IMPACT OF SMM ON NEW BUSINESS SET UPS (INSTAGRAM) IN UZBEKISTAN

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ABSTRACT
This article focuses on effects of Social Media Marketing (SMM) in branding process of products which home-based businesses on Instagram. With the opportunities of internet and smartphones, SMM is one of the vital tools to appeal customers attention to any type of products. Nowadays, business owners can set up their business on online platforms. Moreover, there has been few researches done in terms of establishing home-based businesses on Instagram in Central Asia, Uzbekistan specially most part of the research is focused on brand strategy. This study is investigating how business owners are maintaining brand positioning by the help of Instagram online platform. Qualitative research of in-depth interview has undertaken with three respondents who are owners of business in Uzbekistan and proving with evidence that Instagram is the best choice online platform in order to peruse entrepreneurs before deciding to establish physical stores. Currently, three Instagram businesses pages have more than 15,000 followers in each. According to this data that as a Social Networking Site, Instagram plays an important role for the shaping company product positioning in minds of customers.

Keyword: Word of Mouth, Unique Point of Sale, Social Networking Service

1. INTRODUCTION
Nowadays, mobile phones are powerful device. According to data of Hootsuite[1] (social media management platform,2017) global overview research that 50% of world population is current internet user and by numbers 3,773 billion. As well as, based on same data that the percentage of active mobile social user is 34% by numbers 2,549 billion people. With the help of innovation of mobile apps that smartphones became assistant of human being because mobile phone can involve almost everything to one’s heart desire. According to Global WebIndex[2] report 2020 that importance of messenger applications like WhatsApp, Facebook messenger and WeChat is increasing. Moreover, the portion of Instagram user’s is growing day by day.

Based on data from Global WebIndex[5] 2020 that Central Asia has several popular social media platforms such as: Whatsapp, Facebook, Instagram and Telegram. Instagram plays a great role in usage of social media platform in Central Asian countries. Demographically, almost 41% Instagram users are 17-38 aged population. By investigation that Central Asian business owners and entrepreneurs have undoubtedly great chance to establish Instagram based businesses.

It stands that said that senses and experience can affect significantly to purchasing decision. Moreover, there are several significant senses which affect product brand positioning and purchase decision such as: smell, sound, taste, sight and touch [3]. Clearly, only sight is proper feature when it comes to sell product via Instagram platform. Well, how do Instagram based business owners defeat this problem and appeal customer attention? Exactly, not having physical store is a challenge for home-based entrepreneurs. However, despite having such shortages of Instagram for business, we still see opportunities to growth in terms of businesses being set up on Instagram [4].

2. LITERATURE REVIEW

2.1. Brand name
Brand name creates a tremendous value for organizations and its customers which has strong combination of the marketplace [6]. Brand name serves several functions, they are: 1) It’s a promise to customers from company, 2) asset of the company, 3) an identifier of the exact product, 4) mind – share of consumer, 5) a bank of perceptions.
2.2. Brand image and brand identity

Brand image is the set of beliefs, ideas and impression that a person holds regarding to a product and service [7]. In the same time, brand identity is the visible elements of brand which includes brand color, design, logo and they serve to distinguish the brand in the customers’ mind [8]. These above-mentioned concepts are connected on each other. We can consider as successful brand structure when the brand identity is understandable to its customers and affects in purchase decisions. Establishing a strong brand identity is a multi-disciplinary strategic effort, every feature of it needs special support. As a result, desired brand message and business goals can be accomplished.

2.3. Brand community

A brand community is a group of people that gathered on the basis of attachment to a product. More clearly, community with it meaning the bank of customers who share a set of social relationship based upon usage or experience towards a one brand [9]. Brand community comes not only just a simple purchase of the product as well as it requires investing emotional connection when customers put their money, time and interest.

2.4. Branding on Social Media

According to 2020 statistics that 73% of marketers trust social media marketing is very effective for business owners [10]. Social media marketing allows brands to interact with customers easily and build brand loyalty in the mind of customers. According to same information that 71% of consumers who have had a positive experience with a brand on social media are likely to recommend the brand to their friends and family. As well as, nowadays 54% of Social Browsers use social media to research products. As time goes by, the number of buyers is increasing in terms of looking for reviews and recommendations. Consumption of social media is divided into three groups with its generations by Emarketer in 2019. So, based on Emarketer’s research the percentage of usage of social media is: by Millenials 90.4%, Generation X 77.5 and Baby Boomers 48.2% are active social media users of glob. Three of these generations are customizing technological opportunities. Additionally, as result of research has done by Globalwebindex[11] 2019 that the average spending time on social media networks and messaging per day per person is three hours and it is expecting these hours will increase double in 2021. It is evidence that the growth opportunity of business on social media is significantly high.

3. THEORETICAL AND CONCEPTUAL FRAMEWORK

3.1. Domestcation theory

Domestcation theory is an approach in science and technology studies and media studies that reveals the processes by which innovations. Especially, global new technologies are “tamed” or appropriated by its users [12]. As an example, we can take smartphones. From the beginning the purpose of using mobile phone was integrated into everyday life and adapted to daily practices. As time goes by, as a result of mixture of upgrades of innovation and customer feedback smartphone took a great place in our life.

3.2. Conceptual Framework

As a result of literature reviews which have been done, the outcomes with a conceptual framework which will demonstrate by diagram.

Fig.1. Conceptual framework of the study

4. RESEARCH DESIGN

Qualitative approach with several in-depth interviews have done by three chosen participants. We chose there three participants based on criteria: participants have been selling their product on Instagram at least 2 years and have followers of more than 15,000 on Instagram page. This method helped to comprehend widely of the issue which is risen in this article. Interviews were organized by face to face conversations which each of participant answered several questions based on the research separately. In order to get accurate answers, interview participants were chosen from variety category of products.

4.1. Selecting procedure

The researcher sought and selected participants by initially surveying on Instagram which
business is successful and popular, as well as gaining strong following by followers. Moreover, this observation was based on other Social Network sites too. One of the most popular SNS in Central Asia is telegram. The researcher used telegram in order to investigate of the topic. Online word of mouth (eWOM) [13] has a huge influence in the process of choosing products on Instagram for customers. Chosen participants are: Siluet by Noila who has currently 15,000 followers, Cosmeticbag by Lola with 18,000 followers and Cooking Time by Parri with 16,000 followers. Three chosen Instagram pages are different product line. In order to get more exact data, the researcher chose participants from different categories. First participant’s product line is based on the fashion category which she is an owner of sewing workshop. Lola is a representative of beauty and cosmetics category. Parri is specialized on food and desserts. Three of these categories are well-known on Instagram and appeal most customers due to search and buy them.

For this research, all participants were initially connected by calling their number which numbers are provided on their Instagram business pages and explained the aim of the research. Finally, arranged face to face interview based on their time by each participant. Arranged interviews were conducted by researcher with a list of questions which served as a source for research.

4.2. Validity and Reliability
According to research that human beings are the primary instrument of data collection and analysis in qualitative researches [14]. It means that face to face interviews are vital methods in order to access directly the data.

5. OUTCOMES.
According to the analysis which has done on the transcriptions of the three participants, the researcher undertook through themes which will write in detail below. They are: Famous bloggers of the Instagram, right audience, online word of mouth, Celebrities with strong following, packaging, market positioning.

5.1. Famous Bloggers
It isn’t secret that there are many Instagrammers who have followers up to one million, Instagram users call them “Instagram stars” or “Blogger”.

Based on the interviews from participants that using popular Instagrammers is one of the popular ways to attract people to business page.

It’s true that, Instagram has an opportunity to appeal a bunch of famous people to set up own account has become an advantage to these business sellers. The business owners contact with these popular Instagrammers in order to ask to work corporately which means famous bloggers advertise business pages with tagging the page name. As a result, followers of famous bloggers will start to go that advertised pages and follow it. It helps to product sellers influence customers easily and gain more followers. As well as, advertising with famous Instagrammers is a big advantage for sellers because it costs much less than advertising on tv shows or other advertising tools. There isn’t any third party involve, no agency budget or fancy media. Therefore, choosing right bloggers for advertising is vital process for sellers.

5.2. Right Target Audience
Another interesting method which all participants mentioned about Instagram advertising is “right target audience”. Firstly, sellers should learn their customers and find out key blogger which significant percentage of followers should be business target audience. The key blogger makes sellers to connect more of the like-minded consumers on Instagram. That’s why it is very vital process for Instagram-based business owners that observe and select correct key person diligently and with the help of key blogger customers will appeal to products.

5.3. Online Word of Mouth
Based on the date from Statistics Journal that in the present days almost 80 percent of buyers and customers before deciding to purchase any product will check the commend of experienced customers and review their experiences after purchasing specific goods. As it’s clear, Instagram has a specific feature which related to advertising tool eWOM (online word of mouth). As we mentioned above that by simply tagging the username of the Instagram business page allow other potential customers to start and search via Instagram Social Networking Site. Moreover, this process is the beginning of the brand community. People like to present their product experience on the page and exchange ideas about one unique product. It is called “Call to Action” in marketing.
which means as result of good comments and integrating process Instagram business page will be delivered by brand community representatives to each other.

The strength of word- of- mouth is undoubtably major in social networking site. It is evidence that majority of the young generation use Instagram as a tool to elevate their status on Social Networking Sites by sharing or posting what they are doing, eating, experiencing and etc. As a result of research, it has been determined that Instagram-based business owners should categorize on how they get eWOM to work for them and improve their sales.

5.4. Celebrities with strong following

Instagram is a simple and famous social media platform where it has appealed celebrities who originally have many followers in the real life to join in. Usually, when these public celebrities started to join Instagram their pages start to attract followers naturally which means it’s fast to appeal and gain by followers for celebrities on Instagram. According to the interviews which researcher has done that in order to make strong following by Instagram followers, they will contact with celebrities for expanding the product which is involves of their business.

For instance, Siluet by Noila, she always works with popular celebrities on Instagram such as: by sending a sparkling dress as a present which made by Siluet sewing workshop to celebrity’s birthday party and the celebrity will publish in on her Instagram page as a being grateful with tagging username of workshop. That way, attracts those interested followers to Siluets Instagram page and start to be followers on it.

As for Cooking Time by Parri has a strong connection with Instagram celebrities. As she told that Instagram based business owners always should keep in touch with celebrities which means she usually prepares new type of desserts or dish and delivery them to famous celebrities on their special days like birthday parties, wedding parties and etc. In return, celebrities post the picture of dessert on their Instagram pages and say good comments on them. Interested followers go to page and start to be followers of it. This method helps to improve number of real followers on Instagram business page.

5.5. Packaging

the customer. Almost all contemporary companies focus on packaging strategy which has a great role in shaping brand positioning in the minds of customer. Actually, if business is home- based, owner of the business should take packaging into consideration. Due to, all products should be delivered to customers’ arranged places, product packaging should be durable. Based on the interviews, all three participants focused on packaging design. Packaging is the first impression tool which customers get when they receive products. It also affects product price, quality and as well as brand positioning.

For example, CosmeticBag by Lola said after lunching branding bags number of customers who wants to buy her products increased due to the style of package was liked by the target audience as well as, because of written Instagram address and phone number also added its share to increasing number of customers.

5.6. Market Positioning

It’s known that market positioning is differentiation of the product from competitors’ product. With another word unique selling point “USP” in marketing. Business owners should differentiate their products from others and stress on them which can appeal attention of the customers. Otherwise, potential customers will go other products. All three business owners agreed that more unique products they have, the possibility of gaining more followers and customers is higher. In the time, this concept creates relationship with brand positioning in the market.

As for Cooking Time by Lola always keeps to update recipes of her desserts and food. She gave an example from her cooking experience. After so long-time observation and research of how she can appeal new target audience, she decided to cook low calory dessert with delicious taste. Because she chose new target audience who are caring body shape. As a outcome, she found her own USP in her product and appealed new target audience. It was successful approach in her business process.

6. BRAND STRENGTHS IN CREATING BRAND LOYALTY

According to the interviews, it’s detected four themes from the data and they are: Fast delivery
and availability of the product, quick responding, controlling bad reviews.

6.1. Fast delivery and availability of the product

As the business is home- based and selling on Instagram, convenience of deliver is major aspect of service for product. Nowadays, most of the customers prefer to buy products online rather than physical stores in order to save their time. That’s why fast delivery is important for business. Specially, receiving products on time gives a chance to brand creating brand loyalty in the mind of customer. As well as, availability of products has a huge role in order to shape loyalty customers toward brand.

Based on the experience of Cooking Time by Lola that, fast delivery service her business opportunity to build brand loyalty on customers’ mind. She always delivers cakes its ordered customer on time without any damage on products. As well as, whenever customer orders menu-based food, should be available at arranged time with fast delivery. Both of services have an advantage of to business to create brand loyalty and improve number of loyal customers number.

6.2. Quick responding to customers.

Online business and buying products online always have a huge responsibility of being quick, especially responding to customers plays a great role in order to gain reputation among customers and available market position. Buyers expect fast service and respond.

Based on Siluet sewing workshop experience, she usually tries to be online at list 20 hours per day in order to catch and respond customers order and commends. It provides business owner to build strong relationship with customer and be approachable. Being quick respondent to customer is prove of intersecting expectation of customers.

6.3. Controlling negative comments

Above mentioned strengths of Instagram-based businesses are base in order to handling negative reviews of brand on Instagram. Being fast turnaround is a vital approach for controlling negatives on Instagram. All three participants were agreeable that when they have negative commented situation, they immediately handle it in order not lose the customers’ trust in their brands.

It’s known that Instagram is a social platform where users are able to interact with each other directly and exchange product experience. Therefore, negative comments are unescapable issue for business owners. The brand owner should aware of any comments of her products and review them one by one. If brand owner faces with such situation, she or he should solve it with quietness, because talking way of the owner reflects on the brand.

7. CONCLUSION

The aim of this study was to understand how affects SMM in specific platform which is Instagram to home- based new businesses in Uzbekistan. As we live in technological devices canter, it’s normal for business owners to establish and run their businesses without physical stores. Due to most of the customers prefer to buy goods from online platforms rather than stores. The above-mentioned idea has been proved as a result of this research paper evidence.

Based on interview participants’ respond to questions that Instagram is one of the convenient platforms in order to build strong relationship with customers which can be source for forming positive image of brand among customers. As it is true, not only home- based small businesses see the Instagram as a marketing tool in their business but also big companies where are located in Uzbekistan use Instagram as a marketing communication tool in the prospering process of company.

The outcomes of this research demonstrate that pros campaigns of social media are the most major methods of brand loyalty by significance of the content, popularity of the content among friends and viewing on variety social media platforms. Specially, it is proper tool to appeal Y generation’s attention on Instagram based business. Huge number of Instagram users involves gen Ys and echo boomers. Born in the middle of gadgets, gen Ys and echo boomers utilizing of social media is main part of their life style. It’s normal that sharing on Instagram life events and everyday actions of life. It gives them satisfaction.

In conclusion, the researcher found that Instagram is a proper platform to start a home- based business as it motivates people from all
walks of life to give it a go. Instagram is not only convenient for home-based business owners but also for part-timers, students and etc. Due to the large crowd and very minimal investment in order to start their own business.

REFERENCES


