



Digital Skills

LCLM 4002

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**How digital and social media helps gain
customers**

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Introduction

Social media and digital media are rapidly becoming key drivers for companies who wish to expand their outreach and make connections within our interlinked society. Social media platforms like Facebook, Instagram, LinkedIn, and TikTok offer dynamic platforms for engagement, marketing, and brand visibility. This report analyses the advantages and disadvantages of these tools, which enable firms to access a wider customer base. Supported by appropriate literature and examples, the research provides evidence into the opportunities and challenges of the utilization of social and digital media for business success.

Importance of social media

Social and digital media are widely used; hence they are powerful tools to engage customers. You could take it for example that there are currently over 4.8 billion worldwide social media users in 2023, providing companies with an unparalleled opportunity to connect with a range of demographics (Statista, 2023). Kaplan & Haenlein (2010) note that companies can offer rich, interactive & visual (multimedia) content to engage their audiences on social platforms such as Facebook and Instagram, helping transnational firms establish meaningful engagement with their customers.

One of the essential features of social media is the promise of enabling two-ways communication. Unlike traditional advertisements, social media allows businesses to obtain instant feedback from customers, which creates opportunities for relationship-building and personalisation (Mangold & Faulds, 2009). Furthermore, algorithms on sites such as Instagram and TikTok help tailor content to users' likes, increasing the chance they will engage (Bucher, 2012).

Reaching Broader Audiences with Social and Digital Media

Economical Promotion

Digital and social media offer cheap alternatives to traditional advertising. Advertising Once it comes to advertising platforms such as Facebook Ads and Google Ads allow businesses to target specific groups of potential customers according to demographics, interests, and behaviors and

provide for flexible budgets (Tuten & Solomon, 2018). This allows small and medium enterprises (SMEs) to compete with large companies, making marketing more accessible.

Worldwide Presence

Digital media transcends geographical boundaries, allowing companies to connect with customers worldwide. A local business can expand its market share significantly using social media marketing and e-commerce platforms to attract foreign customers (Chaffey & Ellis-Chadwick, 2019).

Data-Based Perspectives

Social media mediums have effective analytics tools that allow businesses to track the performance of their efforts. Click-through rates, audience demographics, and engagement levels are just a few of the metrics that businesses can use to enhance their approach and choose data-supported decisions (Seng, Chen & Lusch, 2010).

Loyalty and Brand Recognition

Regular and strategic social media content publishing enhances brand visibility. Engaging customers through likes, comments, and shares builds trust and loyalty (Ashley & Tuten, 2015).

Limitations of Digital and Social Media

Too Much Saturation

The accessibility of these new platforms is a double-edged sword. As a lot of information is published daily, it becomes hard for businesses to get noticed (Hanna, Rohm & Crittenden, 2011). To maintain visibility, businesses may need to invest hefty sums in creative launches or pay-per-click ads.

Privacy Issues

Social media has ethical and legal challenges based on its reliance on user data. Consumers may be worried about the collection and usage of their data, particularly in light of scandals such as the Cambridge Analytica scandal (Isaak & Hanna, 2018). Business should comply with General Data Protection Regulation (GDPR) like all other regulations, it creates a trust environment and also keeps you away from legal trouble.

High Resource Consumption

For brands, managing social and digital media successfully can require a huge investment of time, expertise and resources. They need to invest in qualified staff or outside agencies to create high-quality content, monitor platforms, and analyse data (Chaffey & Ellis-Chadwick, 2019). These can be prohibitive costs for smaller businesses.

Adverse Public Relations

While this transparency enriches consumer knowledge, it can expose businesses to digital criticism and backlash. Incredibly poorly devised campaign or an unpleasant customer experience could damage the reputation of a brand and in fact, due to viral nature of internet, it could spread very quickly (Kaplan & Haenlein, 2010). As an example, many companies have faced backlash from the public after publishing offensive social media posts, leading to customer boycotts.

Strategies for Maximising Digital and Social Media

Here are a few tactics businesses can take to mitigate risks while maximising the benefits of social and digital media:

Customisation of content

When consumer data is used to create tailored content, it can significantly increase relevance and engagement. Studies found that personalised marketing can result in an increase of conversion rates by 20% (Tuten & Solomon, 2018).

Multichannel Marketing

Integrating multiple platforms—email marketing, LinkedIn, and Facebook, to name just a few—guarantees a wider audience and various interaction tactics (Mangold & Faulds, 2009).

Inspiration From Inspirational Storytelling

As in the words of Hanna, Rohm, and Crittenden (2011), visual storytelling evokes a higher degree of engagement than text-based mediums; hence why visual content is prioritised on applications such as Instagram and TikTok. High-quality images and videos are more attractive, while buying them is easier.

Putting Money into Training

Provide social media management training to staff members, this will ensure regular and efficient platform utilisation. Tools like Hootsuite (Chaffey & Ellis-Chadwick, 2019) allow companies to schedule postings and monitor multiple channels simultaneously.

Crisis Intervention and Observation

Companies that continuously track what's going on in social media can address potential challenges before they go out of control. Establishing a crisis management plan ensures potential negative publicity is handled quickly and professionally (Ashley & Tuten, 2015).

Conclusion

Digital and social media have completely revolutionised the way businesses communicate with their customers, allowing for previously unimaginable opportunities for growth and engagement. Social media platforms such as Facebook, Instagram and LinkedIn enable businesses to reach a wider audience, develop their brand and maintain a loyal following. That said, these advantages do not come without downside — there's the threat of bad press, privacy matters, and market oversaturation. Businesses can overcome these challenges successfully by adopting strategic tactics like crisis management techniques, multichannel promotions, and content personalisation. The extreme potential of social and digital media should be complemented with an ethical and creative approach to management.

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