The Role of Social Media in SMEs Branding: A Systematic Review and Future Research Agenda

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Abstract

Purpose: This study aims to provide a systematic review of how social media influences branding in small-medium enterprises (SMEs) and recommend future brand management research frameworks.

Design/methodology/approach: This study identified and evaluated articles published in peer-reviewed journals through academic databases, indexed by Scopus, WoS, and ERA, focusing on social media and branding in SMEs within 2011-2021.

Findings: This research reviews previous research by analysing the theory, variables, method, social media type, business context, and geographical setting.

Research limitations/implications: This research only review social media keywords, brands, and SMEs in the title, abstract, and keywords and only involves publications from scientific journals in the last ten years indexed, including Scopus, WoS, and ERA. Nevertheless, the three indices are the most trusted in terms of quality and impact factors by researchers worldwide.

Practical implications: This research supports SMEs to use social media in branding to boost their business. The application of social media as one of the business marketing strategies would add value to the SMEs' brand image, reputation, and equity.

Originality/value: This study contributes to the social media and SMEs branding literature by proposing future research avenues.

Paper type: Literature review

Keywords: Brand management, SMEs, Social media, Systematic literature review

Introduction

A brand becomes necessary for both consumers and business owners. Branding has been trusted to assist consumers in getting satisfaction from a product. It makes branding an essential feature and obligation for all enterprises, including SMEs (Blair et al., 2017; Dressler, 2016; Dressler & Paunovic, 2021; Rabiosi, 2016; Saraniemi, 2010). SME marketing strategies can be more focused, narrow and relevant to the specific target market by implementing brand strategy (Hodge et al., 2018; Laukkanen et al., 2016). The internet and social media applications play a vital role in SMEs' branding and business performance as they offer many benefits across all market segments and industries. It is one of the key success factors for a brand to stay competitively in the market and capture the attention of its consumers. For SMEs, the effect of the internet and social media will be multiple (Malesev & Cherry, 2021). The favourable nature of digital marketing and social media is low costs but give a better-targeted
audience reach (Paswan, 2018). Well-maintained social media improves customers’ perception of product quality (Suryani et al., 2020).

In addition, social media gives customers access to many shared information sources and recommendations from other customers' experiences (Tajvidi & Karami, 2021). Thus, the need for SMEs to focus on brands and use online platforms, which is social media, should be the concern of many parties: researchers, practitioners, government, and the public. It is inseparable from the value of SMEs in economic development in various countries (AlBar & Hoque, 2019; Eze et al., 2018; Yao et al., 2021), which is contrary to the ability of SMEs to involve technology in their business processes (Yao et al., 2021). Moreover, with the unexpected surge of the COVID-19 pandemic globally, the landscape of business orientation has shifted consumer purchasing behaviour from traditional brick-and-mortar to online purchases.

However, not many studies have discussed using social media to brand small-medium enterprises. Thus, this study reviews the existing literature on social media and SMEs branding and suggests future research avenues. This research shows a crucial call to start researching considering the importance of developing knowledge about SME marketing and its implications for helping SME growth, which is also the growth of society and the country's economy. This research begins with an introduction, followed by a literature review on social media, branding in SMEs, methods, systematic literature review results, discussions that raise future research agendas, and conclusions.

**Literature Review**

**Branding in SMEs**

A brand is the most crucial asset for enterprises (Bakkour et al., 2015). Branding is an effective marketing practise that emphasises continuity and its relationship with the external environment, especially customers (Abimbola, 2001). Branding in SMEs is different within big enterprises because of the limited resources of SMEs. It causes not all SMEs to utilise brand orientation (Hodge et al., 2018). SMEs always face resource and money constraints and need more effort to carry out their branding activities (Agostini et al., 2014). Fierce industry competition and sophisticated customers have led many SMEs to engage in brand building strategies to gain recognition for their products and businesses (Eggers et al., 2013). Previous research shows that SMEs that invest in the brand will generate higher brand performance than non-brand oriented SMEs (Baumgarth et al., 2013; Wong & Merrilees, 2008).

**Social Media**

Social media is a platform for people to build networks and exchange knowledge or perceptions conveniently wherever they are, either with smartphones or computers, as long as there is an internet network (Kaplan & Haenlein, 2010). Social media helps a company increase brand awareness, extend brand association, and improve perceived brand quality, affecting brand equity (Khajuriaa & Rachna, 2017). Social media is also an effective tool for establishing trustworthiness and customer experience (Kim & Ko, 2012) due to the possibility of interactive communication between marketers and customers (Malesev & Cherry, 2021). From the customer's view, social media helps them to gather and share data and opinions actively. It also makes them evaluate products faster, becoming a significant opportunity to increase purchase intention (Lee & Youn, 2009). Furthermore, information from social media would lower searching and processing costs for consumers (Xu & Zhang, 2013).
Methods

This study surveyed empirical research from various peer-reviewed academic journals over ten years: the Scopus index, Excellence in Research for Australia (ERA), or Web of Science (WoS). The review is related to social media, branding, SMEs. The databases of this review are Google Scholars, Scopus, Wiley, Oxford, Taylor and Francis, Sage, Emerald, Elsevier, Inderscience, and Springer. The research also examines other academic journals published by other institutions manually based on the ERA Journal list in 2018 by filtering ERA's codes with 1505 for Marketing fields and 1503 for Business and Management field and limited to Business and Management field and word "small-medium enterprises/business". The study is limited to some keywords, which are "brand" AND "social media" AND "SMEs". Searching all article bodies with these keywords in the database produces thousands of results that are not relevant to the desired results. Thus, the scope of the search is only within title, abstract, and keywords. The process of search and selection of articles is shown in Figure 1. There are 27 research papers from 26 journals included in this study, available in Table 1.

![Figure 1: Process of Articles Search and Selection](image)

Table 1: Summary of Journals by Year

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<tbody>
<tr>
<td>1.</td>
<td>Academy of Entrepreneurship Journal</td>
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<td>2.</td>
<td>Baltic Journal of Management</td>
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<td>3.</td>
<td>Business Perspectives and Research</td>
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<td>4.</td>
<td>Computers in Human Behaviour</td>
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<td>5.</td>
<td>Construction Economics and Building</td>
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<td>7.</td>
<td>Frontiers in Psychology</td>
<td>✔</td>
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Table 2 shows the various theories that underlie previous studies. The variety of theories used are very relevant, with only a few studies discussing the use of social media for SME branding.
Furthermore, this also affects the variables involved in previous research, which will be addressed in the next session.

Table 2: Summary of the Theory

<table>
<thead>
<tr>
<th>No.</th>
<th>Researcher(s)</th>
<th>Theory Applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Munir et al. (2021)</td>
<td>Resource Advantage Theory</td>
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<td>3.</td>
<td>Tajvidi &amp; Karami (2021)</td>
<td>Resource-Based View (RBV) Theory</td>
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<tr>
<td>4.</td>
<td>Hsiao et al. (2020)</td>
<td>Accessibility-diacasticity Theory</td>
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<td>5.</td>
<td>Suryani et al. (2020)</td>
<td>The Uses and Gratification Theory</td>
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<tr>
<td>6.</td>
<td>Ahuja &amp; Loura (2020)</td>
<td>Theory of Consumer Socialisation</td>
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<tr>
<td>7.</td>
<td>Nguyen et al. (2019)</td>
<td>Two Factor Theory</td>
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<td></td>
<td></td>
<td>Equity Theory</td>
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<td></td>
<td></td>
<td>Social Influence Theory</td>
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<tr>
<td>9.</td>
<td>Eid et al., 2019</td>
<td>Technology Acceptance Model</td>
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<td></td>
<td></td>
<td>Diffusion of Innovation Theory</td>
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<tr>
<td>11.</td>
<td>Michaelidou et al. (2011)</td>
<td>Social Networking Theory</td>
</tr>
</tbody>
</table>

**Variables**

In the last ten years, research about social media marketing has discussed only social media marketing usage, barriers, and measurement (Michaelidou et al., 2011). Subsequent research involves many elements of social media marketing and branding and performance in response to the strategies carried out. Several other factors that influence were also identified. Previous research often used social media marketing terms (Jiménez-Zarco et al., 2021; Malesev & Cherry, 2021; Munir et al., 2021). Other studies used the terms of social media use (Eid et al., 2019; Tajvidi & Karami, 2021), social media/communication (Brown et al., 2019), interactive communication using social media (Kang & Park, 2018), and social media capabilities (Odoom & Mensah, 2019). All terms explain the same thing, i.e. the use of social media platforms to connect marketers with their audience to achieve specific strategic objectives such as building brand awareness, increasing sales, or driving website traffic (Jiménez-Zarco et al., 2021). Several studies divided social media marketing according to organisational activities: social media advertising, social media communication (Jose, 2018), social media marketing strategy, and social media marketing activities (Ananda et al., 2017). Several other studies specified measurement to dimensions and indicators, such as ease of use, demographic targeting (Alraja et al., 2020), company-customer interaction (Alraja et al., 2020; Makrides et al., 2020) online and offline engagement, and relational norms (selection, solidarity, information exchange, flexibility) (Renton & Richard, 2019). Other research used perceived anonymity, perceived credibility (Nguyen et al., 2019), perceived ease of use, perceived relative advantage, observability (Eid et al., 2019), and subjective norms (Eid et al., 2019; Nguyen et al., 2019), informativeness, entertainment, irritation avoidance, and source credibility (Rukuni et al., 2020). There was also research that focused on social media type (Cant, 2016) and certain types of social media marketing activity, such as Facebook advertisements (Alraja et al., 2020) and influencer marketing (Ahuja & Loura, 2020). Furthermore, some research that discussed social media marketing measurement (Michaelidou et al., 2011) and social media effectiveness (Cant, 2016) also developed a social media marketing model, SOME-Q, consisting of clarity, attractiveness, interaction, and relevance.
Some factors that impact social media marketing and SMEs branding are characteristics of a business owner, such as their academic background. The other one is company characteristics, such as firm age (Jiménez-Zarco et al., 2021), enterprise size (Jiménez-Zarco et al., 2021; Kang & Park, 2018; Odoom & Mensah, 2019), IT infrastructure capability (Guha et al., 2018). From the consumers' perspective, internet usage patterns and habits, perceptions of online advertising (Makrides et al., 2020), social media experience (Nguyen et al., 2019), and consumer perception (Suryani et al., 2020) have also influenced the implementation of social media marketing and SMEs branding.

In terms of branding, research on social media has involved brand orientation (Capitello et al., 2014; Odoom & Mensah, 2019), brand creation (Jose, 2018), brand identity (Capitello et al., 2014), brand visibility, brand strategies (Dressler & Paunovic, 2021), brand resonance capability (Munir et al., 2021), and branding capability (Tajvidi & Karami, 2021). The influence of social media marketing has been widely discussed on firm performance. Measurements have been carried out from the companies' point of view: overall firm performance (Tajvidi & Karami, 2021), organisational performance, and financial performance (Jiménez-Zarco et al., 2021). Marketing performance (Munir et al., 2021), consists of market share (Malesev & Cherry, 2021), increased traffic, sales volume (Nobre & Silva, 2014), purchase decision (Hsiao et al., 2020), eWOM (Ahuja & Loura, 2020), export performance (Eid et al., 2019), and brand governance (Renton & Richard, 2019). The organisational performance consists of efficiency, flexibility, and responsiveness (Alraja et al., 2020). The financial performance (Jiménez-Zarco et al., 2021) such as revenue (Gwadabe, 2017). From a consumer's perspective, the previous studies have explored brand awareness (Alraja et al., 2020; Jiménez-Zarco et al., 2021; Makrides et al., 2020; Rukuni et al., 2020), brand image (Capitello et al., 2014; Renton & Richard, 2019), brand attitude, and purchase intention (Kang & Park, 2018).

Previous research also relates to social media marketing and branding in SMEs with a main focus on co-creation (Dressler & Paunovic, 2021), design/innovation management (Brown et al., 2019), and innovation capabilities (Odoom & Mensah, 2019; Tajvidi & Karami, 2021) concerning women entrepreneurs (Jiménez-Zarco et al., 2021; Jose, 2018). Another marketing strategy involved was communication via chat applications, mobile phones, stakeholder relationships, integrative strategies, and participating in exhibitions (Jose, 2018).

**Method**

There are only a few studies involving social media and SME branding in one study. Table 2 indicates that the number of quantitative research and qualitative research is not too different. The majority of previous studies have used this method. Preceding quantitative analysis used the following statistical tools: Structural Equation Model (SEM) (Alraja et al., 2020; Eid et al., 2019; Kang & Park, 2018; Munir et al., 2021; Tajvidi & Karami, 2021), tests of two-way and three-way interactions and bootstrapping (Jiménez-Zarco et al., 2021), ordinary least squares (OLS) regression (Hsiao et al., 2020), Partial Least Square (PLS-SEM) (Nguyen et al., 2019; Suryani et al., 2020), multiple regression (Rukuni et al., 2020), and moderated hierarchical regression (Odoom & Mensah, 2019). Moreover, other quantitative methods used experiments with Multi-group SEM (Kang & Park, 2018) and a two-step clustering method for ethnography (Dressler & Paunovic, 2021).

For qualitative research, interviews have become the most popular way to collect data (Ahuja & Loura, 2020; Brandão et al., 2019; Brown et al., 2019; Guha et al., 2018; Jose, 2018; Malesev & Cherry, 2021; Renton & Richard, 2019). Other research also used case studies (Capitello et al., 2014; Nobre & Silva, 2014) and content analysis (Ananda et al., 2017). There is also research that used a literature review as the study method (Rathnakar, 2019).
Social Media Type

As shown in Table 3, most of the research in this review (21 articles) focused on research on social media in general. However, some of the articles also focused on only one social media brand, e.g. Instagram, Facebook, Twitter, or social media that has a more niche market, such as fashion.

Table 3: Social Media and Methods Used

<table>
<thead>
<tr>
<th>Type of Social Media</th>
<th>Quantitative Approach</th>
<th>Qualitative Approach</th>
<th>Descriptive Approach</th>
<th>Mix Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social media in general</td>
<td>Dressler &amp; Paunovic (2021); Eid et al. (2019); Jiménez-Zarco et al. (2021); Makrides et al. (2020); Munir et al. (2021); Musa et al. (2016); Nguyen et al. (2019); Odoom &amp; Mensah (2019); Rukuni et al. (2020); Tajvidi &amp; Karami (2021)</td>
<td>Ahuja &amp; Loura (2020); Brandão et al. (2019); Brown et al. (2019); Capitello et al. (2014); Guha et al. (2018); Malesev &amp; Cherry (2021); Renton and Richard (2019)</td>
<td>Cant (2016); Gwadabe (2017); Makrides et al. (2020); Michaelidou et al. (2011)</td>
<td>Crammond</td>
</tr>
<tr>
<td>Lookbook.nu</td>
<td>Hsiao et al. (2020)</td>
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<tr>
<td>Instagram</td>
<td>Suryani et al. (2020)</td>
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<tr>
<td>Facebook</td>
<td>Alraja et al. (2020)</td>
<td>Ananda et al. (2017); Jose (2018); Nobre &amp; Silva (2014)</td>
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<tr>
<td>Twitter</td>
<td>Kang &amp; Park (2018)</td>
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</table>

Business Context

The majority of research on social media and SME branding is not specific to one particular type of business. Several studies have focused on certain types of businesses in various industries such as construction, winery, hospitality, fashion/apparel, services, business to business, retail, and information technology. Table 4 outlines the details of every research.

Geographical Setting

Researches on social media and SME branding have been conducted worldwide and primarily performed around Europe and Asia. In Europe, studies have been carried out in such places as Germany (Dressler & Paunovic, 2021), Spain (Jiménez-Zarco et al., 2021), UK (Brown et al., 2019; Eid et al., 2019; Michaelidou et al., 2011; Tajvidi & Karami, 2021), Portugal (Brandão et al., 2019; Nobre & Silva, 2014), Scotland (Crammond et al., 2018), Spain and Italy (Ananda et al., 2017), and Italy (Capitello et al., 2014). While in Asia, research has been tested in Indonesia (Munir et al., 2021; Suryani et al., 2020), Oman (Alraja et al., 2020), India (Ahuja et al., 2020), and Singapore (Kang & Park, 2018).
& Loura, 2020; Rathnakar, 2019), Vietnam (Nguyen et al., 2019), United Arab Emirates (18), Korea (Kang & Park, 2018), and Malaysia (Musa et al., 2016). Other regional studies were conducted in Africa which are South Africa (Cant, 2016; Odoom & Mensah, 2019), Ghana (Odoom & Mensah, 2019), and Nigeria (Gwadabe, 2017), and Oceania, which are New Zealand (Renton & Richard, 2019) and Australia (Guha et al., 2018). Table 4 depicts some studies that also involved several other countries in different regions concerning branding and social media towards SMEs business performance.

Table 4: Mapping of Business and Geographical Settings

<table>
<thead>
<tr>
<th>No.</th>
<th>Type of Business</th>
<th>Australia</th>
<th>Asia</th>
<th>Europe</th>
<th>Africa</th>
<th>Oceania</th>
<th>Multi-regions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No specific business type</td>
<td>Ahuja &amp; Loura (2020), Alraja et al. (2020); Munir et al. (2021); Musa et al. (2016); Nguyen et al. (2019); Suryani et al. (2020)</td>
<td>Brandão et al. (2019); Crammond et al. (2018); Jiménez-Zarco et al. (2021); Nobre &amp; Silva (2014)</td>
<td>Cant (2016); Gwadabe, (2017); Odoom &amp; Mensah (2019); Rukuni et al. (2020)</td>
<td>Guha et al. (2018); Renton &amp; Richard, (2019)</td>
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<td>2</td>
<td>Construction</td>
<td>Malesev &amp; Cherry (2021)</td>
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<td>3</td>
<td>Winery</td>
<td>Capitello et al. (2014); Dressler &amp; Paunovic, (2021)</td>
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<td>4</td>
<td>Hospitality</td>
<td>Tajvidi &amp; Karami (2021)</td>
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<td>6</td>
<td>Services</td>
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<td>7</td>
<td>Business to Business</td>
<td>Eid et al. (2019); Michaelidou et al. (2011)</td>
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<tr>
<td>8</td>
<td>Retail</td>
<td>Brown et al. (2019)</td>
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</table>
Discussion and Conclusion

Theoretical Implications

There are many theories used to underlie previous researches, and each study used different theories. Further research can combine these theories to find the most appropriate models to describe the relationship between social media marketing and SMEs branding. In subsequent studies, many variables explain the relationship of social media marketing, branding, performance, and other factors that influenced and supported the studies. Various terms are also often used. Future research can describe a complete framework of social media marketing and SMEs branding variables. Immediate calls are also considered important to measure the effectiveness of social media marketing and the use of brands in social media marketing.

Although many quantitative studies have been carried out, the experimental method becomes interesting for further research to determine the impact of exposure to the audience. Netnography and content analysis are also very interesting to know more about the online behaviour of SMEs and consumers in managing and reacting to brands and interacting on social media. The mixed-method and the longitudinal study are also a call for further research, considering that none of the articles reviewed in this study used it.

Each social media has different characteristics, and it becomes interesting to do another systematic literature review that discusses one of them. Comparing social media is also interesting to see from the point of view of the behaviour and character of social media itself, including the users' characteristics. In terms of business context, further research can classify types of businesses based on their involvement or type of brand (symbolic, functional, or experiential). Future research can focus on one type or compare the types.

Subsequent research also calls for analysis of different cultures comparison since research involving more than one country is still lacking. It is important because social media allows a brand to be defined understand acknowledgement from various parts of the world. Further research can help increase the opportunities for SMEs to expand their market more efficiently.

Practical and Social Implications

This research supports SMEs to utilise social media in their business operations, especially in developing their brands. The fact that social media is easy and affordable and can reach many consumers can be a solid reason for SMEs to integrate social media into the current practice of their businesses. On the other hand, high business competition requires marketers to manage brands effectively to make it easier for consumers to distinguish brands from similar products of competitors, making it easier for marketers to manage long-term relationships with customers. The use of social media is proven to facilitate the management of SME brands for disseminating and finding information, communicate brands and products, interact with consumers, and establish co-creation with them.

Findings from this study also help the government to find ways and strategies of how to support SMEs. For instance, by ensuring internet network infrastructure can reach all over the country, providing continuous training to compete with themselves, and using social media to boost their business and protect their business from digital crime. Society can also take advantage of business opportunities with social media to open new businesses or become an equip customer.
to make the right purchasing decision and help improve the country's economic competitiveness.

**Limitations and Suggestions for Future Research**
This research only uses social media keywords, brands, and SMEs in the title, abstract, and keywords and only involves publications from scientific journals in the last ten years indexed by Scopus, WoS, or ERA. Future research could involve other keywords such as social media brands and include keywords throughout the body of every article. A systematic literature review tool is also recommended to analyse in more detail, considering that the analysis in this study was performed manually using Microsoft and Mendeley.

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