

EFFECTS OF SOCIAL MEDIA IN NEW BUSINESSES OF U.S.AND MOROCCO

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### **Abstract**

**Purpose:** The purpose of this paper is to broadcast the impact of social media on the determination of the success of new businesses in the U.S. and Morocco.

**Methodology:** The paper employs two surveys and semi-structured interviews with new businesses of both Morocco and the U.S. The two regions chosen are undeserved as they are economically depressed and are struggling to survive.

**Findings:** The study shows some benefits of using social media sites, including increased awareness and inquiries, elevated relations with customers, increased number of consumers, and high capability to reach customers globally. Co-promotion of local businesses enhancing the new business image in the region. Also, it was found that sharing content about the brand to the public on social networks profoundly influences decisions on purchase and, in return, determines the business's success. Factors influencing the choice of purchase services and products in the U.S. and Morocco regions through social channels are uncovered in this study. Considering the competitive economic situations in the United States and Morocco, the review can help firms try to realize future economic strategies.

**Keywords:** Social Media, New Businesses, Tourism, and Economic Development

## CHAPTER I: INTRODUCTION

There is an observed increasing rate at which new businesses currently acquire social networks. Many companies, ranging from start-ups to large and medium enterprises to large corporations, utilize social media tools in their regular operations. Studies show that companies that take advantage of the social media tool outperform their competitors and reports benefits enhanced efficiencies and low costs (Smit's & Mogos, 2013). Hence, it is significant to understand the importance of the impacts of social media has on the performance process of the business. According to the research report, Morocco falls third among most social media users in the Arabian countries, with about seven million users of Facebook. At the same time, the United States ranked 24th globally in time spent on these networks (Chaffey, 2020). With such significant figures, venturing into social media by new business in these regions is yielding. Besides, social networks provide the means through which the company assessment can be established through social reviews as well as allowing firms to provide quality customer services at a higher rate. With the continuing growth in online networking, interacting with targets as well as getting an update on what is trending in the market has become easy. According to research carried out in 2018, about 53% of the world population has access to the internet, and among this figure, 42% are social media users (Shaw, 2018). Consumers in the market are reported to spend more time on social media branding platform for information.

Additionally, it has been found that through social networks, businesses brands reach up to 10.7% more individuals than the actual number of consumers (Carter, 2014). The emergency of newer social networks like Twitter in the United States and Morocco is equally crucial as

consumers rely mostly on them for discoveries. It has been reported that Twitter has five or more times the capability to offer the consumer with new videos and resources. With the target intent to unveil discoveries, business recalls the higher brand awareness through these channels. Shaw (2018) suggested that, because new brands characterize new business, it is essential to maintain customer loyalty to ensure success. Global digital marketing reports that social networks have a greater tendency to support commitment in new brands compared to traditional ways. According to statistics, 66% of all social media users are aged between 18 and 24, this group of individuals tends to be more loyal in a business brand growing (Schaupp & Bélanger, 2014). Besides, these networks are critical to individuals aged between 25 and 34 as they prefer attending to businesses they are following on social media (Shaw, 2018). With this extensive range penetration, ignoring these social network integration can be havoc to new ventures considering their significance in the marketing world.

For new businesses, these social media tools are arguably more significant mainly because such companies have no traditional resources to market their products or services. It will allow them to overcome some limitations like time and financial resources hence enabling them to reach out to their clients effectively. A survey conducted by the Wall Street Journal observed that almost over 700 new businesses are still unaware of how to use social media and which the best is and worth their effort (Carter, 2014). Moreover, research confirmed that the use of the internet, especially social media, is at embryonic state for new businesses.

## **Research Objectives**

This research primarily explores the effect of social media towards new businesses, especially in regions of Morocco and U.S. It looks at the benefits of social media and some limitations that hinder better use of technologies. The two primary research objectives include:

(i) To scrutinize why and how new businesses utilizes social media for marketing their products or services

(ii) To cultivate insight into ways new companies can acquire benefits from social media

(iii) To focus on how use of social media differs in the U.S. to that of Morocco

To pursue these objectives, the paper at first looks at three hundred new businesses being set up in both regions of Morocco and the U.S. A web-based survey was sent that examined the attitudes of new businesses towards the internet and social media, success definition and desired performance of the business. This research is distinct in the sense that it explores the impact of social media on new businesses in growing and developing regions. The paper also create an infrastructure with a website, Facebook Page and Twitter page that dedicates to promote volunteering new businesses in the project. The participants later were sent a follow-up survey after approximately three months. Out of the five new businesses in the regions, the study conducted an in-depth interview with them; and was visited on-site. In the study, the findings of the case were from the results of the survey and the interview data. From the results, new businesses certainly benefit from internet technologies, especially social media. On the other hand, some barriers limit new businesses. Hence, it is significant for initiatives to be taken in training and consulting to assist them in overcoming their lack of knowledge and resources.

The literature review in the paper investigates trends in new businesses and the use of social media as it connects to nature-based tourism businesses, a predominant business sector in both regions of the U.S. and Morocco. Later, the paper looks at the methodology, results of the survey, interviews, and discussion. In conclusion, implications and limitations are highlighted in the study, which suggests future research.

## **CHAPTER II: REVIEW OF LITERATURE**

### **Evolution of Social Media**

Unlike before, today, internet technology, primarily social media, has grown in functionality for the past few years, changing the way brands interrelate with their audience of present and potential consumers. Almost everyone today knows how to use social media, especially Facebook and Twitter. A decade ago, not many had access to the internet, and more so, there were no introduced smartphones in the market. However, not many can live without the internet, and most people scroll at least thrice every hour on Facebook, Pinterest, Twitter, and Instagram (Grizane & Jurgerane, 2017). Six Degrees Website was the first social media to be launched in 1997 and enabled its users to create a profile which then could befriend other users (Schaupp & Bélanger, 2014). After that, the era of instant messaging and blogging emerged. As the millennium adjusted, millions of people had access to the internet even though it was taken as an unusual hobby. Later then, people started to use chat rooms for dating, making new friends, and also topic discussions. Another social media website that followed is LinkedIn, which was founded in 2002. Primarily, it targeted professionals for them to interact and network with one

another. Facebook is another social media tool that was launched in 2004 by Mark Zuckerberg. Today, it has recorded over a billion users hence becoming the giant of all social media users. The popularity of SMS and text messages from other social media inspired the launch of Twitter launched in 2006, which now staggers over 500 million user-base. In 2010, Instagram, which is the leading site for photo sharing, gained its access for iOS users and Android users in 2012. Today, thousands of social media platforms have emerged, and each unique for its loyal audiences, especially for business widespread. Almost all brands are associating themselves with the presence of social media, and it is becoming attractive for most businesses with innovative and exciting technology.

### **Theoretical Framework**

According to Jones, Borgman, and Ulusoy (2015), an increasing number of consumers are using internet technologies intensively, thus presenting a chance for new businesses to reach and interact with more clients in the social media. Significantly, these internet technologies are used by consumers for networking, relationship, and companies. Therefore, social media is known to be an interactive media since they enable consumers to engage and interact with their brand content. Although there is no single definition of social media, Barnes, Hood, and Gallardo (2014) states that social media is an internet user-sets that assists in the creation of a closer link between the internet users with the assistance of their own formed and shared content. Grizane and Jurgelane (2017) view social media as a tool-set of software that enables users to share information, interact, and create social groups. Additionally, social media can be a set of internet users in underlining user's participation in content creation, exchange of content, and mutual user



interaction. However, this interaction of the user is featured by direct contact between the creator and the information user.

In defining the distinct social media and social networks, there is a dynamic interpretation of understanding. Towards the end of the 20th century, the network concept has been broadly used mainly when defining the technical infrastructure of computer-based. On the other hand, Web 2.0, which was introduced in 2004, started with social media platforms like blogs. This has shown that the network is related to social media platforms and can be used to define social phenomena and social practice (Smits & Mogos, 2013). Often, social media is only used when outlining such web-based platforms that give users of the internet the possibility of interacting. For instance, users of Web 2.0 have the advantage of using web browsers based on user interfaces like photos, videos, content information, and even exchanging or creating groups grounded on the interest of certain materials. As a result, it concludes that social media involves such publishing platforms that require the exchange and interaction of textual, image, and video-based through the World Wide Web. Additionally, social media offers social dialogue, unlike traditional media, making social media platforms accessible like Facebook, Twitter, etc.

Social media is similar to Web 2.0, even though there are distinct features that distinguish them. Social media and Web 2.0 are both internet-based sites that create and exchange user-generated content. In a brainy storming session of 2001 conference, O'Reilly (2005), coined Web 2.0 in reflecting the transition from the manager produced content era to the user-generated period. To bring the distinction between web 1.0 and web 2.0, O'Reilly highlighted differences; "the web as a platform; the harnessing of collective intelligence; the data

as the next Intel Inside; the end of the software release cycle; the lightweight programming models; the software above the level of a single device; the rich user's experience" (O'Reilly, 2005). All these were to emphasize collaboration, effective communication, and user involvement. According to Schaupp and Bélanger (2014), Web 2.0 is seen to be a second-generation design that enhances communications and protects the sharing of information, interoperability, and web collaboration. Unlike other previous generations of web development, Web 2.0 has distinct features that stress on collective learning and engagement of the user through participation. Also, Web 2.0 allows abrupt publication and broad distribution of user-generated content. The value of Web 2.0 is based on the user's volume that jointly creates and shares content.

Most businesses link social media in their companies and consider a website as part of it. A website provides a one-to-many link between a company and the message receiver, and they can communicate with one another in real-time. Although social media is the most used medium, experts in internet marketing recommend that the ultimate destination for most new businesses is a website (Grizane & Jurgelane, 2017). With a website, it is easier to orchestrate efforts across various sites, especially when directing a website as one destination. Also, with a website, any business can own their relationship created towards their customers, which is unlikely to happen with social media.

Additionally, the business can own the data it collects rather than the platform. Websites held by firms are not under terms and limitations imposed by social media. Therefore, a website

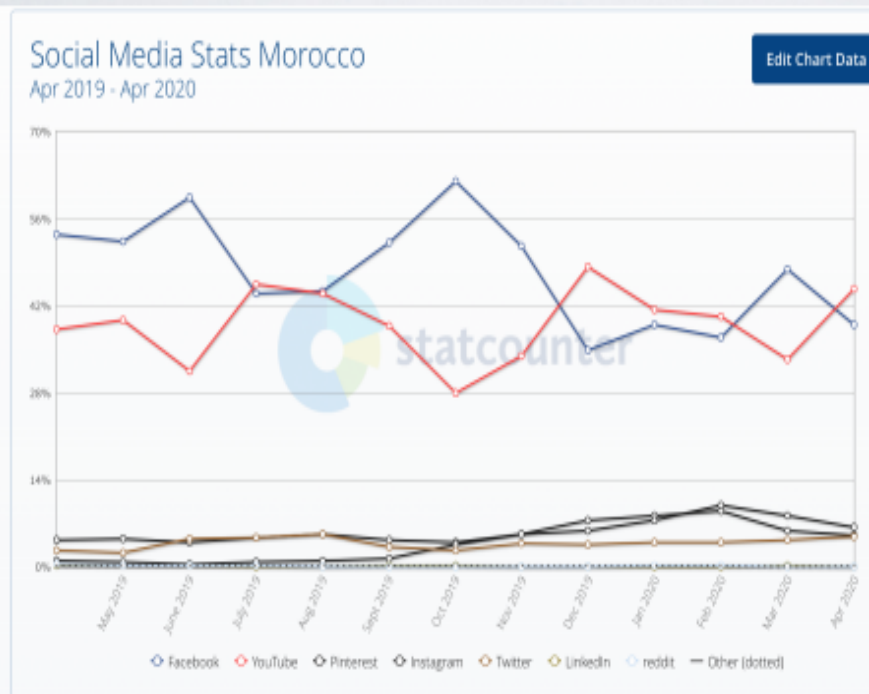
is considered unique by allowing businesses to own the entire content and delivery method as well as the flexibility it offers businesses on their approach towards customers.

Although websites come with unique features and benefits, social media is the most recognized by almost all users. According to Smits and Mogos, 93% of marketers use social media for their businesses, and 75% plan to enhance their usage (2013). There are three categories of social media: social network sites (Facebook, Twitter), media-sharing sites (YouTube), and thought sharing sites (blogs). It is becoming extensive for most businesses in using social media. A study conducted approximated that 73% of most new companies were likely to use social media, and a large number of them were expected to increase its usage by 83%. Most new businesses use social media to learn about products and services. Also, more trust is experienced by consumers towards other users more than commercial advertising. Research conducted confirmed that Facebook was the most used, followed by YouTube, Twitter, and LinkedIn. However, in terms of value, LinkedIn had the most significant benefit since it favored new businesses, followed by Facebook. Although Twitter and Pinterest are considered insufficient for new companies, a study at Northwestern University showed that Facebook and Twitter were prominent in driving half of the traffic for new businesses. In terms of other marketing methods, it was found that 90% of new businesses were using e-mail marketing, and most had a website (Jones et al., 2015). Also, 77% tried to use print advertising, with 69% using online advertising (Smits & Mogos, 2013). Overall, internet technology, especially social media, is profound for almost all new businesses. New businesses can utilize social media to intensely reshape the way they can distribute their information to consumers.

## **Differences between U.S. and Morocco in use of Social Media in Businesses**

Morocco being a developing country, social media is not widely accepted as in the case of the U.S. A report given showed that Morocco has about 7 million registered users on social media, specifically Facebook making it the highest percentage user among the Arab world after Saudi Arabia which has 20 million users. An analysis conducted showed that the young generation had embraced social media, most with the average age users being 15-29 years (Barnes et al., 2014). However, even the elderly population of Morocco takes advantage of the same social media. A study conducted showed that most of the restaurants and other small-to-large businesses in Morocco are now all indebted to social media, more so Facebook, where customers are accessing the latest news on their pages and can leave feedback. Unlike before, where most business owners would spend lots of their resources on flyers, today's Facebook page enables them to market their distinct events without spending much. Of importance, the young generation of Morocco is now benefiting from the enhanced employment chances through social networking services like LinkedIn. Also, most Moroccans are becoming familiar with the English language due to the international nature of social media, hence growing their businesses. Unlike the previous generations, social media has allowed the Moroccans to communicate with the world, which significantly improves their upcoming companies.

- This graph demonstrates the social media use by people in Morocco.



- Instagram is used by about 6% of the entire population. Most Moroccans use YouTube, 44% of the population.

Table 1: A graph demonstrating use of social media in people of Morocco (Brouwer, L., & Bartels, 2014)

On the other hand, social media in the U.S. has been proven beyond doubt on its importance. Unlike in Morocco, almost all businesses in the USA relies on social media for their progress. As a result, almost all businesses have been leveraging on sites like Facebook, Twitter, and LinkedIn for their growth in businesses. Social media statistics showed that 68% of adults in the U.S. use the Facebook account. Active social media users in the U.S. involve Baby Boomers (48.2%), Generation X (77%), and Millennials (90%) (Hassan et al., 2015). Another study concluded that almost all users spend at least 2 hours and 22 minutes on social media (Barnes et al., 2014). A new research conducted showed that U.S. adults have been using online platforms and statistically this has remained the same since 2016. Although Facebook, Pinterest, LinkedIn

and Twitter are the most used, Instagram has shown an uptick in use among the adults in the last few years. However, Facebook remains one of the most globally used among adults. Estimation done showed that seven-in-ten adults uses Facebook as compared to other platforms. However, YouTube was counted the second platform mostly used following Facebook. While social media has evolved as an entertainment tool, it has become a powerful marketing tool. Primarily, social media played a major role in connecting people, 63% agree that social media in U.S. has gained roots in marketing businesses. Calculated estimates done in 2017, showed that 90% of U.S (Jones et al., 2015). People were using social media for their businesses and that is estimated to increase to 95% in 20120. Interestingly, 73% of marketers have proved their efforts to be valid after implementing social media as part of their marketing strategy (Barnes et al., 2014). The table below is a graph demonstrating the use of social media by adults in the U.S.

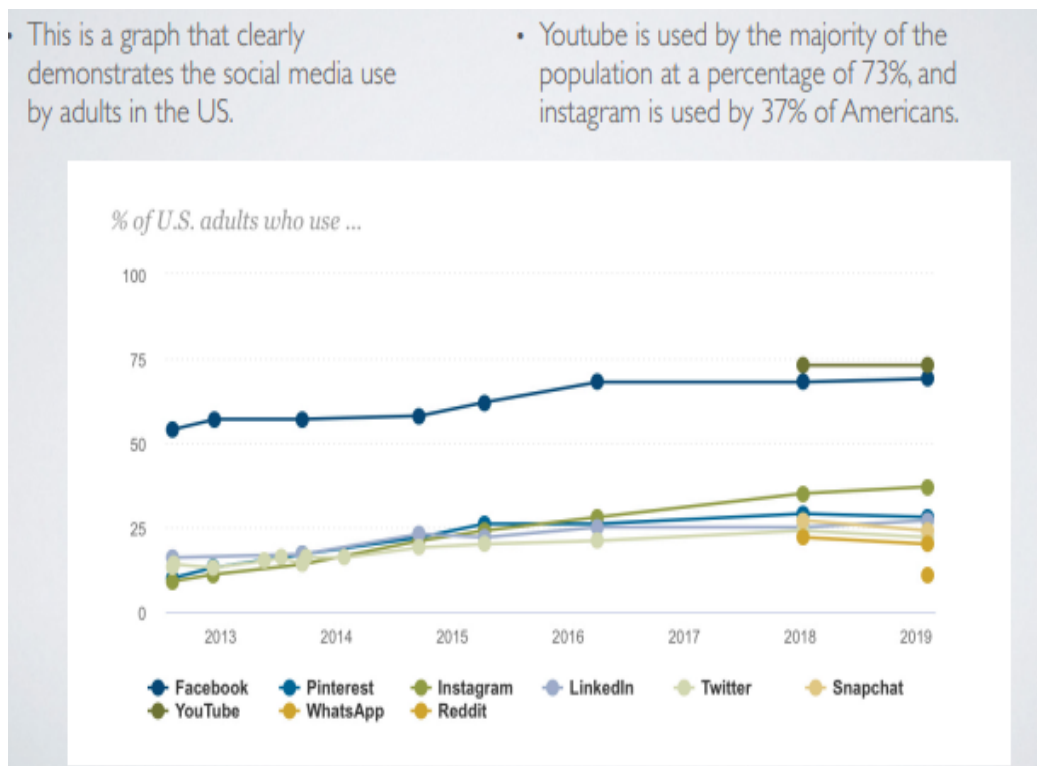


Table 1: % of U.S. Adults who use social media (Hassan et al., 2015)

### **Benefits of using Social Media in New Businesses**

Social media comes with many benefits for new businesses with the potential of providing an opportunity for distribution and marketing communication as well as reduction of cost. Most of the entrepreneurs rely on social media adverts to promote their brands and services. Therefore, social media is an ideal way of creating brand awareness and staying in contact with all customers. This part of the paper looks at ways New Businesses in Morocco and the U.S. can benefit from using social media as part of their businesses.

New businesses can receive many benefits through internet technologies. With social media, new businesses have the potential to provide opportunities for new channels. With social media, new companies can be able to receive a direct impact on attitudes and the making of decision of the consumers. In the past few years, social media has shown dramatic growth; hence, new businesses can use it to break through the clutter and connect with customers. Research conducted showed that social media influence the purchasing decisions of consumers. A study conducted in the concept of holiday shopping stated that those that were using social media for communication were 88%, unlike 12% that used other means. Before deciding on their holiday shopping, clients were asked to rank list of sources, and 28% came from the editorial content, 26% came from word of mouth, 21% from the social media, 12% from television ads, 9% and 4% from newspaper ads and internet ads respectively (Hassan et al., 2015).

Indirectly, the presence of social media has some advantages in that it does not directly lead to the immediate making of decision or purchasing behavior. Still, it is used as a tool of

developing networks with customers over time. Mainly, the aim is to attract clients to the site for new businesses to grow. New businesses can also use social media to enhance the recognition of their brand, hence increasing search ranking on search engines like google. Often, a significant key for businesses is providing the best information as possible for attracting customers. This is because the satisfaction of data on the sites of social media is a determinant of the behavioral intentions of the consumers. Of importance, this shows the significant and growing influence of social media on attitudes of consumers and the significance of exciting content to the right target market. From the previous research, there is exert the vast influence of attitudes and purchasing behaviors of peer communication through social media (Grizane & Jurgelane, 2017). This shows that social media was a sufficient tool for new businesses in actively involving and engaging target market consumers and influencing the behaviors of customers. Social media's capability to create interactivity and dialogue gives a powerful way of engaging consumers and developing lasting relations with the new businesses and the brand.

Majorly, new businesses can emphasize the use of social media to promote their brand since it is more affordable than traditional media. Also, there is the potential of targeting customers more effectively. Therefore, it is clear that social media is the most economical form of dissemination of information and interaction of customers. Additionally, social media plays a critical role in gathering information since it is not a one-way communication tool. As a result, new businesses can quickly and effectively learn more about their consumers. However, social media interaction is not restricted to informational interaction, but it goes beyond relational, recreational, and transformational modes of interaction. Valuable reinforcement of the social connection of internet communication is known as relational interaction, and its orientation is



social. Mostly, consumers who construct relationships with new businesses seek longer-term personal gain. Such are usually committed to contributing to the content of social media. Selfish interaction on behalf of customers is known as recreational interaction, whose aim is having fun and mingling without any ties construction. Communicating to gain long-term social gain is known as a transformational mode of communication. Although such an interaction can be created by any new business with higher social goals, transformational interaction is based on customers and non-profit enterprises and organizations. Therefore, new businesses must understand the distinct types of communication so that they can choose the most beneficial ones for the prospect of their companies.

### **Bottom Line Effect**

A study conducted in 2012 surveyed over 600 businesses to investigate the effect of social media on their net profits. Although there are no specific data that shows a causal relation between sales, benefits, and social media, the results are shown to be indicative. Most of the businesses confessed that a large percentage of their customers were from online social media platforms like websites, Facebook, LinkedIn, and other forums. Others highlighted some of the benefits of social media channels like referrals of customers and the capability to engage with prospects online. An analysis by large banks confirmed that social media was useful in lead generation to monitor the consumer's communication on brands and foster a relationship with consumers. Global research carried on 1700 executives and questioned how the social network had an impact on their businesses; most concluded that through social media their company acquired creative products and services, efficient marketing strategy, better knowledge access,

low business cost and higher income (Shawn, 2018). Primarily, most businesses use social media sites in advertising to target customer groups. Therefore, it is significant to examine the impact of social media on businesses. While there might be other big advertising companies like Microsoft, it is cheaper to advertise on those social media platforms, especially for new businesses. For instance, 70% of campaigns conducted brings a three times better ROI. Also, real-time bidding was currently created where advertisers can retarget users. For example, an individual can browse to Amazon.com site and then goes without buying. However, if the same consumer browsed Facebook and saw the identical product there, then he/she is likely to make purchases, showing that social media can help to achieve business goals through retargeting ads.

Social media enhances brand awareness as it is where half of the world's population is, and it is a natural place of reaching new and potential clients. Often, most consumers connect themselves with brands they have used before. However, the study shows that 60% of social media users discover new products on the platform every day. For instance, an Instagram campaign ran by Absolut Vodka in promoting its limited edition of Spark bottle, and the company was able to attain a five-point lift in brand awareness. Social media humanizes the brand. A study carried out showed that almost half of the population of the U.S could not trust a brand unless it sees the real proof of the brand in keeping promises. New businesses should realize that it is essential they show the human side of the brand while connecting with their potential consumers. Creating a real human connection is the key benefit for most businesses using social media platforms, and the best way brand can be humanized through creating a social media advocacy program. Also, new companies should ensure meaningful relationship moments showing how customers could use and benefit from using their brands. Social media establishes

one's brand as a thought leader irrespective of the type of business. A great way of building consumer trust is through thought leadership. In partnership with Edelman, LinkedIn research showed that there are much ignorance in most marketers, primarily B2B marketers, in underestimating the impact of thought leadership towards the effect of trust. It is, therefore, important for new businesses to understand the importance of thought leaders with their brand while using most of those platforms like LinkedIn.

With social media, most new businesses can be able to stay top of mind as it gives them the opportunity of connecting with their customers every moment they login. However, social posts must be entertaining and informative for consumers to see the new content. This will keep one on top of mind whenever they are making their purchases. Social media increases website traffic through posts and ads. A great way of getting readers and consumers of your product is through sharing great content to the platforms. Engaging in social chats weekly like in Hoot Chat of Twitter can be a way of increasing the brand's visibility and getting attention from new consumers, hence driving traffic to the website. However, the new businesses mustn't be promotional but are reasonable in offering great value of content in the chat with customers. An address should also be included in the platform so as a customer can easily learn more about you and the businesses, which at long last enhance trust.

Social media is used in generating leads. For potential customers, social media is an easy and low-commitment way of expressing interest in the business and the product. Essentially, lead generation is beneficial to an extent most social networks prefer to advertise formats specifically designed in collecting leads. For instance, some companies like Renault once used leads ads of

Facebook that enabled interested individuals to learn on a new model of booking a test drive directly from Facebook with just a tap. As a result, the ads had an 8% lower cost per lead way better than linking it on a website like that of a car manufacturer. Social media helps boost sales as it is a critical part of one's sales funnel, which is a process when a new contact becomes a consumer. Social networks become increasingly significant for product search and ecommerce as the users continue to increase, and social sales continue to evolve. With such, the time becomes right for new businesses to align with social marketing and sales goals. Social media enables new businesses to partner with influencers. A study conducted showed that word of mouth drives 20-50% of the purchasing decision. Also, brand awareness and credibility build when users on social media talk about your product or business, which significantly sets one for more sales. For a business to partner with an influencer, especially those with a large following, new firms can draw the attention of that massive followers to their brand, hence driving social word of mouth. Whenever a new business collaborates with an influencer, it gives a brand more lift four times better in brand familiarity than doing it with a celebrity. Social media enhances the promotion of content, which, as a result, makes the business get smart and well-researched and, as a result, brings you in the front line to prove your expertise and grow your audiences. For instance, Adobe had promoted over 50% content hence shaping the future of digital marketing (Edosomwan et al., 2011). Therefore, the content marketing plan must be put in place to maximize social media for business purposes. With social media, businesses are also likely to go viral through the way users like comment and share the social posts hence exposing one to new audiences. Companies that go viral go a step further since the content of the business spreads faster across the internet, getting over a million shares. That exposure is useful as it brings an existing connection with the

brand. For instance, when one sees a friend has liked a particular post, one can get inclined to check on the post even if one has never heard about the company before. Although it is not always for businesses to go viral, however, with no social media, it could be nearer to impossible.

Through social media, businesses can be able to source the content in various ways. One way is through source ideas where one can ask followers what they want or even in engaging in social listening. Here, the business can give what the followers wish to and are asking for, thus enabling one to create content on what users can read and share. Another way is through source material for posts whereby one creates contest or use the hashtag in sourcing user-generated content for sharing. If the followers are much involved, it can create a brand excitement as it provides one with a library of sharing social posts. Another benefit of social media on business is that it brings reputation management. Whenever consumers are pleased with the brand, they are likely to talk about it on social media, irrespective of whether they will be responded to or not. The entrepreneur can pick on essential social posts about the brand while addressing the adverse impacts highlighted before it turns into a significant problem. The negative issues should also be handled politely and professionally to avoid consumers losing trust in the brand.

Social media brings about crisis communication. For instance, an incident that occurred in the Starbucks store in Philadelphia, leading to two black men being arrested, the message went so fast and became viral in just three days. Although the news was so rampant, the company gave an apology and initiated training education on its employees to fight against any racial biasness. Such crises are likely to occur in most businesses, and they must have a plan in place for dealing

with the crisis. Although for new companies, the crisis may not blow up in large, whenever it happens, it becomes devastating within the tight-knit community. Like Starbucks, who acted immediately on the issue, entrepreneurs should learn that silence in every situation is not the solution (Jussila, Kärkkäinen & Leino, 2011). Therefore, businesses should maintain well-run and managed social accounts with the best plans to ensure they are ready to engage if worst can happen. Social media can benefit new firms in the engagement of both customers and the audience. It is in social media that customers and fans interact directly hence an opportunity for them to discuss and interact with the brand. Therefore, social media is two-way communication, unlike traditional media, which was one-way traffic. All businesses should ensure they stay active on social media while responding to comments and worries of customers towards the brand. Also, social media monitoring can be used in keeping an eye on what users are saying across the social web. Additionally, social networks bring about customer service and support. Customers often expect their brands to be accessible online and try to seek out their social accounts for customer service. According to (Edosomwan et al., 2011) observed that brands that do not meet such expectations end up damaging their bottom line. Research from Harvard Business Review concluded that a consumer is likely to spend more money on a particular brand if they receive a response within five minutes. New businesses should learn that it is vital to respond to their customers to build good customer service and support.

Social media benefits businesses through monitoring conversations that are critical to the brand. Although social media is an element of audience engagement, it is also a significant element in the source of intelligence about brand, competitors, and niche. Through social media, businesses can learn more about customers. A considerable amount of data is generated through

social media about customers in real-time, and one can seize it in making smarter decisions regarding the business. Almost all platforms of social media provide analytics that gives demographic information on individuals connecting with your account. Majorly, this enables one to tailor with a strategy for better speaking with a real audience. Businesses should explore extensive guides to use analytic tools on Facebook, Instagram, Twitter, and others to ensure they remain top-notch on their brands and social media followers. Also, with social media, one can gauge sentiment on the brand. Mentions of consumers towards brand matters a lot, and businesses should be keen on any negative view to figure the problem and address it. It is crucial not only to know how people are saying towards your brand but also on their actual feelings towards the brand.

### **Impact of Social Media on Capability of New Businesses**

Social media influence various latent factors and, as a result, impact the performance of the new businesses. One of them is collaboration and communication within and among organizations. Communication and collaboration foster rapid internationalization of firms and global operations of companies (Smits & Mogos, 2013). Also, with communication and collaboration, it brings the capability of coordinating discussions, reaching more people faster, synchronizing projects and tasks, and auditing communication streams. Social media also enhances the rapid development of the application through assimilating third-party services and joining existing internet and apps into new businesses. In the effort of the development of the product, such tools involve experts, suppliers, and employees of the companies hence speeding them up. Here, the rate of failure is considerably lowered since clients are part of product

development. Indicators applied in application development involve the capability to modify and develop applications faster, supporting application more comfortable, and improving requirements modeling.

Social media has an impact on the management of customer relationships by reshaping the traditional process of CRM, transforming them, and recognizing and solving customer service issues. The indicators here are in the capability of mining customer data, reaching more clients, asking customer feedback, and effectively communicating with clients. Social media has an impact of innovation on new businesses as it is as a result of ideas exchange among experts, powered by user-generated content and mass co-innovation. Social media enables rapid changes appearing on the market, allowing the clock, across boundaries, communication among field expertise. Here, indicators involve the capability of syndicating innovation, improving success rates, increasing activities of change, and producing efficiently.

Social media also influences the process of training as content becomes user-driven, and organizations encounter face transitions on shared data, generated information of the user and experience of the user. Due to this, activities of training are not restricted to a particular geographical location or time frame. Applications with an internal focus enable cheaper and practical education for workers while allowing new businesses to integrate into the online industry with reduced costs. Indicators of training for new companies is based on the capability of supporting traditional training, modifying training content, supporting asynchronous education, and codifying as well as distributing training content. Social media also has an impact on improving the management process of knowledge and even on exchange and creation of



knowledge. With an internal focus, social media enhances knowledge transfer between employees. However, with an external focus, it is two-way communication between consumers and suppliers. Here, the indicator for knowledge management is based on sharing, retrieving, organization, and leveraging knowledge.

On the other hand, social media influences the capability of new businesses and their performances. The performance process of business is the effectiveness in which companies transform the accessible inputs into outputs. Contrary, the performance process of marketing in tradition was done through inaugurating a set of crucial Performance indicators (KPIs) connected with every company's operation. The target value for each KPI is analyzed and compared between the actual and historical importance. The performance of the business process is measured through a balanced scorecard, self-assessment, traditional control approach, and workflow-based monitoring.

### **Challenges of Utilizing Social Media on New Businesses**

While social media comes with various benefits, it also presents some challenges for new businesses. One of the significant problems is that it can be daunting in creating a social media strategy. Most new businesses are required to come up with an approach like a summary of what one plans to do and what one may want to attain in the use of social networks. A list of objectives and goals are created, and one is required to be more specific to become efficient while implementing those strategies (Martin & Van Bavel, 2013). The goals are expected to align with the broader strategy of marketing and purposes of the business and should be concise to ensure it is attainable. However, this can be a hard task for new companies considering they have no

previous experience. Purposely, social media guides one's actions while determining whether one will succeed or fail. The goals set by the new business influence the metrics one chooses to monitor.

Nonetheless, it is recommended that new businesses focus on leads, link clicks, and impressions. However, it is suitable for companies with established social media to consider a social media audit. With a social media audit, one can analyze the current use of social media, what's working, what's failing, and what can be done to improve. If the strategy of social media is in place, the audit can be repeated quarterly to help keep the tabs. Another challenge that new businesses can experience is in measuring social media ROI and involves getting back from time, money, and resources one put towards marketing of social media. Unlike traditional online marketing that involves clicking on an ad, it becomes hard for new businesses to see their value, mainly when they tweet or post. Specific goals of the business are based on social media ROI; hence, how one goes about differs from another approach of companies (Smith, 2019). New companies need to have a clearly defined objective in place before they start measuring their ROI hence showing the importance of social media strategy. New businesses should ensure quantifiable goals in a place like Newsletter sign-ups or purchases. Another challenge that new businesses face with social media is turning employees into brand advocates. When new businesses are constructing an online presence, they mostly focus on creating awareness and in driving organic reach. For them to be successful, they have to consider their employees as a precious and mostly untapped asset (Martin & Van Bavel, 2013). New businesses can only turn their workers into brand advocates by making it smooth, like curating content for them where they can share with their social networks.

Regarding business, a study conducted showed that employees are the most credible source of information. New companies should share the right information with their employees and educate them about the business's product and goals. With social media platforms like Facebook and LinkedIn, one can be confident that they are sharing the right information. For instance, Adobe saw value by empowering its workers to become advocates of their brand. Twenty-one of Adobe employees who were socially fit were selected in taking part in the program of brand ambassador, and they ended up generating more than 5.5 million impressions within the few days—knowing which social media platform to use is another challenge that new businesses encounter. Statistics show that most of the social media users in the U.S. are adults representing 66% of the population (Jussia et al., 2011). 90% of the consumers use social media in making their buying decision and in communicating directly with brands (Smith, 2019). Primarily, this is an indication that almost all businesses should be active on social media. However, it is challenging to decide on which platform to build a presence. Fortunately, the best solution is for new businesses to look at their target audience. To do this, they need to familiarize themselves with demographics for every social network and know where they probably could be active to meet their business goals. New businesses can also use the analytic tool of social media in monitoring engagement between their account and audience demographics.

Another challenge for new businesses in using social media is on enhancing a decline in organic reach. It is discouraging when time and effort spent in content strategy doesn't perform well. However, this is a good indicator of a bigger issue on over-saturation. Unlike before, today almost 95 million photos and videos are uploaded everyday with over 500 million Tweets and photos are being uploaded on Twitter and Facebook (Smith, 2019). However, new businesses can

drive reach through getting the right content mix for the target audience. They can use their posts to monitor the engagement with the help of a social media management tool. With the tool, they can be able to monitor which of their posts is performing well like those with a photo or those without. Such insights, new businesses can be able to make decisions that are data-driven in their strategy of content in social media. Regardless of the platform, new businesses should aim at making their content engaging, educational and entertaining and this will fulfill their objectives in business. Engaging in a regulated industry is another challenge for new businesses using social media. While social media could be accessible to all types of businesses of all shapes and sizes in the industry, it could be complicated to incorporate social media into strategies of marketing in some regulated industries like alcoholic beverages, healthcare and financial organizations. Here, new businesses should take the initiative of familiarizing with the rules and regulations applying to certain industry. Although such rules should not discourage new businesses, it is important that their practices are compliant with rules and regulations of the social media. Having a humanistic relation with audiences is another challenge. While social media can be a great platform in creating awareness and attracting new clients, new businesses should act on ways of retaining them. Although 86% users of social media follow a brand, almost 60% of them are irritated in seeing lots of promotions (Jussia et al., 2011). Therefore new businesses should realize that increasing brand loyalty is key, and one should focus on creating a humanistic relationship between them and their audiences and not always is to sell.

Of importance, new businesses should know that it is not about selling on the social media, but it should be a platform where consumers are able to stick with the brand in the long haul. To achieve this, new businesses can try to solve it through storytelling by introducing core

values on brands. For instance, Nike and Always companies create an inspirational and story-driven content that assists in humanizing brands and instilling loyalty. Through their continuous publishing of thoughtful and inspirational content, they can become more relatable to customers than others who don't. Being responsive is another way through which new businesses can increase their brand loyalty while strengthening their connection with consumers. Taking the business to the next level is usually a challenge while using social media. Studies have proven that only 10% of individuals are able to retain what they hear, however, when this is paired with relevant images and videos, the number shoots to 65% (Barnes et al., 2014). To communicate effectively and efficiently, new businesses should consider photos and videos tool while communicating. Visual content distill complex information, increases engagement and assist in telling a story easily with impact and emotion. Emotions helps in driving deeper engagement and therefore, it is important that the visuals align with broader objective of the new business. Answering all of the customer's questions is usually challenging for new businesses. Although social media is a promotional mechanism for most businesses, it should be a two-way communication channel. While social media is a broadcasting outlet for most marketers, 90% of consumers use it as a way of communicating directly with brands (Carter, 2014). Since most new businesses may not identify and reply to customer's messages, they should consider the Sprout Social tool to ensure no messages go unnoticed. Sprout Social tool ensure all messages are in one place for an entrepreneur to distinguish issues that need to be resolved and a chance of delighting on customer through joining their conversation. Also, it can assist in hiding some unnecessary messages hence enabling one to focus on those that require attention. Additionally, new businesses faces the challenge of enhancing their reach through shares while using social media.

While shares of social signals like Retweets and Facebook assist in generating awareness of brand, most time is difficult to ask for them. It is therefore important that new business start optimizing their content so as to enhance their reach through social shares (Martin & Van Bavel, 2013). For instance, new businesses can ensure their published content is interesting for the targeted audiences to find it valuable. Also, they should get updated on trends while monitoring posts that are engaging in their target demographic.

A huge part of marketing is engagement, as it is a key metric for measuring one's effectiveness and in deciding which information to deliver a user base. For instance, new businesses that wants their Facebook posts to appear more in News Feeds, then they should ensure the content is something for consumers to engage with. It is up to them to explore distinct types of content and try to explore new ways to capture the follower's attention. Therefore, if new businesses are persistently providing interesting, entertaining, and relevant content, it won't be hard to drive engagement and boost their reach.

### **Preventing negative impacts of social media on a brand**

Social media may have negative impacts on the brand if not well contained. Some measures can be put to make social media has less effect on the brand, as discussed below.

#### **Offer a point of contact**

The business should not dwell purely on social media marketing. They should be willing to take adverts offline and preferably have contact with the clients. This increases the base for negotiations, and the firm can get feedback from the clients. They are able to suggest the areas

that they feel should be improved about the product. This will help the customers to appreciate the brand and feel more connected to the company.

### **Be concerned**

The firm should be concerned about the opinions given by the users of social media. In this regard, they should accept not only the compliments but assure the users that they will handle the complaints too. This concern on what the users say makes them feel valued and transparent in airing their views. An arrogant firm will remain silent and ruin their reputation on social media, thus ruining the image of the product.

### **Acknowledge the issue**

It is easy for a firm to accept the compliments made by the customers, but more emphasis should be put on the complaints. The firm should be willing to accept the genuine complaints given by the customers in a way that the customers will feel that they were heard. After acknowledging the issue, the firm may then proceed to research on the problem.

### **Research the problem**

The firm should invest in researching the problem once the firm has received complaints from social media users. This should incorporate the uniting of the employees from the respective departments and engaging them in giving a solution. Social media can still be an avenue for the firm to gather information from its competitors on how they are dealing with their customers' complaints. This gives them an upper hand in drawing more customers based on how

well the firm has done research on the problem. The research department should allocate more resources to give ample study on the continuous rising issues.

### **Offer a solution**

This should come after thorough research of the problem. The brand made should provide a solution to the customers. This is from the fact that the clients, who are the users of social media, may have a social influence on their peers, either positively or negatively. If the brand has offered a solution, they are able to express their satisfaction and recommend the product to many others.

### **Avoid canned responses, better to have a basic messaging strategy**

Firms may also guard their firm's brand by responding individually to the claims arising, one after the other. They should avoid general or reproduced messages and have a basic messaging strategy instead. This will make the clients feel appreciated and their needs addressed. Additionally, it is an indication that the issue has been noted and is being worked upon to give a solution.

## **CHAPTER III: DATA AND METHODOLOGY**

### **Context and participants**

The study was crafted from the case research. In such, contemporary issues affecting the new business were linked to real-life scenarios through an empirical study. The use of a case study in the research investigations is to uncover context and situations which are not presented as absolute evidence but through multiple occurrences presents concrete evidence. The goal of



this study was focused on newly developed businesses in the United States and Morocco. Since the core objective of the research is to explain how social networks, including weblogs and the Internet, influences this business, the method employed is likely to be appropriate for these investigations. Using a case study in this investigation is appropriate in meeting the overall research goals, such as providing the means through which recording, observing, and providing a description is possible.

The method provides a broad context of the study. The phenomenon in question is adequately researched. Through the case method, an in-depth analysis of context is provided. Various stages were implemented in this research to effectively provide an analysis of how social media affects new businesses. The first step was to analyze the specific locations in which the study would be conducted, identification of firm sample was the second stage, third was to create a social media access system on the sampled out firms, conducting surveys was the fourth stage. Lastly, firm response towards the social network was assessed through interviews.

This study was based on both primary and secondary research, since most of the information about new businesses in the U.S. are provided on the internet. However, when it comes to Morocco and the small businesses, I will be conducting my own research. Detailed interviews from two sources that have personally created their own small business in Morocco and both use social media to hold their platform will be carried out.

United States and morocco have a uniquely common trend in business. There are various newly developed ventures in both regions despite the long-term business firms in existence. Basing on statistical evidence, about 30.7 million business ventures in the United States are new,

which is approximately 59% of all businesses in the region (Dautovic, 2019). In this figure, about 50% of the new business will survive for the first year. During the first three years of investment, about a third of all new business collapses due to harsh conditions. Various business ventures further collapse during the fourth and fifth years, while those that fail to collapse are attributed to having better services, products, and social networking. This context is not different from the one exhibited in morocco regions. According to statistics by more than 38,817 business in Morocco were newly registered in 2017. This represents about 25% of all business ventures in the country, a figure that is higher than the previous year (24.6%) (Shawn, 2018). The rate at which newly formed businesses across these states is a significant driver to economic growth in both regions. This context indicates that by providing a way in which this new business flourishes by effectively competing in both international and local markets and seeing economic growth, new ventures do have to employ social networks. Due to the cost associated with traditional means of customer assessing for new businesses in these regions, social technologies become more beneficial to such contexts. Such scenarios are common in remote regions in the United States and Morocco, where new ventures have a limited promotional budget.

The central region, including the Atlas Mountains, Atlantic coast, and Saharan region in morocco as well as Franklin County, Maine highland area in the United States, are some of the most underserved places. Due to this, there is general economic backwardness where there is a need for interventions. Additionally, since the areas are remotely located, there is a general lower labor force compared to other areas, which can be attributed to younger people seeking jobs in industries where they are paid higher.

Despite this, the highlighted regions are a center of tourist and visitor attractions. For instance, Maine area in the United States bases its roots to nature-touring. Following statistical reports, newly developed tour-business accounted for more than 85562 vacancies along with direct expenditure amounting to about five billion dollars. An estimation of spending by visitors touring these new ventures averaged to about 3.7 billion dollars. For regions highlighted in Morocco, there is several diverse new and old business venture that provides the visitors with their satisfaction. Transportation, food, and dining are the most common new venture in the area. Most big cities and towns in the country have rail networks as well as roads where buses can navigate freely. However, the movement of visitors from one place to another in these remote areas is only possible through taxis transport. According to a statistic by the Morocco Country Report (2018), tourism in this region employs about 7.1% of all workers in the country with an estimated 8.1% GDP contribution. This is not different from remote regions in the United States, such as Maine highlands in which basing on statistical reports, and tourism business contributes to about 17% during day trips, 38%-night time trips in all outdoor recreations. Major tourist attractions in this region include camel riding in the desert, picturesque hiking, and cultural activities. For regions in the United States, kayaking, agro-tourism, and excursion of natural riches are common to attract actions. These regions, both in Morocco and the United States, are major tourist attraction sites due to their diverse climates and activities. The Internet plays the most critical role in seeing that tourist reaches its destinations, most notably through google inquiries. Additionally, social platforms such as Facebook provides the best way in which the target population is addressed.

## **Instruments**

### **The Website, Twitter and Facebook accounts**

The website portal, twitter, and Facebook account created by the team provide the necessary support in promoting new business in the region. The infrastructure also enhanced collaboration with other new businesses in the region, which were included during interviews and surveys. Moreover, a comprehensive audit was conducted to assess the business activities and attractions in the region. Two Facebook pages were used to promote new business:

([www.facebook.com/EcoMaineInfo](http://www.facebook.com/EcoMaineInfo) and <https://twitter.com/undiscovrdmaine>)

### **The Interviews and Surveys**

The officials from the department of commerce and economic issued a survey to the new enterprises in the both regions. The study was to assess the perceptions that business owners have towards the Internet and social media pages. The survey also aimed to discover how business owners define success and promote growth. Further, all the new businesses that were participants in the survey were included in the web portal.

A second survey was conducted after three months. The web portal went live after three months. The follow-up survey assessed the impact of social media pages and the Internet have on new businesses. Only 11 new businesses took part in the follow-up survey. Additionally, the team emphasized the use of social media pages such as Facebook and websites to promote the growth of the business.

Further, an in-depth interview was carried out during the summer season. The finding from the interviews played an important role in understanding the impact of the Internet on new businesses. The interviews contained open-ended questions, and they were semi-structured.

### **Data Collection**

The collection of data in the study was done in three major phases. During the first stage, an email containing a link was sent to the new businesses in the Maine region. The web-based survey had questions regarding the attitudes that new businesses have towards the Internet as well as social media sites, the perception they have towards success, and their performance they aspire to achieve. Moreover, there was a question on how social media impacts news businesses and the local economy as a whole.

The next stage of this study involved the creation of an infrastructure that would promote and develop new businesses through Facebook pages, websites, and Twitter accounts. The infrastructure was created for new businesses that willingly participated in the study. Further, a follow-up survey was conducted three months later. The participants were asked questions on whether the infrastructure created had an impact on the new businesses. The impact of the infrastructure was measured, taking into consideration the types of tourists, awareness, and amount of sales.

Furthermore, during the last stage, the researcher went into the field to observe the environment that surrounds the new businesses. The researcher also interviewed five business owners who were willing to provide information on the performance of their businesses.

## CHAPTER 4: FINDINGS

### Survey Results

The study had a total of 26 new businesses and organizations that took part in the survey in the Morocco area. The 26 participants provided answers that helped in determining how social media affects new businesses in Morocco. However, the team conducted a survey before the social media pages and websites went live online, and before the summer period. Out of all the 26 organizations, only 21 new businesses had less than five workers, and 19 organizations had conducted business activities for more than five years. The new business in the region was varied, and they were categorized as follows: seven businesses from the lodging sector and 19 businesses from other sectors ranging from small retail businesses to restaurants and other service sectors.

From the feedback provided by business owners and managers, many small businesses in the Morocco area are aware of their target market and tailor their commodities to meet the needs of the market. The owners of the business are knowledgeable about the environment that surrounds the business. For instance, according to most business owners, the Maine area and some local regions of Morocco have natural features that create a conducive environment for tourists. The area also has unique features that favor outdoor activities like skiing and hiking. These features have enabled the area to attract tourists and families from different parts of the globe.

Furthermore, many participants emphasize “pristine wilderness, natural beauty, wild destination, scenic beauty, high mountains, and lakes” as the factors that make the area a suitable destination for many people. The question regarding the outdoor activities in the area, more than half of the participants, was supporting that skiing, hiking, biking, and hunting were the major activities practiced by many tourists and families in the region. Additionally, activities such as fishing and snowmobiles attracted people in the region. Therefore, managers were aware that social media could help to promote new business through marketing such activities.

Some rural areas of Morocco and Maine in U.S. are a tourist attraction region, and tourism is the primary source of livelihood for many people. Therefore, the new businesses in the region should put more effort into marketing their business in the international market. Moreover, the business should ensure they can retain and attract new customers in different seasons of the year. According to the feedback provided in the survey, 20% of businesses in the region have a perception that there is a challenge of retaining customers. However, the main challenge that many business encounters are attracting new consumers in the market. They attribute this challenge to poor marketing terms.

Additionally, many participants recognized that a lot of funds are put in creating a good brand image of the coastal area of the regions and the difficulties in funding marketing techniques that are effective in attracting tourists. The Maine city may not be able to attract new customers because it is located far from the major cities and towns. However, many businesses were unable to retain customers because of the adverse weather conditions, poor quality services, and lack of enough outdoor activities for the younger tourists.

Eco-tourism plays a more significant role in attracting tourists to various destinations region. The beautiful sceneries and the clean atmosphere creates a conducive environment for people to live and enjoy their lives. The Maine area is famous for its vast coastlines and environment that favor many tourists and makes it a suitable destination for older people. According to the responses, many businesses in Maine create an image that is ecofriendly to attract tourists, especially those people who desire to experience the beauty of nature.

Furthermore, business owners were aware than a collaboration between business would provide more benefits to the region. Collaborations between enterprises help to avoid unhealthy competitions and enable new businesses to improve their performance level. However, many owners were not willing to collaborate with others because of the complexity in the management. Moreover, collaborations among businesses would prohibit incentives such as discounts, and a lot of time is required during the collaboration process. In all the 26 businesses, only three businesses have collaborated and aspire to expand their collaboration.

A better understanding of how entrepreneurs define success is vital in determining one's level of achievement in business. Many entrepreneurs assess the success of an organization in terms of survival rather than money. However, how business owners perceive success helps to determine the expectations the business requires from social media pages and websites. The perception that many business owners have that the business is successful if it can cater to the family needs, make a profit, pay for the expenses and make a substantial amount that is good for investments. The business owners should measure success in terms of the satisfaction level of the



customers and business growth. Therefore, a good website and social media page should provide a platform where the customers can provide their views about the organization.

From the responses, it is clear that new businesses struggle to reach their target market because it is expensive and time-consuming. Their expectations and perceptions are modest. The owner's desires to have a business that can improve their living standard, satisfy customers, and spur economic growth at the local level. The analysis indicates that the owners are aware that social media and the Internet can positively impact their new businesses. For instance, 46% of the participant had a view that social media and the Internet had a huge impact on their business.

In comparison, 50% had a view that social media and the Internet moderately impact their business. Most business owners tend to understand and appreciate the impact that collaboration has on new businesses. Still, they lack the infrastructure and time to enhance collaboration among new businesses.

The results from the follow-up survey indicate that the undiscovered Maine initiative had no impact on the new businesses in the region. The time frame was short, and further analysis of the discounts and the positive returns brought by Maine websites was not done.

### **Findings in in-depth interviews**

Five owners in Morocco who own new businesses together with the web portal took part in in-depth interviews. The new businesses include hotels, breakfast inns, boat tour operators, and an art shop.

## **The Motel**

The business was started by a couple who have a passion for cooking and serving the community. The motel has eight rooms, and each room has a kitchen and a bedroom. The couple was advertising their motel using flyers and ads in the local newspaper. This form of advertising is not effective in reaching many customers, and it is expensive. Moreover, the owner has witnessed tremendous changes since the creation of the motel website. The motel has more bookings as compared to when it started in 2016. Further, customers can book for a room online since they can access pictures of the motel.

The motel business can meet the needs of customers, especially since they book the room, which meets their tastes and preference. The advertising cost has decreased significantly due to the reduction in the use of newspapers for advertising. Additionally, the behavior of the management has changed, and it has embraced the use of emails as a proper channel to reach many customers. However, management is unable to track online traffic.

## **Boat Tour operator**

The business started in 2017 when the owner bought a boat to tour people around the lake region in Morocco. The business can only acquire customers who are within the region. The owner has a website that he created five months ago to reach customers who are within the target market. The websites assist the owner in promoting his business at the local level. Moreover, the business owners have used various mediums of advertising such as brochures and newspapers, to promote his business.

Furthermore, the business owners have collaborated with a local resort (ski resort) to promote his business. The collaboration has enabled the business to acquire more customers from the local resorts, especially during the summer season, where a large number of tourists visit the region. The owner attributes a large number of bookings from the website. However, the owner is unable to track where the customers are located.

### **Breakfast inn1**

The breakfast inn was established in 2016 by an investor who was a tourist. The investor employed a couple to manage the breakfast inn. The couple was the youngest managers interviewed in this study. The couple later becomes the owner of the breakfast inn in 2017. The business owner created a website for the inn to reach many customers, especially those who are within the local environment. The owner uses another advertising medium such as the local newspaper for marketing the new business. The traditional form of advertising was not cost-effective. The owner was passionate about marketing his business online, which encouraged him to create a website and use Facebook pages for marketing his commodities.

Additionally, the managers used sites such as Trip Advisors to promote the growth of the breakfast inn. The manager also paid several websites like Expedia, booking.com, airbnb.com, and B&B finder to advertise his business. However, all the paid sites did not meet the expectations of the business owners. The managers lack adequate time to advertise the breakfast inn on the websites. The primary reason why new businesses are unable to advertise through websites is that they lack enough skilled staff and time to create appealing pictures that will attract customers.

## **Art Shop**

The art shop offers classes to tourists about the various types of art, and it has a website. The woman who is the sole owner of the art shop established the business in 2004. She had not uploaded any new pictures from 2004 due to her inability to advertise through websites. However, the art shop is in collaboration with other businesses, such as the ski resort. The collaboration has enabled her to acquire new tourists who are willing to join the art classes. The collaboration with ski resort also has encouraged tourist attraction to the region and enhance the growth of the local economy. The owner of the art shop does not believe that website can create a large market for her arts in the showrooms. Therefore, she struggles to generate income for her business.

## **Breakfast inn2**

The breakfast inn2 is a business that enables the tourist to experience the beautiful nature in Maine. It was established in 2004 by a local owner to serve as a tourist's hotel. The breakfast inn is located in a farmhouse. The designs of the farmhouse meet the needs and tastes of the customers in the market. Surprisingly, the difficulties encountered by the business owner of the breakfast inn1 is similar to hers. She is unable to market his business using social media pages and prefers to use the traditional methods of advertising to reach his customers.

Moreover, the business owner can use the Internet to reach tourists in the global market. Her knowledge has enabled her to keep track of traffic and attract customers from various destinations in the hotel market. She also uses social media pages such as Facebook for advertising breakfast inn2.

Furthermore, breakfast inn2 has grown and expanded over the years due to the flexibility of the website of the business. For instance, the website is mobile friendly and user friendly. This has enabled the business to grow and promote the growth of the economy at the local level. However, the business relies on the use of the Internet to gain new customers while retaining old customers. The use of the Internet in advertising is time-consuming and cumbersome.

## **CHAPTER V: CONCLUSION**

The in-depth interview with business owners provides information on how the websites and social media pages' impact on new businesses. However, due to limited time, the team could not be able to determine the statistical effects of the undiscovered Websites on the local businesses. The results from the interview indicate a positive correlation between the website, social media pages, and new businesses. For instance, the business that has a website was able to attract more customers from the global market. Additionally, the business able to grow and promote economic growth through advertising in social media. The growth was due to the decrease in the cost of advertising (Sledge, 2014). Various advertising channels, such as newspapers, were more expensive compared to websites and social media pages. Therefore, the Internet can promote economic growth and develop new businesses if utilized efficiently.

The interviewees emphasized that websites and social media pages have the capability of creating awareness about a business to new customers, among other benefits. More so, websites help the business to generate more revenue since it is free to advertise using web pages. The business can increase the amount of sales and encourage impulse buying among consumers.

Maintaining a good relationship between customers and the new business will promote growth. Through the use of web pages, the business can maintain effective communication with its customers.

Moreover, the webpages assist in creating a positive image of the business to the members of the public. The customers will also gain information about a particular product and its characteristics in the webpages. The easy accessibility of this information creates customers' loyalty and makes the product appealing (Smith & Wollan, 2011). Therefore, the business will grow and expand its operation through advertising commodities using web pages.

According to Morgan and Hunt (1994), the relationship between the business and its customers is of paramount importance compared to the business transactions. Social networks encourage a good relationship with business communities. The web pages enhance the social relationship between people and the business. The information on the web pages also educates people about the role that the business plays in promoting economic growth in the community (Chung and Buhalis, 2008; Wang et al., 2012). The study done by Jung et al. (2013) supports the existing literature on the impact of the Internet on new business and is consistent with this study. The study acknowledges that websites and social media tools are powerful tools that enhance a good relationship between customers and the business. Further, Buhalis and law (2008) note that new businesses that tailor their product as per the specification and needs of the customers and provide the information about the product help to maintain a good relationship with customers. Thus, a good relationship is essential in determining the success of new businesses.

The Internet plays an important role in the promotion of new businesses in the Maine region. However, new businesses experience challenges in adopting the use of internets in advertising their commodities. For instance, the new business does not have skilled staff who are knowledgeable about issues related to websites and social media pages. Additionally, it is time-consuming for many owners to market their business using web pages. It is a cumbersome process that requires collaboration among different people to make it successful (Wollan et al., 2011). The study notes that new business that was successful in using websites were able to attract more customers and increase their bookings. Therefore, the Internet can enhance social networking and eventually create more opportunities for new businesses.

The study demonstrates how the Internet impacts new businesses in the US and Morocco. The use of websites and social media pages as an advertising tool by new businesses helps to create a good relationship with customers and increase the amount of sales. Web pages also assist in attracting new customers in the market. Therefore, the Internet enables new businesses to have a competitive advantage in the global market.

The new business in the market faces barriers in the adoption of the use of the Internet in marketing. These barriers hinder the growth of many enterprises and create a bad image of the business. For instance, new business lacks adequate staff who are knowledgeable on the use of web pages as an advertising tool. Additionally, new business lacks enough capital to advertise their business using the Internet. Moreover, the advertising process is cumbersome and time-consuming. Therefore, these barriers limit the use of the Internet in promoting the growth of many organizations.

Furthermore, new business requires support for them to grow and promote the growth of the economy. The new business will realize more profits if they can collaborate. The collaboration should use the Internet to create more opportunities for the business in the market. Therefore, the government should put effort into training and providing consultancy services to entrepreneurs on the use of internet and web pages to promote the business.



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## Appendices

### Appendix 1: Survey Questionnaire

#### Section A: Demographic Profile

Please tick your answer and your answers will be kept strictly confidential.

QA 1: Gender:  Female  Male

QA 2: Age:

- Less than 18
- 18 to 30 years
- 30 to 50 years
- Over 50

QA 3; Region of Resident

- U.S.
- Morocco
- Other

QA 4: Education level

- Primary
- Secondary
- Tertiary
- others

QA 5: Have you used Facebook before?

- Yes
- No

QA 5: Have you used Twitter and YouTube before?

- Yes
- No

QA 6: How often do you use Facebook, Twitter and You Tube?

- Always
- Very often
- Often
- Sometimes
- Never

#### Appendix 1: Interview Questionnaire

Please indicate the essence to which you agree with the statements given.

Social Media Types

No	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I find social media platforms (Facebook, twitter, Pinterest, You Tube) useful in my daily life.	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
2	Using social media platforms increases my chances of achieving maximum profit in my businesses	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
3	Using social media platforms help me accomplish businesses goals	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
4	Using Social media platforms increases business productivity.	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
5	Overall, I would find social media platforms to be advantageous.	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>

No	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Learning how to Social media platforms were easy for me.	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>

2	My interaction with social media has changed the management of the business	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
3	I find social media platforms to attribute more customers to my business	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
4	It is easy for me to become skillful at using social media platforms than the traditional ones	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
5	I find it easy to market my business online using social media platforms than any other means	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>