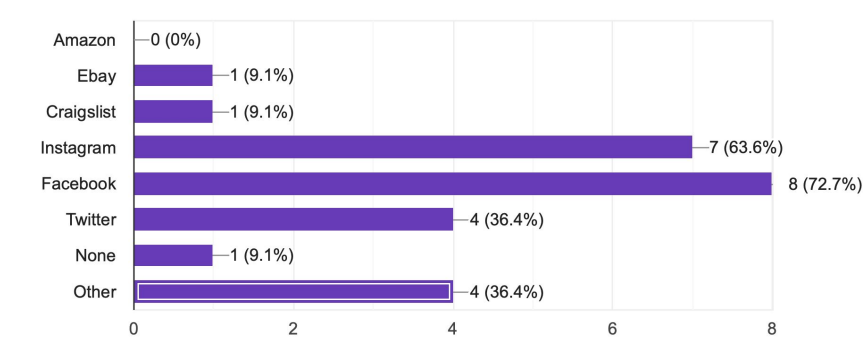
The majority of data collection from interviews took place through emails and phone calls. Due to the strict policies and protocol outlined by the Conejo Valley Unified School District for in person communication with people outside of the school system, the information for the survey was sourced solely through online platforms. The expected timeline for this phase of my research was difficult to estimate due to the unpredictable amount of people who would commit to the survey. Although a estimate of time for this portion of the research was around three to four weeks, considering the identification of the many small businesses, contacting the small business owners, and waiting for their replies.

Results

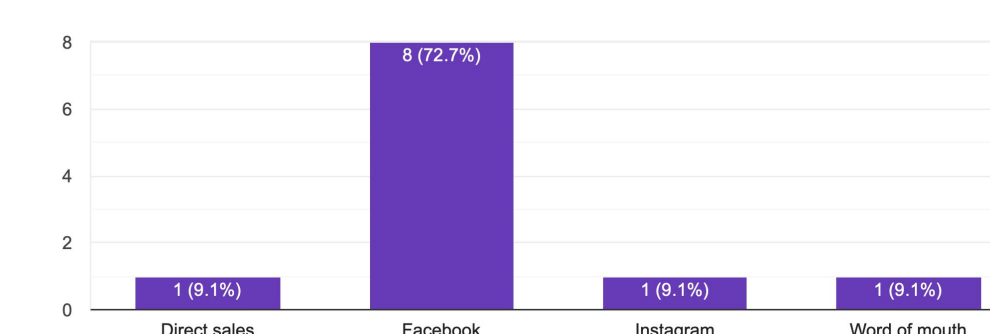
Participants were asked choose from various online platforms that they use to market their business. In doing such, they were allowed to choose more than one option. Only 9.1% of participants claimed to use Ebay and Craigslist; both of these websites are used to sell products. The most commonly used platforms were both Instagram and Facebook, with 63.6% of participants claiming to use Instagram and 72.7% of the participants also using Facebook. This is likely to due to opportunities and sophisticated platforms offered by both social media networking sites that offer businesses a specifically modeled page for their business in exchange for premiums to market their business on the social media site.

Afterwards, the participants were asked to choose which of the previous online platforms were the most effective. This resulted in the overwhelming majority of participants claim that Facebook was the most effective in regards to marketing both for increasing sales and attracting clientele. This is rather critical information for small businesses to consider since it displays which online platform would be most beneficial to learn more about and utilize to expand their business. Conclusions can be drawn in regards to why Facebook is most effective for small business marketing. It is apparent by their website design that more components for business profiles are available in comparison to other social media websites, which include Instagram and Twitter. If a business were to set up a profile oriented towards the products they sell or market, as well as the location of their company, various forms of contact information and methods of displaying their products or services are available (Kalpaklioglu; 2011).

Please check off any of the following platforms you use to sell/market your goods.
11 responses



Out of at previous platforms, which one would you say is the most effective in increasing sales and attracting clientele
11 responses

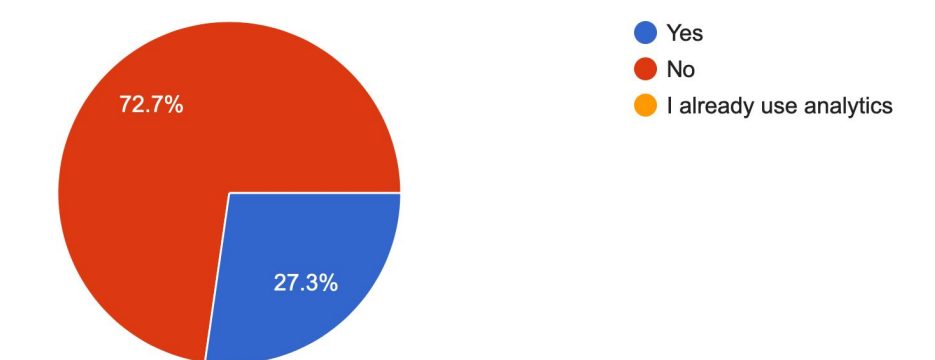


Moving on from the marketing aspect in this survey, a broad sense of the use of data analytics programs was inquired about. In the interest of time for the participants, specifics were somewhat limited. In addition to this, it was speculated by marketing consultants who reviewed the survey before prior to it being sent out, that not many of the business owners who were surveyed were extremely likely to have used data analytics programs in their business. Consequently, results display that only 27.3% of the participants actually use data analytical programs. Such a small amount of business owners using these programs is likely due to lack of knowledge in regards to them since there is very little information on them from sources which they rely on, such as the SBA.

Results (Cont.)

Nevertheless, two more questions were asked in regards to data analytics. Out of the 27.3% of participants, all of them claimed that it was beneficial to their business to utilize the programs. This is again crucial information which other small businesses should likely consider when attempting to either start or improve their business. With all of the owners agreeing that the analytical programs have been helpful in their business it is definitely an aspect of running a business which federally funded programs such as the SBA should begin to place more research into and promote in their instructions and suggestions for the small businesses which they provide aid for. To further elaborate on data analytic programs, one final question was asked to see which programs were being used by the small businesses that were surveyed. The two most commonly used programs are "Tableau" and the analytic program offered by Google called "Google Analytics." In regards to how the two programs differ for small business owners would be beneficial to the ongoing research of aid for the small businesses in the United States and similar core nations.

Have you considered using analytics to improve the bottom line and improve your revenue?
11 responses



Conclusion

Without a doubt, small businesses throughout the nation are beginning to fade out of the economy as larger businesses and corporations take over the general market. Online competitors such as Amazon have dominated over all aspects of the retail and market which has led to many of the small businesses within communities being run out of business.

In regards to aid for small business, one of the main ways action can be taken is by looking into ways which business can receive attention once again. The methods of marketing for a business is one of the many ways businesses can attempt to either expand or survive in such a difficult climate of megacorporations. As more avenues for marketing have become apparent, if more studies are put in place alike the one completed in this paper are made, business owners will be able to effectively spend more of their time and money investing in more efficient marketing method.

Along with the rise in marketing through online platforms, data analytics are still a brand new concept to the majority of small business owners and will continue to need time before it grows in popularity. Nevertheless, any scientific research provided to help small business owners learn more about its potentials, the greater help and further implications it will have for small business.

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