

Social media as a means of communication and marketing in neighborhood stores, Guayaquil

La social media como medio de comunicación y comercialización en tiendas de barrio, Guayaquil

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ABSTRACT

The Covid-19 pandemic has negatively impacted the commercial context of neighborhood stores, uncovering a regrettable change in consumer behavior when purchasing goods or services. This study focuses on how digital communication tools can improve the marketing strategies of neighborhood stores located in northern Guayaquil. A descriptive study was conducted using both qualitative and quantitative methods, surveying merchants and consumers in the Alborada, Vergeles and Paraíso de la Flor sectors. The target population was 1200, with a representative sample size of 350. In addition, 30 store owners were interviewed. The findings indicate that cell phones and social networking platforms such as WhatsApp Business are essential to establish daily communication with customers and suppliers. In addition, store owners should be trained on digital platforms to form

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strategic alliances with major brands and government entities to address this issue.

Keywords: Consumer behavior, Social Media, neighborhood stores, Covid-19, Social Networks.

RESUMEN

La pandemia del Covid-19 ha impactado negativamente en el contexto comercial de las tiendas de barrio, descubriendo un cambio arrependido en el comportamiento del consumidor a la hora de adquirir bienes o servicios. Este estudio se enfoca en cómo las herramientas de comunicación digital pueden mejorar las estrategias de marketing de las tiendas de barrio ubicadas en el norte de Guayaquil. Se realizó un estudio descriptivo utilizando métodos tanto cualitativos como cuantitativos, encuestando a comerciantes y consumidores de los sectores Alborada, Vergeles y Paraíso de la Flor. La población objetivo fue de 1200, con un tamaño de muestra representativo de 350. Además, se entrevistaron a 30 propietarios de tiendas. Los hallazgos indican que los teléfonos móviles y las plataformas de redes sociales como WhatsApp Business son esenciales para establecer una comunicación diaria con clientes y proveedores. Además, los dueños de las tiendas deben capacitarse en plataformas digitales para formar alianzas estratégicas con las principales marcas y entidades gubernamentales para abordar este problema.

Palabras clave: Comportamiento del consumidor, Social Media, tiendas de barrio, Covid-19, Redes Sociales.

INTRODUCTION

The advancement of technology around the world varies from country to country, resulting in a diverse range of cultural practices related to the use of information and communication technologies (ICTs). These tools are capable of providing benefits to people in many ways. However, it is crucial to consider the most significant aspect of the current global climate: how the pandemic has been pandemic. This, makes the

importance of technology the driving force in building as a means to promote economic growth. (Klevers et al., 2021)..

Ecuador is a country distinguished by the permanence of family businesses within its traditional society. These businesses are often reflected in community stores that, while they may be small, exist primarily out of necessity and still provide a sense of satisfaction to time-pressed consumers (Santos et al., 2022). However, the prevalence of these stores has been threatened by a variety of disasters that have affected the country, such as political conflicts, natural disasters, economic problems, and even pandemics (Klevers et al., 2021)..

The implementation of information and communication technology tools acted as a catalyst to promote business planning and wider distribution of key products. Despite the changing roles and responsibilities of the merchant, traditional tasks, such as monitoring foot traffic and employing persuasive sales tactics, have been approached or replaced with technological resources that optimize operational processes and competition (Vinayagalakshmi, 2022)..

Social networks are a fundamental tool for neighborhood stores in Guayaquil, because they allow them to communicate and reach a wide audience effectively. The strategic use of social media helps to increase the visibility of stores, attract new customers and retain existing ones. In the field of communication and marketing, social networks have acquired an influential role, and it is crucial to understand their impact on neighborhood stores in Guayaquil (Caballero et al., 2021)..

To thrive in society, individuals must adapt to their social environment. Lately, this adaptation has taken place in the digital realm, leading many to participate and communicate through online means. This change marks an evolution in the way we interact with one another (Raghunath et al., 2023)..

The primary objective of this research is to examine innovative approaches to digital marketing on social media platforms such as Facebook and Instagram, specifically for companies that have been forced to transition to the online sphere as a result of the pandemic. This involves developing novel methods of audiovisual communication and engagement that can encourage consumer behavior and foster brand loyalty (Monserrate et al., 2022); (Noorlitaria Achmad & Adhimursandi, 2021); .

This study aims to provide an overview of the impact of social networks as a communication and marketing channel in neighborhood stores in Guayaquil. The study

examined the definition of social networks and their characteristics, the importance of communication and marketing for neighborhood stores, and the visual strategies used by stores on social networks (Moreira et al., 2021).. By analyzing these factors, it is intended to gain a better understanding of how social networks affect neighborhood stores in Guayaquil (Espinoza, 2021).

In doing so, the goal of this statement is to demonstrate that society is not stagnant; rather, it is adaptable. The emergence of the digital sphere has created opportunities for people to understand without being present in a store. In addition, there is a growing need to be active in this digital realm, particularly on social media platforms. This is because numerous businesses and activities take place exclusively in these environments. A clear example of this is the field of education. Digital platforms have replaced traditional classrooms in schools and universities, and homework and exams are now delivered through digital links (Raghunath et al., 2023)..

Online communication platforms that allow users to create and share their own content using Web 2.0 tools are known as social networks. These platforms facilitate the editing, publishing and sharing of information. Social networks are an extension of traditional word-of-mouth advertising, enabling quantification and cost-effectiveness through social media marketing and social CRM. The role of community managers involves disseminating engaging and valuable content, as well as encouraging conversation between customers and the company while maintaining brand presence on the platform. Communication has been transformed both between individuals and between individuals and brands thanks to the advent of social media (Kotler & Hermawan Kartajaya, 2021)..

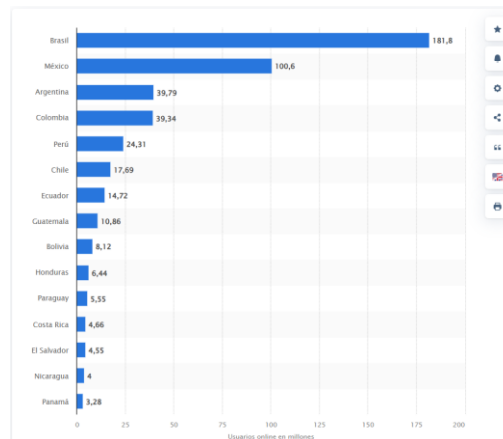
The impact of social media on sales and marketing has been significant in recent years. A post from a marketing agency discusses the impact of social media on sales, highlighting how it has influenced businesses. Social networks provide companies with a platform to showcase their products and services, connect with customers, and build brand loyalty (Sampedro et al., 2021);(Caballero et al., 2021).. Therefore, it is important for neighborhood stores in Guayaquil to understand the potential impact of social networks on their business and develop a strategic plan to take advantage of this communication and marketing channel.

The use of social media allows microenterprises to create and reinforce long-term connections with their consumers or users through social media platforms. As is well known, a user's journey from identifying their needs to making a purchase often involves seeking opinions from family and friends about various brands and models (Jimenez et al., 2018)..

In Guayaquil, the demographics of social media users show a majority in the 18-34 age range. During the pandemic, the use of social media as a marketing strategy has had a positive impact on businesses. Social selling has become crucial in the digital age, influencing the way companies interact with customers from marketing to post-sales stages. Therefore, it is important for neighborhood stores in Guayaquil to take advantage of social networks as a communication and marketing channel to reach their target audience and stimulate business growth (Sampedro et al., 2021)..

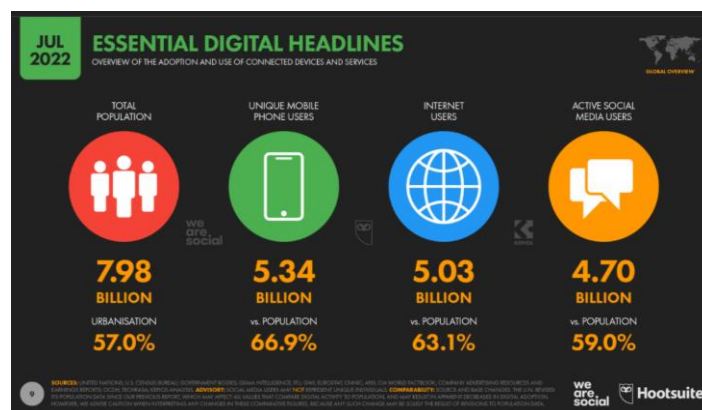
Social networks extend the reach of companies, generating recognition and a broader customer base. The quality of information on social media has a positive effect on brand awareness. By building a strong presence on social networks, neighborhood stores attract new customers and increase sales (Rubalcava de León et al., 2019).. In addition, the use of social networks as a communication and marketing channel allows companies to establish direct communication with customers, providing answers to queries and personalized service. In the same context, a social networking studio fosters a closer relationship with customers and promote brand loyalty. Social media provides a cost-effective advertising solution for neighborhood stores by being more cost-effective than traditional advertising methods. The ability to target specific demographics on social networks can result in a higher conversion rate and return on investment (www.es.statista.com, 2023). The use of social media as a communication and marketing channel can be challenging for neighborhood stores in Guayaquil due to limited resources and expertise. Small business owners often lack the knowledge and skills necessary to effectively leverage social media platforms. This can hinder their ability to reach their target audience and compete with larger companies that have more resources to invest in social media marketing. Given the above, one of the challenges in using social media as a communication and marketing channel for neighborhood stores is the difficulty in measuring return on investment (ROI). Determining the direct impact of social media marketing efforts on sales and revenues can be complicated, making it difficult for small business owners to assess the effectiveness of their strategies and make necessary adjustments (Jimenez et al., 2018).

Figure 1. Number of Internet users by country in Latin America in January 2023 (in millions)



Thus, the influence of social media on sales has proven to be significantly constructive and manifests itself in a number of ways. In essence, social media helps cultivate trust between current and potential customers, which, in turn, translates into sales growth. From attraction marketing to post-sales follow-up and customer service, social selling has impacted modern sales strategies. According to Statista, more than 60% of the population in Latin America uses social networks. Moreover, in Mexico alone, it is estimated that the number of social network users will exceed 95 million by 2025. (www.es.statista.com, 2023).

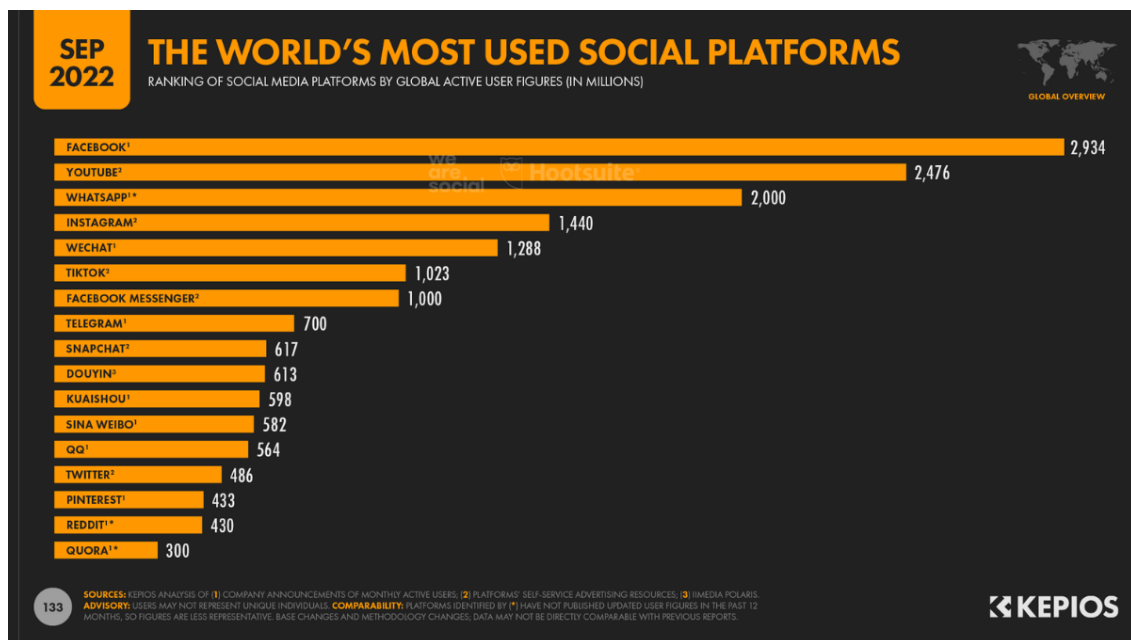
Figure 2. Device usage and services



Source: (<https://datareportal.com>, 2023)

The number of Internet users has now surpassed 5 billion, and social network users reached a record high of 4.7 billion. Through this ongoing research, it has been observed that these numbers continue to rise, with a staggering 200 million people accessing the Internet for the first time in the 12-month period leading up to July 2022. However, the current growth figures are marginally lower than those reported during the peak of the COVID-19 blockades. (datareportal, 2023).

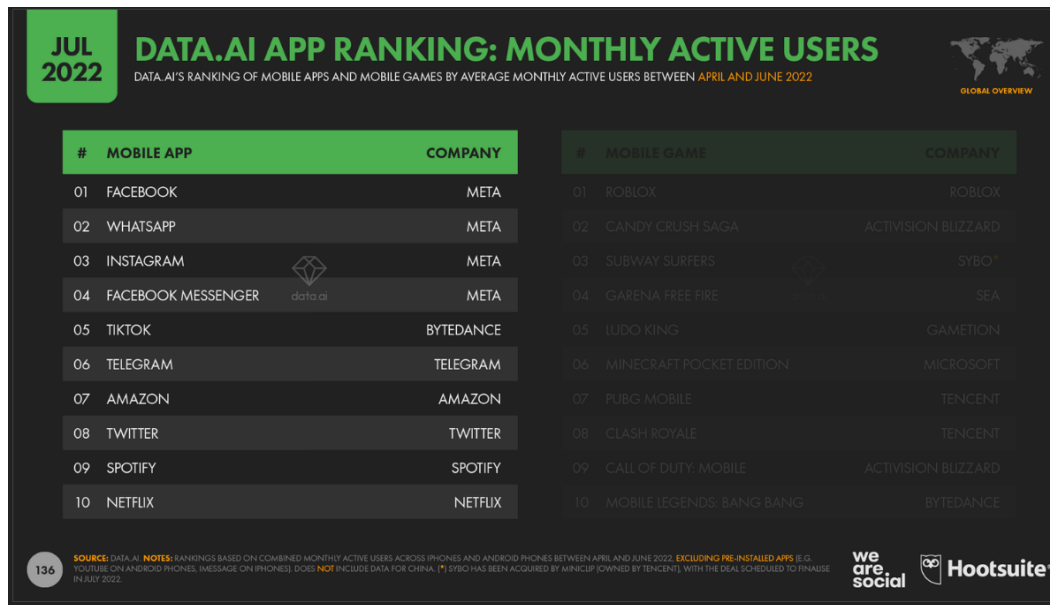
Figure 3. Most used social platforms



Source: (<https://datareportal.com>, 2023)

In the Q2 2022 earnings report, Facebook's worldwide monthly active user count experienced a decline of 2 million. When considering the global socio-political context, the decline can be attributed primarily, if not entirely, to the sanctions imposed on Russia by the United States. One of the most telling pieces of evidence is the presence of numerous third-party data points indicating the continued strength of the Facebook platform. According to data.ai, Facebook has the largest active user base among non-gaming mobile apps worldwide (datareportal.com, 2023)..

Figure 4. Monthly active users



Source: (<https://datareportal.com>, 2023)

In addition, the most recent research conducted by GWI shows that Facebook remains in third position in the global list of preferred social networking platforms among users (, 2023). (<https://datareportal.com>, 2023).

MATERIALS AND METHODS

The research employed a hybrid approach incorporating qualitative and quantitative methods. The objective was to collect information from traders and consumers in the designated study sectors. Merchants were interviewed using a structured format to provide information on their business practices, their history and their relationships with customers. Consumers, on the other hand, were given a survey with questions tailored to the project objectives.

Similarly, in order to adequately examine and evaluate the data, it is important to bear in mind that qualitative research approaches the information from the perspective of the subjects being studied, as pointed out by Castillo and Vásquez in 2003. In contrast, quantitative research methodologies prioritize measurement and numerical representation of variables.

Banchón and Gutierrez (2022) explored the communication tools used in the marketing process of neighborhood stores in the north of the city of Guayaquil through direct observation and field research in the most transited roads of the Alborada, Vergeles and Paraíso de la Flor sectors . For data collection, structured interviews and surveys directed to the owners of local stores in Guayaquil were used.

RESULTS

Store owners range in age from 18 to 64 years old, with a population of 53% female and 47% male. The time they have been operating the stores range from 12 to 61 months or more. In terms of marketing strategies they have used: promotions with discount offers, paid advertising, price variation, word of mouth, among others.

Table 1. *Communication tools used by shopkeepers*

	Frequency	Percentage
Social Networking	12	40
People Reference	24	80
Other (Not Used)	3	10
Total	30	

Table 2. *Social networks most used by the shopkeepers*

	Frequency	Percentage
Whatsapp	11	37
Facebook	6	20
Instagram	0	0
Tik Tok	0	0
Other (Not Used)	18	60
Total	30	

Taken from: Communication tools to improve the marketing of neighborhood stores in the north of the city of Guayaquil (Banchón & Gutiérrez, 2022).

Table 3. *Traditional media used by shopkeepers*

	Frequency	Percentage
Point Of Sale Communication	28	93
Social Networking	10	33
Sms/Call	7	23
Others	0	0
Total	30	

Taken from: Communication tools to improve the marketing of neighborhood stores in the north of the city of Guayaquil (Banchón & Gutiérrez, 2022).

Shopkeeper's knowledge about the functioning and usefulness of social networks

	Frequency	Percentage
Very High	3	10
High	2	7
Medium	3	10
Under	7	23
Very Low	15	50
Total	30	100

Taken from: Communication tools to improve the marketing of neighborhood stores in the north of the city of Guayaquil (Banchón & Gutiérrez, 2022).

CONCLUSIONS

The pandemic has had a significant impact on the technology sector. Its widespread use has appeared several daily activities, such as online grocery shopping instead of physically going to the store and virtual meetings instead of face-to-face meetings or classes. These changes were instrumental in facilitating a more digital environment, where digital tools are essential for social media marketing and connecting with target audiences. However, it is essential to know how to handle these tools, which is a challenge for many small and medium-sized businesses, particularly neighborhood stores, as they strive to overcome ignorance and gain wisdom.

The neighborhood stores that were studied in the north of the city of Guayaquil, specifically in the Alborada, Vergeles and Paraíso de la Flor sectors, showed that 80% use referrals from people to disseminate information about their store instead of some social network or technological tool. However, 33% showed acceptance for using communication tools in their neighborhood stores in order to improve marketing, increase sales and obtain greater recognition in the market.

Consequently, there is concordance with the research of Parada (2021). (2021) in relation to neighborhood shopkeepers in the Chapinero district in Colombia, in that advertising is done physically at the point of sale and some use WhatsApp as an advertising tool.

In addition, it was identified that consumers who have a better command of technology belong to the younger age range. This group of consumers would be satisfied to communicate or receive information about a product or service offered by the neighborhood store through the cell phone, laptop or computer; while the shopkeepers, being older, found it difficult to include these communication tools and, due to their lack of knowledge, to manage social networks, limiting the benefits for the development of their business.

In summary, social media is a valuable channel for neighborhood stores in Guayaquil, allowing them to communicate, generate brand awareness and expand their sales channels. The positive impact on sales has been widely demonstrated, highlighting the importance of using social networks effectively to obtain successful results. (www.es.statista.com, 2023).

It is evident that, in order to effectively use social networks as a communication and marketing channel, neighborhood stores in Guayaquil should follow certain recommendations. First, identify their target audience and choose the most popular social networks among them. Second, develop a clear strategy aligned with overall marketing objectives. Third, engage with followers by responding in a timely manner. Finally, constantly monitor metrics and adjust your strategy accordingly.

Future research can focus on the impact of social media on sales in specific neighborhood stores, such as grocery or clothing, and evaluate the effectiveness of different types of content. In addition, it can explore how social networks influence customer loyalty and repeat purchases (Sampedro et al., 2021).. This research will help neighborhood stores in Guayaquil to improve their social media strategy and stimulate business growth.

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