Social Media and Brand Equity: Reality for Small to Medium Enterprises in Zimbabwe Tourism Industry

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Abstract:
The evolution of Small to Medium Enterprises (SMEs) has been appreciated as a means to promote entrepreneurship and innovation in the 21st century. Many developed countries including Zimbabwe have engaged in this bandwagon. The main reason being to create employment and eradicating poverty along with closing other colonial gaps in macro resources ownership. The Zimbabwe's tourism sector has witnessed a positive reaction to this paradigm to an extent that SMEs have increased visibility in the accommodation, travel and resort sectors. Branding is still accepted as a game for the giants by many SMEs. The study investigated the effects of social media in branding Zimbabwe's SMEs operating in the accommodation, travel and holiday resorts. The main aim was to see how social media could fit in SMEs branding as a survival strategy to overcome the increasing global tourism competition. The findings from the study showed that the majority of SMEs did not appreciate the supremacy of social media in improving brand awareness, image, perceived quality, loyalty and association. The study recommended a model integrating social media and brand equity variables as a strategy for SMEs' survival.

Keywords: Small to Medium Enterprises, Brand Equity, Tourism, Social Media

1. Introduction

Zimbabwe has experienced a massive growth in Small to Medium businesses over the years. This has been attributed to persistent crumbling of the economy with closure of dominant giant companies. The emergency of SMEs became a survival strategy as seen by the majority who used to work for big dominant organisations now operating their own small businesses. This can be acknowledged as innovation in crisis economies. SMEs are a crucial contributor to economic development and reduces unemployment rate (Dahnil, Marzuki, Langgat, & Fabeil, 2014). However, the growth of SMEs has not taken extensive precedence in Zimbabwe only but the world over. SMEs have been viewed as convenient to customers as they can communicate and make any exchanges directly with the owners without hierarchical barriers. SMEs have also operated in places near to their customers' even in home industries or as back yard establishments. Due to the nature of SMEs, simplified in terms of structure and operation, many individuals have managed to start businesses with minimum education, qualifications and expertise. The major disadvantage of this state of affairs has been seen in its professional deficiency to come up with strategies that adapt to markets dynamism through innovation. Many SMEs have operated without departments or functions separating efforts from marketing to finance, human resources and operations. This has resulted in an overlook of some critical functions which have the capacity to improve equity of their businesses. Marketing has been through traditional means and too simplified to "production first and hunt for customers." This has resulted in many wasting resources as they produce products and services not wanted by the customers. SMEs marketing philosophy can be reckoned as more inclined to reaction than being pro-active. Amongst the crucial strategies that have been overlooked, branding has taken dominance. The concept of branding has been perceived as a tool for big businesses only and this ignorance has deterred creativeness in that area. Social networks marketing strategy has been appreciated by large organisations and still not practiced by Small to Medium organisations (Nobre & Silva, 2014). It has become a new way to replace traditional marketing (Dahnil, Marzuki, Langgat, & Fabeil, 2014)

2. Literature Review

2.1. Social Media Branding Strategy

There is low appreciation of social media as a strategic tool to uplift business processes (Aral et al. 2013). This is because most individuals and organisations have appreciated the platform as a means of communicating general life issues. In this regard, the use of social media is increasing each day from the general public's perspective. Businesses should be aware that social media helps in

increasing the number of customers who interact with the business (Fischer & Reuber, 2011).For instance, Facebook communications have been an effective marketing tool for SMEs as it improves brand recognition and raise brand awareness (Nobre & Silva, 2014).This is through its power to reach more people from different environments within a short period of time. Social networks provide an advantage of easy access to consumers without any need to go through "gatekeepers" who can be a barrier to effective communication (Hennig-Thurauet al., 2010). There are reduced market barriers when using social media. A business can position itself in any market at any point in time. Therefore, popularity of such platforms as Facebook mainly emanate from their ability to reach a large profile of customers globally that can be easily managed (Papacharissi, 2009). To a greater extend, it is clear that companies should employ social network for brand promotion, communicating with customers and eventually increasing sales and profitability (Burson-Marsteller, 2010). Social media is a new marketing tool to communicate with customers (Dahnil, Marzuki, Langgat, & Fabeil, 2014).Brand popularity is enhanced through social media (Vries et al., 2012). Ultimately, social media is used to attract potential customers and even communicate with existing customers from the environments it created thus communicating with a wide range of clients (Nobre & Silva, 2014).However, businesses are taking a slower pace in adapting to social media in comparison to customers (Ashworth, 2011).In order to practice this new paradigm, social media has been identified in different forms including Facebook, YouTube, LinkedIn and micro blogging which have used various displaying variables such as video-sharing, pictures and professional networking (Fischer & Reuber, 2011). Discussions from these various researchers show that social media can be an effective weapon in uplifting the brand of businesses. It is highly necessary to engage SMEs in Zimbabwe's tourism sector for them to be successful.

3. Statement of the Problem

Many SMEs in the Zimbabwe tourism industry are not using visible brands in order to attract potential tourists. Branding has been highly practiced by big establishments in the same industry such that their identification has been directed to the repute of their brands. Internationally, there is an increasing appreciation and adoption of branding by SMEs in the tourism industry. SMEs in Zimbabwe's tourism industry have therefore failed to grow as they cannot position themselves and be identified on the global tourism market accompanied by intensive competition and dynamism in tastes and preferences of tourists. If the issue of branding is not given maximum attention, SMEs in the Zimbabwe's tourism sector will not achieve the expected growth and even become extinct. This will result in low levels of employment, reduced economic revenues and other social unrests. Despite the economic contribution of SMEs, they still lack adoption of new technology yet the internet is being used by many people today (Dahnil, Marzuki, Langgat, & Fabeil, 2014). The study therefore examined the impact of social media in improving brand equity of Zimbabwe tourism SMEs in the accommodation, travel and resorts sectors.
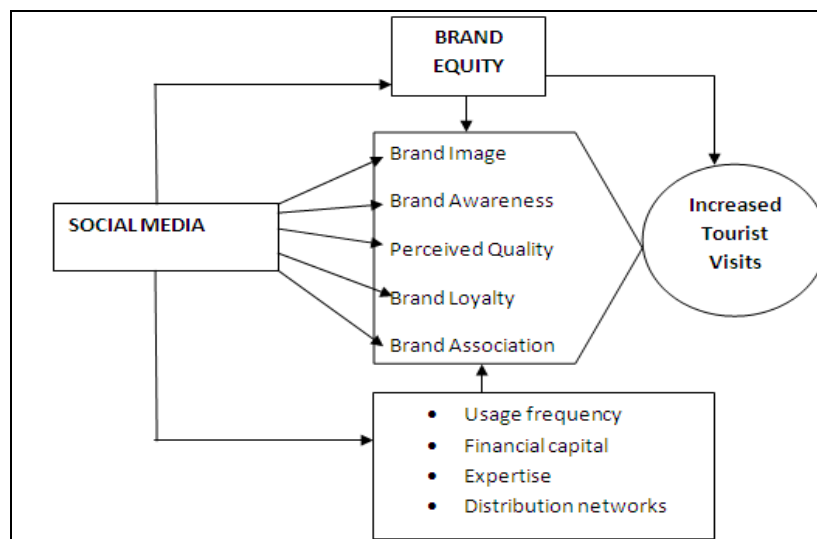
3.1. Conceptual Model

Figure 1: Concept of the Research
Source: Research Design (2015)

The model in Figure 1 shows that social media has the power to improve the performance of all brand equity variables. It reflects that there is a direct relationship between social media and brand image, brand awareness, perceived quality, brand loyalty and brand association. Therefore, it is when social media is effectively applied as a source of branding that equity is achieved. When there is high equity aligned to improved image, extensive awareness, positive quality perception, high loyalty and association SMEs in the accommodation, travel and resorts will receive a high inflow of visits. However, there are impending factors on the relationship between SMEs use of social media and brand equity. These include usage frequency by the SME operators, financial capital to invest in social media platforms, expertise of operators and the coverage in terms of distribution networks.

4. Objective
The objective of the study was to evaluate the effects of Social Media as a source of brand equity for Small to Medium Enterprises in Zimbabwe tourism industry**.**

4.1. Research Questions
1.   Do social media help in improving awareness of SMEs in tourism industry?
2.   What is your level of agreement that social media enhance brand image?
3.   Can social media be a source of improving perceived quality?
4.   To what extent do social media affect brand loyalty?
5.   What are the effects of social media to brand association?

5. Methodology
The philosophy for the research was built on both positivism and interpretivism. The research design was a mixed method combining both quantitative and qualitative approaches in getting data from the respondents. The respondents were tourism SME operators from accommodation, travel and resort sectors. Their population was 45, 50 and 9 respectively making a total of 104 participants. The instruments used for data collection were questionnaires and in-depth interviews for qualitative data.

6. Findings and Discussion
The findings of the research are as demonstrated in figures 1.2 to 1.6 below. Questions have been answered on how social media is being appreciated by tourism small to medium enterprises in promoting brand equity. The focus was mainly on the brand equity dimensions which are brand awareness, brand image, perceived brand quality and brand loyalty.

6.1. Q1: Does Social Media Help in Improving Awareness of SMES in Tourism Industry?
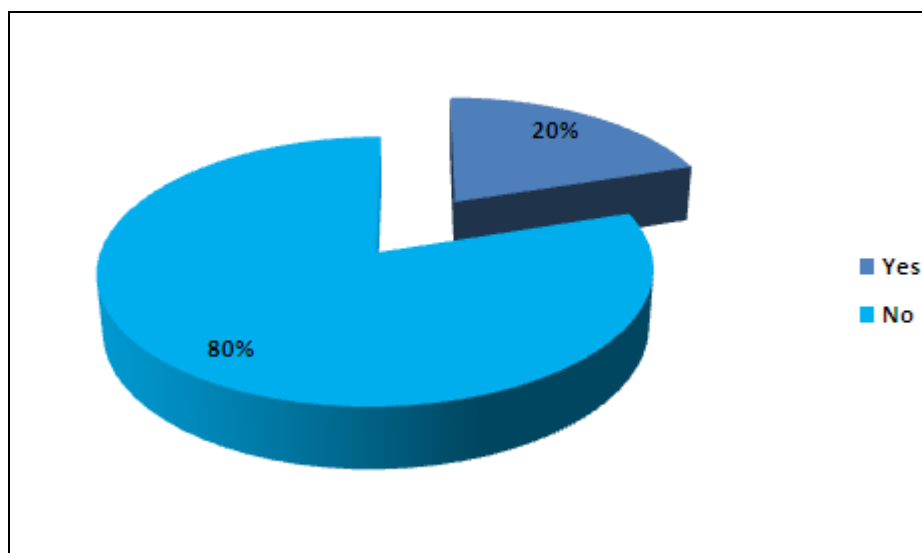

Figure 2: Responses on Social Media and Brand Awareness
Source: Research Survey (2015)

Figure 2 shows that the majority (80%) of SME operators did not appreciate that social media have the power to improve brand awareness. This can be attributed to high level of ignorance in the strategic effect of social media to business practices. Most of the operators are still using traditional ways of communication and marketing. These include general sales calls, advertising on radio, television and road promotions. They do not appreciate the new paradigm whereby e-commerce has taken dominance over physical market selling. Social media helps in improving brand awareness (Castronovo, 2012). There is a need to educate SME operators in the tourism business that social media has a benefit of convenience as the service provider of tourism service can sell and interact with tourists globally by just clicking the button. SMEs can improve their business by taking advantage of social networks like Facebook as a low cost strategy to advertise their businesses (Nobre & Silva, 2014).Brand awareness can therefore be enhanced through the use of various social media like Facebook, Twitter, WhatsApp, and Google. Social media can be therefore taken as a new strategic platform to implement a brand and showcase it to the world. Managers at all levels that are strategic level, tactical level and operational level should see their way on the global market through raising awareness using social media. The wide distribution of social media makes it an effective tool in reaching every part of the society globally.

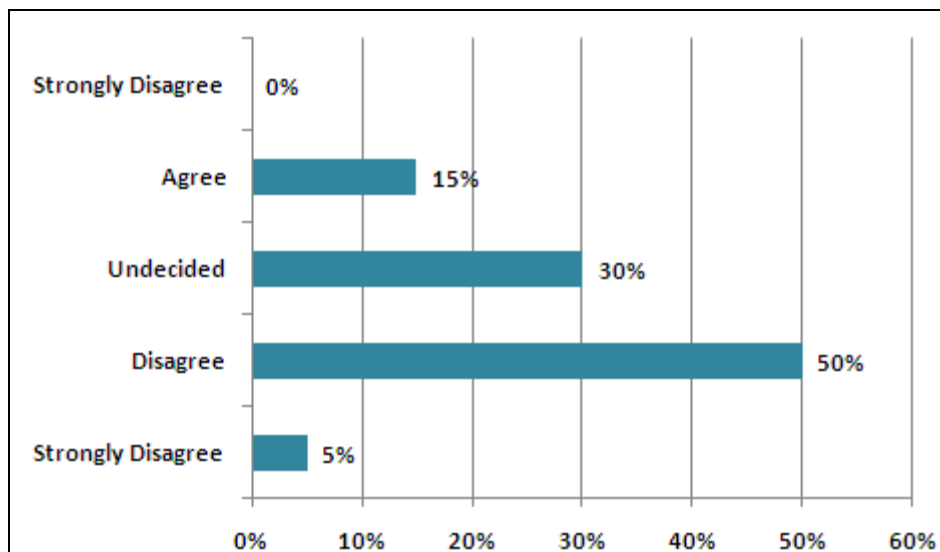*6.2. Q2: What Is Your Level of Agreement That Social Media Enhance Brand Image?*

Figure 3: Responses on Social Media and Brand Image
Source: Research Survey (2015)

The responses in Figure 3 show that the majority (50%) of SMEs operators disagreed that social media can be an effective means of improving brand image. This is in contrast with only 15% who agreed that social media can improve brand image. Facebook, twitter and other visual social platforms have helped in showcasing reality of tourism products and offerings. The pictures and displays from high definition instruments have managed to tangiblise the intangible tourism services. Companies have recognised that social media helps in communicating with customers, improve reputation and image (Becker, Nobre, & Vijay, 2013). This is convenient both to the operators and the tourists. The operators will not have to invest in familiarization tours by making tourists visit their point of operation for image building. The tourist will also assess the image of a tourism place through visual and word of mouth discussions on the social media. The strategic application of social media in tourism businesses helps in managing image and positive publicity at a global level. This can be seen from pictures, graphics and videos that can be posted on social media platforms showing the world on the tourism offerings, social interactivity, style of infrastructure and natural heritage available in a particular destination. Image creation is measured by tangible factors of which social media have the supremacy to even turn intangible service into tangibility. Zimbabwe as a tourism destination need appreciation of the supremacy that is provided by social media and showcase t its real image to the world thus countering the current negative publicity.

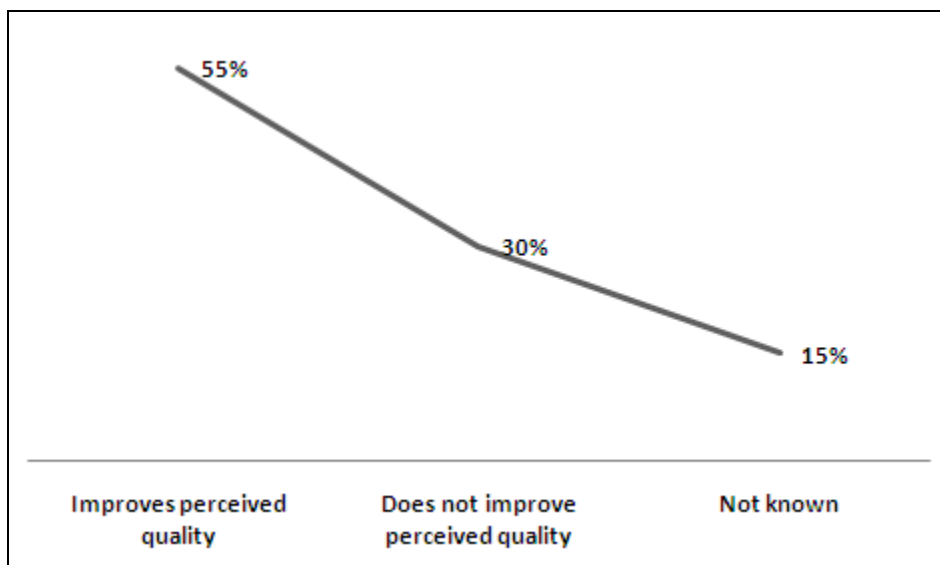*6.3. Q3: Can Social Media be a Source of Improving Perceived Quality?*

Figure 4: Responses on Social Media and Perceived Quality
Source: Research Survey (2015)

Perceptions are highly subjective and difficult to measure. However, the investigations as shown in Figure 4 revealed the majority (55%) of the SMEs in accommodation, travel and resorts acknowledged that social media has the ability to improve perceived quality. This can be related to the effect that visual creativeness on social media platforms help in giving quality views of tourism offerings. The glossy pictures, variety in colours and expressions via social platforms can enhance perceived quality. People can appreciate or decline quality from what they see as the saying goes" quality lies in the eyes of the beholder." An effective use of social media might therefore help in improving the perceived quality of tourism products and services. Social media presentations and publications have the ability to improve visibility of various man-made and natural structures available in a tourism destination. Quality is hard to measure though but through tangible factors that are presented in the form of graphics, pictures and videos on social media platforms, quality can be easily quantified. Destinations can therefore take advantage of social media in presenting the level of their quality to potential tourists.

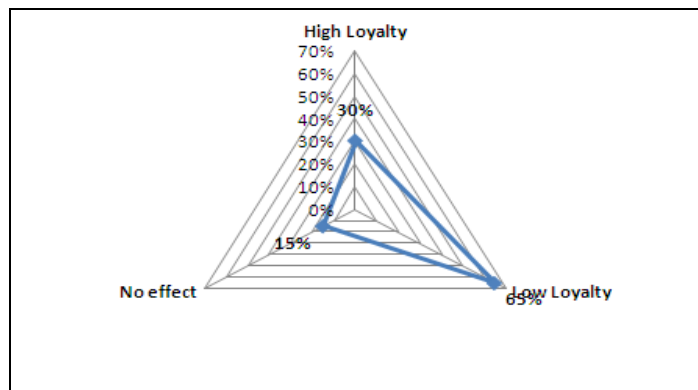*6.4. Q4: To What Extent Does Social Media Affect Brand Loyalty?*

Figure 5: Responses on Social Media and Brand Loyalty
Source: Research Survey (2015)

Brand loyalty can be in the form of behaviour or attitude. The former, relating to repeated purchases and the later is the enthusiasm to refer others to purchase. Social media provides a platform where friends, relatives and partners exchange information and experiences. There is a power of word of mouth that comes from communications through internet which facilitate information exchange from one customer to another (Graham and Havlena, 2007). This means that when a tourism establishment is highly discussed on these platforms, it will make previous purchasers to want to visit again. Also loyal customers can influence others to visit a tourism establishment through social media. Social media has the supremacy to attract new customers (Michaelidou et al., 2011). It is unfortunate as shown in Figure 5 that the majority (65%) of the responses suggested that social media leads to low levels of brand loyalty. There is a need to improve knowledge and expertise of the operators on the effects of social media to brand loyalty. This is because social media helps in building brand loyalty (Castronovo, 2012). A brand that is regularly discussed on social medium platforms can persuade customers to consume products and services now and in the future. Social media can be strategically aligned to tourism businesses so as to improve their loyalty. Brand dominance between tourists and tourism businesses or tourists on their own using social media platforms can help improve number of followers on a particular brand. Tourists become attitudinally and behaviourally attached to a particular brand through social media publicity.

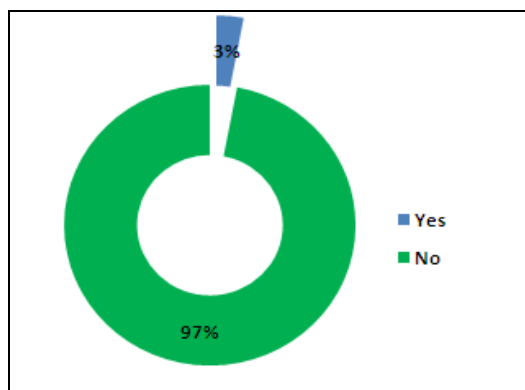*6.5. Q5: What Are the Effects of Social Media to Brand Association?*

Figure 6: Responses on Social Media and Association
Source: Research Survey (2015)

There is high level of ignorance by the SMEs in the tourism sector on the strategic role of social media in promoting brand equity. The results that are shown in Figure 6 denote that majority (97%) of the respondents did not appreciate social media as a tool to improve brand association through social media. When people discuss on social platforms and visit a tourism establishment, they become associates who in the future can conveniently ask for packages and even recommend areas of improvement. Therefore, there is a need to apply social media in order to improve brand association. This can be seen from the ability of social media to create brand communities whereby a number of brand followers create associations on group chart platforms on social media. Tourism destinations can become members of brand communities that will provide their input in various blogs on the social media platforms. This helps in creating long lasting associations and improves sales of the tourism offerings for Zimbabwe tourism destination.
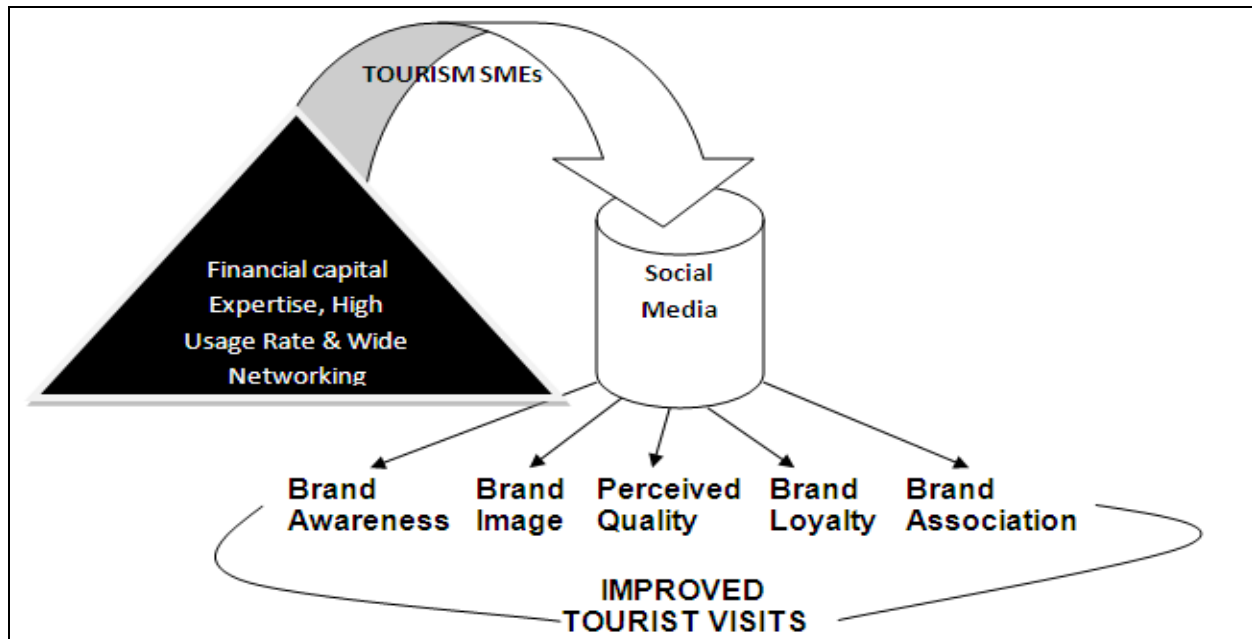

Figure 7: Proposed Model Social Media-Tourism SMEs Branding
Source: Research Findings (2015)

As shown in Figure 7 the proposed model suggests that policy makers and operators should source and provide financial capital to SMEs, train them to improve expertise and resort to wide network coverage which meets a high usage rate.

7. Recommendations

The study recommended that SMEs in the accommodation, travel and resorts tourism sectors should be trained on the importance of social media in improving brand equity. Social media can help SMEs in the tourism sector to grow as it provides a wide coverage that enhances connectivity with global customers. This will help in strategically applying the most effective forms of social media that will lead to improved brand awareness, brand image, perceived quality, brand loyalty and brand association. Eventually the tourism industry will face an influx of tourism arrivals.

8. Conclusion

The study has shown that social media indeed can increase brand equity, creation of new customers and increased sales which lead to profits for the organisation. This therefore means that all organisations in Zimbabwe regardless of size and composition should use social media for marketing their goods and services. Social media, if used appropriately and effectively can be cheaper compared to traditional methods of adverting.

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