



DIGITAL TECHNOLOGY INTEGRATION FOR SMALL RESTAURANT BUSINESS IN INDIA

Amlin David

Research Scholar, Department of Management,
Karunya Institute of Technology and Sciences, Tamilnadu, India

Dr. J. Clement Sudhahar

Professor and Head, Department of Management,
Karunya Institute of Technology and Sciences, Tamilnadu, India

Joseph Varghese

Research Scholar, Department of Management,
Karunya Institute of Technology and Sciences, Tamilnadu, India

ABSTRACT

Social Media Marketing is an emerging business trend. In today's world we can see that Millions of people are using Social Media Platforms for various reasons. In early stages of development of social media websites the concept was that social media is just for communication between family and friends. This concept has totally changed to a new dimension. In today's business environment we can see many companies are reaping the benefits of Social media by integrating it into business. In these small restaurants from the management perspective of small business owners were taken for the research. The investigator in this article carefully analyzes the benefits of social media, its drawbacks, integration of Social Media into business. The researchers found that there was minimal involvement of marketing department in small restaurants. The authors analyzed email marketing as a major promotional tool for promotional activities and found that it is also used as a promotional tool in this digital environment of business, The researcher found that Facebook is still the most popular promotional tool in Social media and Social media has played a major role in improving the brand image of the business. The respondents were not in favor of blogging as a promotional tool.

Key words: Social Media, Small Restaurants, Online Marketing Integration, Digital Marketing, SME.

Cite this Article: Amlin David, Dr. J. Clement Sudhahar and Joseph Varghese, Digital Technology Integration for Small Restaurant Business in India, International Journal of Civil Engineering and Technology, 9(6), 2018, pp. 1593–1601.

<http://www.iaeme.com/IJCIET/issues.asp?JType=IJCIET&VType=9&IType=6>

1. INTRODUCTION

Social media is now becoming a more significant part of business nowadays. There are millions of people who use social media for communication and other purposes. Nowadays many people use social media for expressing their grievances. It's been observed that many good companies respond to the grievances within an hour. Influencer marketing is a new vital approach for marketing. Influencer marketing is a process of developing healthy relationship with the influencers. Example when we invite any movie stars for a program it will gain a lot of attention.

SME'S have a major role in shaping the development of the Indian economy. Uma (2013) stated that SME's is the only solution to the problems of poverty, unemployment, insecurity and over population in the modern world. Ghatule and Dubey (2016) in their research stated that SME is a driving engine of an economy and that the Indian SME sector are ready to consent and obtain new technology, business ideas and automation despite the numerous challenges faced by them in the Indian economy. Social media also plays a major role as a channel of advertisements by brands.

2. LITERATURE REVIEWS

Haq (2009), said that marketers must study the consumers attitude and then strategize their advertising designs in email marketing. The result found that frequency of advertising and the quality of the content in email marketing have an impact on the minds of the consumers.

Charity Pradiptani (2011), in his research said that marketing effectiveness in social platforms are highly influenced by the quality of the contents, messages and association with various other marketing platforms. The researcher surveyed 257 respondents. In order to measure the return on investments in social media a detailed strategy must be executed. The researcher also concluded with the fact that the present generation might end up being the major users of various social media platforms.

Waad Assad and Jorge Marx Gomez (2011), intended to find out how software's can be effectively used to improve the marketing strategies and how social media channel can be integrated with business. It was found through his research that determining the needs of the customer at a personal level encourages the customers to engage at social networking sites.

Venugopal K Et.al (2012), said that an effective email marketing campaign effectively reach out to the customers worldwide and only a minimum effort is required for a successful email marketing. The organization should have a proper target audience such as existing customers and potential customers which will also be an effective method. The research is in line with previous researches.

Mohammed Yousef Abuhashesh, (2014) highlights about the social media integration process on the core marketing and advertising functions of the management. The hypothesis of this research was based on the conclusion that the integration of social media would have a substantial positive impact for a corporate entity. There are several factors when a company while a company is considering a strategic approach such as developing short and long term objectives, critical analysis of their target markets, social media business model should have a holistic approach

Ijaz Et.al (2014) in their research investigated about customer preferences in culinary through the impact of social media in the restaurants in Lahore, Pakistan. The research involved different variables such as brand image to dine in, quality of service, ambience etc. The research was able to conclude that YouTube has helped in creating brand awareness. It

also says that interactions with customers through social media have helped the restaurants in knowing about the customer preferences.

Came lia Delcea, Et.Al (2015). in their study aimed to evaluate the company's image. A sample size of 256 was taken for the study. It was found that 90.94% of the respondents have seen commercials in social networking sites. Results showed that 82.49% of the people are attentive to online discussions. Results showed that 51.22% often are open to online discussions, 2.4% never, 26.83% sometimes and 19. 51% are always open to online discussions

Rakhi K. Zaman, (2016) did research with the primary objective to analyse the impact of social media communication in influencing brand awareness of Nescafe products. The objectives included gaining insight regarding influence of customer engagement through social media identifying factors that influence customer engagement. The research stated that customers get more connected towards the brands only when they relate their personal activities with the brand.

3. IDENTIFIED GAP

- A full scale study on small restaurants Coimbatore district in Tamil Nadu on Digital marketing has not been done
- To identify different social media channels which are used by restaurants to attract the customers

In today's scenario use of digital marketing is very high among all sectors of business. Small restaurants were taken as part of the study. This study will help in identifying the various factors which influence the Social media marketing for small restaurants. The research will help the start-up companies to adapt to the present day marketing approaches to survive the competition

4. OBJECTIVES OF THE STUDY

- To determine as to how companies use social media as an effective tool to reach out to their clients
- To analyze how companies can harness the power of social media
- To determine which social media do the companies use more frequently as a digital marketing tool
- To asses the impact of marketing department in the restaurants and to understand how effectively the companies use blogging and email marketing as a promotional tool for their restaurants

5. INDUSTRIAL BACKGROUND AND TOOLS

Marketing with the help of social media is no longer new present market scenario. Every company has its presence in social media. Companies have been trying to harness the power of social media. The reasons can be different. Firstly the organization has to decide why they should have a presence in Social media. There can be a number of reasons such as to Increase turnover, to improve the brand image or even to increase the audience who come to know about the company. So before investing the precious time in social media the firm has to decide what it actually wants by its presence in social networking platforms. Social networking platform has tuned into a place where lot of customer interactions, fan engagement etc. takes place. All the social media platforms serve different purposes. For

instance take the social media platform of LinkedIn. In this platform we could find that there are many groups for like-minded people. It's a platform base which is mostly used by professionals with common interests in certain areas of interest.

5.1. Facebook

Various brands maintain their presence in social media for a variety of reasons. Some of the major reasons which are suggested by other researchers are as follows. The first major reason is that Facebook has a very huge audience. Previous researches show that among the internet users above 51% of the population have a Facebook page. Companies use Facebook in many positive ways that get seekers, amplifiers and fans to interact with your brand, share comments and stories about your brand, products or services, share pictures, videos and other visual content related to the brand, share the ideas regarding new products or feedback regarding existing products, visit your website or other owned media and to buy your products and services. Facebook fans come to our defense when anyone tries to play offensive against our brand in this platform. It's also a platform where customers post their positive and negative experiences. The presence of negative comments may sometimes become difficult for companies to manage. We must not just build fans in Facebook but turn them into your loyal customers. Loyal customers and fans help us to defend or even challenge the negative comments about your brand at times.

5.2. Twitter

People view Twitter as the last resort when they have exhausted other resources to reach the brand. As per previous researches many 42% people expect a response from the company within an hour. Thus to keep Twitter as a viable channel for audience development one must first make sure that the customers are served well that means proactively monitoring and responding to customer service issues on Twitter as you would anywhere else. In writing Twitter does not have anything as compared to Facebook's algorithm to filter the tweets of followers. Regardless of how Twitter evolves the brand's primary objective must be to stand out from the crowd being a brand that engages its followers. Twitter has a feature to notify users when they are mentioned by others. This helps the companies to raise the profile and it also gives the individual follower a reason to reengage with the company and potentially amplify your message now and in the future. The best compliment that an individual can do on Twitter is re-tweeting them. This single action transforms you from a mere follower or seeker into an amplifier while also generating earned media for the person/ Brand you re-tweet. One of the most interesting developments in Twitter's development is creation of Twitter cards away from its 140 character limitation. The individuals also have the option to upload their photos, videos etc. in Twitter.

6. RESEARCH METHODOLOGY

Research design was developed using qualitative study. Purposive sampling technique was used for the study. In this particular study researcher was able to interview the owners of the small enterprises and their marketing managers. 120 responses were gathered after the study that was conducted. A questionnaire was developed and distributed among small restaurants in Coimbatore district. 150 questionnaires were distributed to small restaurants. Personal interview was done with the branch managers and owners of the small restaurants. 120 completed questionnaires were received out of 150 distributed.

Hypothesis Statements

H1 : There is a positive relationship between age and amount spent on social media

H2 : There is a positive relationship between age and amount spent on email campaigns

H3 : There is a positive relationship between age and amount spent on blogging activities for promotion

H4: There is a positive relationship between age and amount spent on social media

H5: There is a positive relationship between gender and their opinion on marketing department leading to business growth

7. RESULTS AND DISCUSSIONS

It was clear that small restaurants even though they use the social media they are not highly active in social media channels. It was found that most of the small restaurants they list themselves in online directories and have a page in Facebook. It was found that the enterprises mostly use Facebook as a platform rather than twitter which was least used. Facebook and Instagram were the main channels which were being used to attract the people. Some of the findings are as follows.

Table 1 T Tests results of relationship between gender opinion on whether marketing department leads to business Growth

Levene's test for equality of variances		Sig.	t	Sig. (2-tailed)
Marketing department leads to business growth	Equal variances assumed	.064	-1.337	.192
	Equal variances not assumed		-.864	.446

On the question on whether marketing department leads to business growth was analyzed with male and female as respondents. The significance level was found to be .064 which means that they do not believe that marketing department in small restaurants leads to business growth. The hypothesis is rejected

Table 2 One way Anova Assumptions on amount spend on social media and age, email marketing and age and Blogging for promotional activity assumption

		Sum of Squares	df	Mean Square	F	Sig.
Amount spent on social media campaigns	Between Groups	8.271	4	2.068	2.009	.124
	Within Groups	25.729	25	1.029		
	Total	34.000	29			
Email marketing is often used for promotional activity	Between Groups	17.949	4	4.487	4.396	.008
	Within Groups	25.517	25	1.021		
	Total	43.467	29			
Blogging activities are done for promotional activities	Between Groups	18.597	4	4.649	2.796	.048
	Within Groups	41.570	25	1.663		
	Total	60.167	29			

One way anova test was conducted to find the assumptions on amount spend on social media campaigns, whether email marketing is used often for promotional activities of the small restaurants, and to check whether there is any relationship between age and promotional activities through blogging. It is very clear from the result that there is no relationship between age and amount spend on social media. The significance level was .008 on the question whether email marketing is used as a promotional tool. It means we are accepting the

statement that email marketing is often used as a promotional tool. Whereas the significance level was .048 on the question whether blogging is used as a promotional activity. We again accept the hypothesis that there is a significant impact of blogging in promotional activities of the small restaurants. But there was found to be no relationship between age and amount spent on social media.

Table 3 ANOVA Email marketing is often used for promotional activity

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	17.949	4	4.487	4.396	.008
Within Groups	25.517	25	1.021		
Total	43.467	29			

It is very clear from the test that all age groups in the analysis agree that here is a significant role for email marketing in promotional activities of small restaurants. Since the significance value is .008 which means that there is a relationship between age groups and email marketing promotion.

Table 4 Most Effective Social Media Channel

Most effective Social Media Platform	Frequency	Percent
Valid Facebook	56	46.7
Twitter	20	16.7
Instagram	44	36.7
Total	120	100.0

It was found that Facebook was the most effective social media channel followed by Instagram and Twitter. Pinterest was not being used by the restaurants

When we look into the details on amount spend in social media the result was as follows

Table 5 Amount Spent on Social Media Campaigns

Amount spent	Frequency	Percent
Valid Nil	56	46.7
upto 100	20	16.7
100 to 500	32	26.7
500 to 1000	12	10.0
Total	120	100.0

It was found that the restaurants were quite hesitant to spend on promotions in social media as we see from the results that nearly 56 of the 120 restaurants were hesitant to spend any amount on social media campaigns. 20 restaurants spent only an amount up to rupees 100 for social media promotions or campaigns. 32 restaurants spent an amount between 100 to 500 and 12 restaurants spend between 500 to 1000. This indicates the hesitation of the small restaurant owners to depend too much on social media for the promotional campaigns. But it should be noted that 64 of 120 restaurants had spent on promotional campaigns in social platforms.

Table 6 Customer conversions takes place in social media

Customer Conversions		Frequency	Percent
Valid	Strongly agree	20	16.7
	Agree	72	60.0
	Neutral	8	6.7
	Disagree	8	6.7
	Strongly Disagree	12	10.0
	Total	120	100.0

It was amazing to find that 60% of the respondents agreed that customer conversions takes place through social media, whereas only 16.7 % of the population agreed that customer conversions do take place in social media, 10% of the sample population said they strongly disagree to this factor, 6.7% disagreed and another 6.7% of the sample respondents had a neutral stand to the statement that customer conversions take place in social media. Therefore it is clear that majority respondents agreed that conversions take place in social media.

Table 7 Social media has helped in improving the brand image of the business

Improved Brand Image		Frequency	Percent
Valid	Strongly Agree	36	30.0
	Agree	32	26.7
	Neutral	36	30.0
	Strongly Disagree	16	13.3
	Disagree		
	Total	120	100.0

It was found that 30% of the restaurant owners strongly agreed that brand image has enhanced by using social media , 26.7 percent agreed that social media has helped to improve the brand image. 30 % of the respondents were neutral on this particular statement and 13.3 % of the respondents totally disagreed with the statement that social media has helped to improve the brand image. It is therefore evident that majority of the respondents favour that brand image is boosted through social media.

Table 8 Blogging activities are done for promotional activities

Blogging activities		Frequency	Percent
Valid	Strongly agree	32	26.7
	Agree	16	13.3
	Neutral	32	26.7
	Disagree	20	16.7
	Strongly Disagree	20	16.7
	Total	120	100.0

26.7% of the respondents strongly agreed that blogging activities are done for promotional activities, 13.3% of the respondents agreed, 26.7% of the sample unit had a neutral stand to the statement, 16.7% of the respondents disagreed to the statement and another 16.7% of the respondents strongly disagreed to the statement. Therefore it is evident that blogging is being used as a promotional tool by small restaurants.

8. IMPLICATIONS

Social media helps to in sustainability of Small enterprises since it helps to create brand image, loyal customers and customer satisfaction. Sustainability can be achieved through customer engagement and customer interaction. People often use social media to express themselves. For example sometimes people ask questions regarding the Menu and if they dislike a particular dish on the menu after a firsthand experience they suggest changes through social media platform via messaging. So the restaurant in turn can take corrective measures to satisfy the customers. This in turn helps in developing a healthy relationship with the customers. This in turn results in growth and progress of small restaurants. Effective use of social media in SME's will help to reach out to a larger audience. The researcher suggests that Social media and other digital platforms such as Email Marketing, websites, online marketing, blogs etc. will help in increasing the visibility of small restaurants

9. CONCLUSIONS

The power of social media can be harnessed by proper social media marketing plan. Social media is just one small part of digital marketing. People can be attracted and targeted with the help of attractive posts which will make the people engaged towards any firm in general. The use of sponsored posts will help the small restaurants to increase their brand awareness. Moving in the digital way is the only way to catch up with the competition. In this study only data on small restaurants were collected. A Further study can be conducted on another industry in the same district or a study Micro and Medium scale restaurants in Coimbatore. A comparative study on Small and medium restaurants can also be done regarding the use of social media or any other digital marketing platform.

REFERENCES

- [1] A. A Ghatule, S.R Dubey (2014), Importance and Implications of SME's in Indian Economy, International Journal of Science and Technology Management, 5(3), PP 557-562
- [2] Charity Pradiptrani, (2011), Social Media marketing : Measuring its effectiveness and identifying the target markets, Journal of undergraduate research XIV
- [3] Delcea, Camelia;Bradea, Ioana- Alexandra, (2015), Company image evaluation in online social media networks, Journal of Internet, Social networking and Virtual communities, 2015(2015), PP 1-7
- [4] Ijaz A. Quereshi, Izar Nazim, Mike Whitty, (2014), Impact of social media marketing n customer preferences in restaurant industry : An empirical study of Pakistan, , IOSR Journal of Business and management, 16 (9), PP 65-74
- [5] Mohammed Yousef Abuhashesh, (2014), Integration of social media in business, International Journal of Business and Social Sciences, 5(8)
- [6] P. Uma, (2013), Role of SME's in economic development of India, Asia Pacific Journal of Marketing and management review, 2(6), PP 120-126
- [7] Rakhi K. Zaman, (2016), An analysis influence of social media presence in promoting Nescafe, a leading brand of Nestle Bangladesh Ltd, International Journal of Business and Management, 4(2), PP 372-379

- [8] Venugopal P.K,(2012), Email Marketing : A paradigm shift to marketing, International Journal of advanced research in management and social sciences, 1(1), PP 101-116
- [9] Waad Assad, Jorge Marx Gomez, (2011), Social Media Marketing opportunities ad risks, International Journal of managing public information and communication technologies, 2(1), PP 13-22
- [10] Z. Haq (2009), Email Advertising: A study on consumer attitude towards email advertising Indian users, 8(3), <https://doi.org/10.1057/rlp.2009.10>
- [11] Prof. Shrikant Waghulkar, Dr. Kumardatt Ganjre, Prof. Nitesh Behare and Prof. Niranjan Diwan, A Feasibility Study For Online Marketing of Agricultural Greenhouse Products W.R.T. Pune District, International Journal of Management, 8(1), 2017, pp. 98–110