



Original Article

WHY AND HOW SMALL AND MEDIUM-SIZED ENTERPRISES USE SOCIAL MEDIA

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Article Info:

Received : March 12, 2018

Revised : June 7, 2018

Accepted : June 10, 2018

Keywords:

*micro-sized enterprises,
small-sized enterprises,
medium-sized enterprises,
social media,
promotion tools*

Note:

Some parts of this study were taken from an unpublished master thesis submitted to the Graduate School of Social Sciences, Yasar University in 2018.

ABSTRACT

Nowadays, social media is very important tool for businesses' promotional activities. Social media can provide significant advantages in time, cost, and communication quality for companies. The aim of this qualitative research was to understand how and why small and medium-sized enterprises in Aegean region/Turkey use social media. Within this aim, the study examined the main promotional activities of small and medium-sized enterprises which operate in Izmir (as an urban part of Aegean Region) and Kusadasi (as a rural part of Aegean Region). In order to analyze the different characteristics of small and medium-sized enterprises in rural and urban parts, one rural and one urban city were selected. Fifteen companies from Kusadasi and fifteen companies from Izmir were included to the research to understand how and why they use social media. Maximum variation sampling technique was used in selecting companies. Data were collected via structured interview technique by using face-to-face interviews and telephone interviews. Employees or owners of the companies were interviewed in December, 2017. Data were recorded, transcribed, and analyzed via content analysis. Findings showed that the small and medium-sized enterprises preferred mostly social media for their promotional activities. The main reasons to prefer social media were that social media is easy, fast, convenient, and cheap to advertise. The main activities of the small and medium-sized enterprises in social media were that sharing the photos of the companies' products and organizing some activities to reach targeted customers.

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1 | INTRODUCTION

Using social media is the most common way of communication today. In order to reach large number of customers with the lowest price, every size of companies use social media for their promotional activities. It is the most important tool for especially new and small companies. Social media is a very popular online platform with variety of tools. It is associated with the usage of Web 2.0 that allows people to post data and interact with each other. It is defined as the technologies and applications that enable people to develop and maintain social networks which contain posting of text, images, audio or video, location based services, and many similar aspects (Albarran, 2013). According to Kotler and Armstrong (2016), social media is an independent commercial online communities where people congregate and socialize.

Social media offers some amazing marketing possibilities, but many companies still cannot use it very efficiently. Today, very popular social media channels are Facebook where people connect to each other, LinkedIn where people use for business contacts, Twitter where people post their ideas, Instagram where people upload pictures, YouTube where people check videos, and Pinterest where people exchange their ideas with the help of the photos.

Social media takes part in the marketing plan of the companies today, and almost 90% of companies use social media channels as a part of their marketing strategies (Kotler and Armstrong, 2016). In the United States, over 80% of the companies have Facebook account and also other social media channels, and big-sized enterprises spend nearly 90% of their marketing budgets on social media channels, and mostly on

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Facebook (Laudon and Traver, 2013; 413). Digital marketers admit that 77% of SMEs in UK have been regularly using social media sites and applications as a marketing tool in 2016, and social media usage of businesses with 50-249 employees was nearly 70%, compared to this social media usage of businesses with 1-9 employees was 44% (eMarketer, 2017). In Turkey, 38.1% of small and medium-sized enterprises (SMEs, afterwards) with at last 10 employees used social media for their businesses in 2016, and this rate was 38.8% in 2015 (Turkish Statistical Institute, 2016).

The aim of this qualitative research was twofold. The first aim was focused on to understand why SMEs use social media. The second aim was related to understand how SMEs use social media. Within these aims, structured interview technique was used to collect data. Thirty companies from urban and rural were selected via maximum variation sampling, and company employees or owners were interviewed during December, 2017. In the first part of the study, SMEs were examined. In the second part, research methodology was explained, then findings were shown in detail. Lastly, conclusion and limitations were discussed.

2 | LITERATURE REVIEW

In the European Union, there have been 23 million SMEs which represent 99% of all European businesses (European Commission Enterprise and Industry, 2011). In the USA, 99,7% of the businesses have less than 500 employees and 89,6% have even less than 20 employees (U.S. Census Bureau, 2012). In Turkey, the majority of the economy is formed by SMEs. SMEs take place 99,9% of all businesses in the country (Turkish Statistical Institute, 2015). In 2012, SMEs were officially defined under the following classification shown in Table 1 below.

Table 1. SMEs Classification in Turkey

	Micro-sized	Small-sized	Medium-sized
Number of employees	<10	<50	<250
Annual turnover	<1 Million TL	<8 Million TL	<40 Million TL
Balance sheet total	<1 Million TL	<8 Million TL	<40 Million TL

Source: Turkish National Newspaper, 2012

Small businesses could play main role in economic growth, employment, social integration, and innovations. SMEs are important job creators and they play significant role in the development of economy. The numbers of small and medium-sized enterprises in Turkey have been significantly increasing since they have huge impact on the economy. The role of SMEs placed in the economy may be changed from nation to nation because they were influenced by different cultures and habits. Likewise Turkey, in the USA, SMEs play an important role in the economy. Incomes earned by individuals and partnerships that run their own

business in 2003 increased by 9%, also loans to new start-up companies more than doubled in five years from 2000-2005 (McDaniel and Gitman, 2008: 222).

For the success of SMEs, the manager/owner of the company must be aware of the advantages that they have. Also, disadvantages must be recognized and turned into opportunities. There are many reasons to stay small since it offers special advantages. SMEs could be more flexible to respond changes in the market quickly. New innovative product ideas can be easily developed and the new products can be faster launched to the market with fewer financial resources compared to the larger companies. Many consumers prefer to buy from SMEs such as fashion boutiques, beauty centers, or travel agencies because they offer better customer services. On the contrary of these advantages, there have been many problems that are faced by SMEs such as production, capacity usage, purchase, marketing, educated employees (Malkocoglu et al., 2015; Sonmez and Arslan, 2010). Aras et al. (2007) suggested that SMEs should find some solutions in order to compete in the market such as SMEs should develop their production techniques, information technologies, the numbers of qualified employees, and quality of raw materials; moreover they should make some investments regarding marketing and advertising activities, and organize trainings and seminars to increase knowledge of their employees.

These problems faced by SMEs restrain the development of them and cause too many other problems. In order to compete in an economy, SMEs should make investments to their promotional activities in order to sell their products. The main promotion mix elements such as television, radio, newspaper, outdoor, internet advertising, public relations activities, personal selling, sales promotion, and direct marketing activities could be used by SMEs. Besides these, social media channels should also be used by SMEs since nowadays social media marketing is a very popular tool to reach targeted customers. The age of technology has been developing and changing very fast, most of the traditional promotion mix elements are not so effective anymore, especially if the targeted group is formed by young generation. Thus, it is also a requirement for SMEs to be active on social media to compete with their competitors and survive.

3 | RESEARCH METHODOLOGY

The usage of social media marketing is one of the modern marketing strategies of big-sized enterprises; however SMEs have been fastly adopting to this tool. This study aimed to examine how and why SMEs use social media. The purpose of this exploratory research was to find out why SMEs in Izmir and Kusadasi use social media and how they use it. Within these aims, the research questions of the study were formed below:

RQ 1: Why do SMEs use social media?

RQ 2: How do SMEs use social media?

3.1 | Data Collection Method

In this study, a qualitative research is appropriate because it develops deeper understandings of specific smaller groups' activities. Qualitative research is exploratory and unstructured based on small samples, and the questions are formulated as the research proceeds (Malhotra, 2012: 73). This type of research focuses more on text rather than numbers. Researches that use this method are not advised to make generalizations for all the society relying on qualitative research results.

In this qualitative study, data were collected via structured interview technique by using face-to-face interviews and telephone interviews. All the interviewees were asked same open-ended questions. The questions for the interview were prepared by the researchers within the scope of the aim of the research. While collecting data, a structured interview form was used. The interview form was developed by using the previous studies in the literature (Ozelturkay and Yarimoglu, 2017; Derham et al., 2011; Pirnar, 2014; Ozelturkay and Yarimoglu, 2018; Yasa and Mucan, 2012). In the interview form, there were seven general questions about the company and interviewees, and nine questions about companies' promotional activities and social media usage.

The interviews were conducted with 30 interviewees from different SMEs (15 from Izmir and 15 from Kusadasi). 25 of the interviews were conducted by face-to-face interview technique with the help of a recorder, and 5 of the interviews were made by telephone interview technique. The duration of the interviews was at average of 25 minutes. The interviews were conducted in December, 2017. All the questions were asked and answered in Turkish due to the fact that the research was conducted with the employees of SMEs in Turkey, and the answers were translated to English during the transcription process.

In the first part of the structured interview form, it was aimed to collect general information related to the characteristics of the interviewees and the companies. In the second part of the structured interview form, the first three questions related to the promotional activities and social media usage were asked to the interviewees, next four questions were asked to get answers regarding the first research question (RQ1), and the last two questions were asked to collect data for the second research question (RQ2). The structured interview form was shown in Table 2 below.

Table 2. Structured Interview Form

A. General questions about the company and interviewee:	
Establishment year: _____	City: _____
Industry: Food and Beverage __ Education __ Media __ IT __	
Textile __ Rental __ Health and Beauty __ Construction and	
Architecture __ Accommodation __ Manufacturing __	
Company Type: _____	
Size of the company: Micro-sized __ Small-sized __ Medium-sized __	
Interviewee's position & department in the company: _____	
Interviewee's gender & age: _____	
B. Social Media Usage	
Q1. What is the mostly used media by your firm for its promotional activities?	
Q2. Does your firm use social media?	
Q3. Which social media channels does your firm use?	
Q4. Why does your firm use social media actively?	
Q5. What are the advantages of social media for your firm?	
Q6. What are the main aims of your firm when using social media?	
Q7. Why is social media useful for firms' promotional activities?	
Q8. What are the main activities of your firm in social media?	
Q9. How often does your firm post to social media channels?	

3.2 | Sampling Method

The scope of the study was to investigate SMEs and their social media activities. The interviews were conducted in Aegean region/Turkey. In order to see the differences between urban and rural parts, one urban city (Izmir) and one rural city (Kusadasi) were selected. This study aimed to obtain ideas about why and how SMEs use social media. The most appropriate research method for the study was exploratory research. This research type did not aim to give solution to the research problem but to explore the research questions. Typically researchers use small samples for this kind of research and they try to choose the correct sampling method regarding their research. In this study, maximum variation sampling method was used to show the differences between rural or urban parts. Maximum variation sampling, as one of the purposeful sampling methods, was used to capture and describe the principal themes and outcomes since heterogeneity in small samples may be a problem (Patton, 1990: 172).

30 SMEs, which have at least one social media account, were chosen via maximum variation sampling method. These companies had at least one social media account, otherwise the research cannot answer the research questions. The SMEs included to the research were limited to the cities from Aegean region, Izmir and Kusadasi. Sampling size was 30 firms and they were separated as follow: 5 firms with less than 10 employees (micro-sized enterprises) from Izmir, 5 firms with 10-50 employees (small-sized enterprises) from Izmir, and 5 firms with 50-250 employees (medium-sized enterprises) from Izmir. The rest 15 firms were selected from Kusadasi by using the same classification: 5 firms with less than 10 employees (micro-sized enterprises) from Kusadasi, 5 firms with 10-50 employees (small-sized enterprises) from

Kusadasi, and 5 firms with 50-250 employees (medium-sized enterprises) from Kusadasi. The firms were classified as micro, small, and medium-sized enterprises based on only their number of employees since the interviewees did not want to say their turnover amounts.

3.3 | Data Analysis

Content analysis where the collected data is transformed from text to numbers was used in data analysis. Content analysis makes replicable and valid inferences from text to the context of their use (Krippendorff, 2013: 24). After finishing all interviews, data were transcribed on a paper with the handwritten, and translated to English. After that, the coding system was created from the text in order to analyze the collected data, and present them in frequency tables with numbers.

4 | RESULTS

The first part of the interview was generated by general questions regarding company and interviewees. The characteristics of the companies and interviewees were shown in Table 3 below. The companies in Kusadasi were coded as “K” and the firms in Izmir were coded as “I”. In Kusadasi, 15 firms were presented as K1 to K15, and the rest 15 companies from Izmir were shown as I1 to I15. In the table below, they were putted in order based on their city (Izmir and Kusadasi), and their size (micro, small, and medium).

According to the results, interviewees’ age range changed from 20 to 50 years old, and gender of the interviewees were 15 male and 15 female. Even though the companies were small it was difficult to find the owners of the companies in all of them, so the interviews were also conducted with the employees in different positions: 14 of the interviewees were owners, 12 of the interviewees worked in managerial position, and 2 of the interviewees worked in public relations department. Also, 1 engineer and 1 interior designer were interviewed. Half of the companies were established after 2012, they were young firms operating less than 7 years. All 30 firms were private from different industries. The majority of the firms were from the industries as: Food and Beverage (7 companies), Construction and Architecture (6 companies), Health and Beauty (4 companies), Education (2 companies), Accommodation (2 companies), Media (2 companies), Textile (2 companies), IT (2 companies), Manufacturing (2 companies), and Car Rental (1 company).

In the second part of the interview consisted of the questions related to companies’ promotional activities and social media usage. The first question was about the mostly used media tools for their promotional activities. The results were shown in Table 4 below. It

was seen from the table, the mixture of traditional and modern digital media tools were used by the companies, but the majority of the companies (28 firms) used social media channels as a main promotion tool.

Table 3. Characteristics of the Companies And Interviewees

	Industry	Est. Year	Comp. Type	No. of empl.	Position	Interviewee gender & age
Micro-sized enterprises in Kusadasi						
K1	Food&Bev. *	2014	Café bar	4	Owner	Female - 39
K2	Cons.&Arc. **	1994	Architecture	4	Interior architect	Female - 33
K3	Health&Beauty	2014	Hair dresser	5	Owner	Male - 38
K4	Cons.&Arc.	2013	Interior architecture	9	Manager	Male - 35
K5	Food&Bev.	1999	Restaurant	9	Sales Manager	Female - 37
Small-sized enterprises in Kusadasi						
K6	Cons.&Arc.	2015	Construction	25	Sales Manager	Female - 29
K7	Accommodation	2014	Hotel	20	Manager	Female - 42
K8	Education	2002	Kindergarten	25	Owner	Female - 24
K9	Food&Bev.	2011	Café bar	18	Manager	Male - 38
K10	Food&Bev.	2015	Café bar	18	Owner	Male - 34
Medium-sized enterprises in Kusadasi						
K11	Education	2015	Primary school	60	IT Manager	Female - 28
K12	Health&Beauty	1998	Hospital	143	Public Relations	Female - 27
K13	Accommodation	2005	Hotel	132	General Manager	Male - 38
K14	Health&Beauty	2017	Hospital	120	Public Relations	Female - 31
K15	Cons.&Arc.	1995	Construction	80	Operation Manager	Male - 37
Micro-sized enterprises in Izmir						
I1	Media	2012	Ad agency	8	Owner	Male - 39
I2	Car Rental	2012	Car rental	8	Manager	Male - 45
I3	Media	2012	Ad agency	8	Owner	Female - 32
I4	Textile	2015	Retailer	2	Owner	Female - 31
I5	IT	2012	Security systems	9	Owner	Male - 37
Small-sized enterprises in Izmir						
I6	Textile	1969	Retailer	35	Manager	Female - 45
I7	Food&Bev.	2016	Restaurant	18	Owner	Male - 39
I8	IT	2002	Software	12	General Manager	Male - 42
I9	Health&Beauty	1997	Clinique	22	Owner	Female - 37
I10	Cons.&Arc.	2009	Construction	10	Owner	Male - 28
Medium-sized enterprises in Izmir						
I11	Food&Bev.	2014	Café bar	130	Owner	Male - 47
I12	Manufacturing	1957	Industrial product	55	Owner	Male - 51
I13	Food&Bev.	2010	Restaurant	200	Owner	Male - 33

I14	Manufacturing	1990	Industrial product	112	Engineer	Female - 38
I15	Cons.&Arc.	1971	Construction	50	General Manager	Male - 37

* Food&Bev. means Food and Beverage Industry.

** Cons.&Arc. means Construction and Architecture Industry.

Table 4. Mostly Used Media Tools

	Frequency	Company
Social media	28	K1, K2, K3, K4, K5, K6, K7, K8, K9, K10, K11, K12, K13, K14, K15, I1, I2, I3, I4, I5, I6, I7, I8, I10, I11, I13, I14, I15,
Local magazine	16	K13, K14, K12, I11, I7, K9, K1, K10, K8, I4, I15, K11, K4, I2, K6, K15
Website	7	K13, K7, I12, I9, I6, I5, I10
Billboards	7	K14, K12, K6, I13, K9, I3, K15
Google ad	5	K12, K7, I10, I8, I15
Local newspaper	3	I11, I15, K15
Online sites	3	I1, K7, K13,
Visual press	2	I11, I15
National TV	2	I11, K14
Flier	1	K14
Bus stop	1	I3
National Media	1	K7
World newspaper	1	I12
Interview	1	I12
Local TV	1	I11
Email	1	K15
Sectorial magazine	1	I14
Screen ads	1	I3

The second question was about social media usage. According to the findings, all 30 companies have been using social media channels. The third question was about the social media channels preferred by the companies. In Table 5 below, the mostly used social media channels were shown. It can be seen from the table, the most frequently used social media channels were Facebook, Instagram, and Twitter.

Table 5. Mostly Used Social Media Channels

	Frequency	Company
Facebook	29	K13, K14, K12, K7, I12, I11, I7, K3, I8, I13, K15, I1, K9, I9, K1, K10, K8, I4, I15, I14, K2, K11, I6, K4, I5, I3, I10, K5, K6
Instagram	25	K13, K14, K12, I11, I7, K3, I13, K15, I1, K9, K1, K10, K8, I4, I15, I14, K2, K11, I6, K4, I2, I3, I10, K5, K6
Twitter	9	K13, K12, I11, I8, I13, K10, I15, K11, I3
LinkedIn	5	I12, I11, I7, I1, I14
YouTube	3	I15, I1, I3
Foursquare	2	I7, I8
Swarm	2	K9, K5
Pinterest	1	K2,
Snapchat	1	K13,

Facebook was used as a social media channel tool by 29 companies. 25 of the companies used Instagram. Twitter compared to Facebook and Instagram was not very preferred channel by the interviewees. Only 9 of them used Twitter, but most of the interviewees admit

that they were not very active in Twitter anymore since they took better feedback from the other two preferred social media channels.

The questions between four and seven were related to the first research question: Why do SMEs use social media? The fourth question was about why companies actively use social media. The results were shown in Table 6 below. The most common answer was “to reach current and potential consumer targets”, 13 companies showed this answer as a main reason. 7 of the companies were active in social media because it is the most common tool for communication today. 7 companies use social media to inform and promote their consumers.

Table 6. Why Companies Use Social Media Actively

	Frequency	Company
To reach current and potential consumer targets	13	K13, K12, K7, I11, I7, I13, I1, K9, K1, I15, I14, K2, K11,
Because it is the most common tool for communication today	7	K14, K7, K1, I6, K4, I10, K5,
To inform consumers and promote them	7	K12, I8, K15, K10, K2, I2, K6
Because it is fast	4	K13, I11, K8, I4
Not using it very active	4	I12, K3, I9, I5
To reach higher number of consumers	3	K13, I4, I3
Because it is low cost	3	K13, I2, I3
To show our work	2	I14, K11
Because we can select target characteristics	1	I15
It is measurable (likes, followers)	1	I15
Because we can post everything all the time	1	K8

The fifth question was about the advantages of social media for SMEs. The results were presented in Table 7 below. 13 interviewees said that the biggest advantage is that they can reach many consumers very quickly. Another advantage for 8 SMEs was easy and fast advertising. The third advantage was price. Compared to the other media channels used for promotion activities, social media is a lot cheaper according to 6 interviewees.

Table 7. Advantages of Social Media

	Frequency	Company
Reach many consumers quickly	13	K7, I11, I13, K15, I1, K1, K10, I15, I14, K11, I5, I3, K5,
Make advertisement easy and fast	8	I1, K9, K12, I9, K10, I4, I2, K5
Reasonable price	6	K13, I11, I8, I15, I3, K6
People can see us completely, to follow you	5	K1, K8, I15, K11, K4
Fast, easier communication	5	K13, I13, K9, K2, I10
People can reach us any time	4	K12, K7, I15, K4
Easy to be found (as company)	4	I9, K10, K2, I6,
Increase sales	3	I4, I15, I2
Easy building a reputation	2	K14, I7
Direct communication	2	I4, I15
Positive comments	2	K14, K9
We can share information	1	K12
Find new employees easily	1	I12,
To follow other firms works	1	K3,
To find information	1	K15
Share anytime, what you want	1	K6

The sixth question was about the main aims of the companies when using social media. The results were shown in Table 8 below. 16 companies use social media in order to reach more people easier and faster. 12 companies use it to promote their companies. 11 companies use it to create awareness. 10 companies use it to create awareness.

Table 8. Main Aims of the Companies When Using Social Media

	Frequency	Company
To reach more people easier and faster	16	K13, K14, K7, I12, I11, I7, I8, K15, I1, K9, K10, I15, I14, K2, I3, K5,
To promote the company	12	K3, I8, I13, I1, K9, K1, K10, I6, I5, I10, K5, K6
To create high awareness	11	K14, K12, I9, K1, K8, I15, K2, K11, K4, I2, K6
To be up to date	2	K13, I3
To increase sales	1	K11
To catch attention	1	K4

The seventh question was related to why social media is useful for companies' promotional activities. The answers were shown in Table 9 below. The most common answer given by 10 interviewees was that "it was useful in order to reach many people easily". Price was preferred in the second place by 8 companies, and followed by the answer "useful for sales and promotions" by 6 companies.

Table 9. Why Social Media Is Useful For Promotional Activities

	Frequency	Company
To reach many consumers easily	10	K7, I12, I13, K1, K10, K8, K11, I5, K5, K6
Low cost	8	K13, I13, I1, K1, I4, I5, I3, K6
Useful for sales and promotions	6	I13, I15, K2, K11, I6, I2
To reach and choose target groups	5	I8, K9, I4, I3, I10
Fast	4	K13, I11, I4, I3,
Easier communication anytime	2	K2, I8
To attract and find new consumers	2	K15, I14
Increase consumer potential	2	K12, I7
People learn about us	1	K14,
Get to know consumers better	1	I7
Take information form the sector	1	K3
To be up to date	1	I3
To brake peoples prejudice	1	K4
Not using actively promoting in social media	1	I9

The eighth and ninth questions were related to the second research question: How do SMEs use social media? In the eight question, it was asked about the main activities that companies do in social media. The results were presented below in Table 10. 27 of the companies post photos in social media as a main activity. 10 companies share information and news. 8 companies post upcoming events and campaigns. Another 8 companies mainly post videos. 3 companies said that they follow innovation in the sector in social media and one company (K6) said that they just follow their customers in social media.

Table 10. Main Activities in Social Media

	Frequency	Company
Posting photos about us, products, and past events	27	K13, K14, K7, I11, I7, I8, I13, K15, I1, I9, K1, K10, K8, I4, I15, I14, K2, K11, I6, K4, I2, I5, I3, I10, K5, K6, K9
Sharing information/news	10	K14, K12, K7, I8, I13, I1, K1, K8, I2, I10
Upcoming events, campaigns	8	K13, K7, I11, K9, I9, K10, K11, K4
Posting video	8	K13, I11, I13, I15, K11, I6, I3, K9
Special days/occasions posts	4	K14, K12, I4, I3
Reply to consumers	4	I1, K9, K1, I2
Advertise	4	I12, K3, I8, K15
Follow innovations in the sector	3	I8, K2, K3
Follow consumers	1	K6

The last question was about the frequency of posting. The results were presented in Table 11 below. 8 companies post not every day but 2-4 times a week. 6 companies post once in every day and another 6 companies post 2-4 times in a day. 3 of the companies (K7, K3, and I15) post according to the season. Two of them (K7, K3) have been operating in Kusadasi, a touristic place with high and low seasons, one was hotel (K7), and the other was hair dresser (K3). They post more active in the summer which is the high season. The other company (I15) was a construction company from Izmir, and it posts according to the stages of the project they work on.

Table 11. Post Frequency

	Frequency	Company
Every week 2-4 times	8	K12, I12, I7, K15, I1, I10, K5, K10
Every day once	6	K14, I13, I2, K9, K1, K8
Every day 2-4 times	6	K13, I11, I3, I6, K11, I4
Every month 2-3 times	4	I8, I9, I14, I5
Every week once	3	K2, K4, K6
Depending on the season	3	K7, K3, I15

5 | CONCLUSION

In this qualitative study, it was aimed to answer two research questions such as why do SMEs use social media and how do SMEs use social media? Research showed that all the SMEs use social media for their promotional activities. Traditional media tools cannot offer same opportunities to reach millions of people very fast with very low price and this is the reason of why companies prefer modern digital media at the first place. Firms in Kusadasi use also advertising in local magazines more often than the companies in Izmir. 16 companies use local magazine as one of their main promotional activities; 11 from Kusadasi and 5 from Izmir. Kusadasi is a smaller city and local magazines can reach many consumers. It is more difficult to have same result in Izmir due to the fact that it is a bigger city.

Based on the findings, SMEs in Kusadasi and Izmir use mostly Facebook, Instagram and Tweeter. LinkedIn was used by only 5 companies from Izmir. In bigger cities, there have been more opportunities for their careers and people in these cities are more likely to rely on professional networks. It is an advantage to have a business account in a professional site as LinkedIn in a big city because it is easier to find other professionals. In small cities, most people know each other and people generally do not look for job in professional networks. Mostly many companies focused their efforts on a few popular platforms as LinkedIn and Twitter to reach out external stakeholders (Verheyden and Goeman, 2013).

It was obtained several findings regarding the first research question (RQ1): why do SMEs use social

media? The reasons of companies to use social media were explained below by coding as Finding 1, Finding 2, Finding 3, and Finding 4.

Finding 1: SMEs use social media actively because it is the most common way of communication today and many current and potential consumers can be reached easily. It is the best way for informing consumers and promoting the company. In Izmir and in Kusadasi, small companies try to reach consumers from their target market. Since retaining existing customers is more difficult than getting new one, the companies focus on their existing customers more. **Finding 2:** There have been many advantages of social media such as being easy, fast, convenient, and cheap to advertise. **Finding 3:** The main aims of the companies when using social media were to reach consumers easier, faster, and cheaper. For nearly half of the companies aimed to create awareness by using social media. Especially for the companies in the smaller city, it is more important having a well-known company name, hence word of mouth has stronger effects and news spread faster. **Finding 4:** Social media is useful for the companies because it is cheap, fast, and easy to reach target customers. Businesses in smaller cities pay more attention on reaching many people, in smaller cities word of mouth gives a faster result, and it is important to be a well-known company. Companies in Izmir find social media more useful because it is low cost, and also social media helps the companies for better sales amount and promotional activities. In a bigger city, companies must advertise more to create awareness because the population and competition is higher, hence price is a leading factor in bigger cities.

It was revealed some findings regarding the second research question (RQ2): how do SMEs use social media? The companies' usages of social media were explained below by coding as Finding 5, and Finding 6.

Finding 5: Companies generally use social media by posting photos regarding employees, products, and events. They sometimes post videos and special days posts. SMEs use actively social media because they aim to give more information to their customers about their activities by sharing photos. In Izmir and in Kusadasi, companies perform mainly same activities in social media. Small difference was seen only in posting videos. Companies from Izmir gave more attention to videos in social media. **Finding 6:** Companies post to social media very often. They share photos in social media almost every day. Majority of them post at last twice a week since they want to be recognized and to create differences. The city or the size of the enterprises did not affect the frequency of posting. It depends on the industry where companies operate in.

Social media is a fast developing platform. As a result of the study, it was seen that social media was preferred

as the best way for promotional activities in both rural and urban cities. The size of the company was not important; micro, small, and medium-sized enterprises posted actively and tried to reach more customers. SMEs used social media actively because it is the place to retain existing customers and also to find new ones.

6 | LIMITATIONS

The first limitation of the study was that all 30 firms operated in only two cities of Aegean region. In order to

provide more rich and enhanced information regarding Aegean Region, the number of companies included to the research should be increased, and other cities in the region should be included to the research. Another limitation was methodologic limitation. In the study, a qualitative research was designed only with 30 firms by using interview technique. However, in order to reach more statistical data, a quantitative study should be conducted with many numbers of SMEs since the results of a qualitative research cannot be generalized for all the SMEs.

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