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Role Of Social Media In Fostering Growth And Development Among Young Entrepreneurs In Coimbatore City

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ABSTRACT

This study explores the impact of social media on the growth and development of young entrepreneurs, with a specific focus on Coimbatore City. As digital platforms like Instagram, Facebook, LinkedIn, and WhatsApp become integral to modern business strategies, young entrepreneurs increasingly utilize them for branding, customer engagement, and expanding their market reach. The research aims to identify effective social media marketing strategies, understand the challenges faced by young entrepreneurs, and examine the relationship between social media usage and business growth. The findings reveal that platforms like Instagram and strategies such as influencer marketing are considered highly effective. While social media has a generally positive impact on business growth, challenges like content creation, trend adaptation, and managing analytics persist. The study concludes that social media is a vital tool for entrepreneurial success, providing both opportunities and hurdles that require strategic navigation.

Key words : Social media, Young entrepreneurs, Business growth, Digital paltforms, Influencer marketing, Entrepreneurial success.

1.1 INTRODUCTION

Social media has emerged as a transformative force for young entrepreneurs, offering dynamic platforms like Instagram, LinkedIn, and Facebook to share ideas, engage with audiences, and build strong personal and business brands. Beyond traditional marketing, it empowers entrepreneurs to collaborate, find mentors, and receive instant feedback that helps shape better products and services. These platforms also support targeted outreach, allowing entrepreneurs to connect with niche audiences and optimize their marketing efforts cost-effectively.

Additionally, social media enables entrepreneurs to tell authentic brand stories, reflect their values, and create emotional connections with followers. Through influencer collaborations, trend participation, and user-generated content, they can boost credibility and reach wider markets. Importantly, social media fosters a supportive ecosystem where entrepreneurs can learn from peers, discover new opportunities, and stay ahead of market trends. As digital engagement grows, these platforms continue to unlock new avenues for innovation, expansion, and entrepreneurial success on a global scale.

1.2 STATEMENT OF THE PROBLEM

Young entrepreneurs often face difficulties in utilizing social media effectively to promote and grow their businesses. There is a lack of comprehensive understanding of the direct relationship between social media use and business growth, leaving many unsure about its impact. Additionally, young entrepreneurs struggle to determine the most effective social media marketing strategies in the ever-evolving digital landscape. Many are also unaware of the challenges they face, such as limited resources and competition, or the opportunities that social media can offer for expanding their reach and brand. This lack of knowledge may hinder their ability to maximize social media for business success. Therefore, it is crucial to explore these aspects to help young entrepreneurs maximize their potential.

1.3 SCOPE OF THE STUDY

The scope of this study is to investigate the role of social media in fostering growth and development among young entrepreneurs, with a focus on the current state of social media use in Coimbatore City. This study is beneficial for young entrepreneurs in Coimbatore City by providing practical insights into leveraging social media for business growth. It also serves local policymakers, business consultants, researchers, and investors by offering data-driven perspectives on digital marketing's impact on the regional entrepreneurial landscape. It will examine the use of social media platforms such as Facebook, Instagram, LinkedIn, and WhatsApp among young entrepreneurs.

1.4 OBJECTIVE OF THE STUDY

- To identify the most effective social media marketing strategies for young entrepreneurs
- To examine young entrepreneurs' challenges and opportunities when utilizing social media for business.
- To investigate the relationship between social media use and business growth among young entrepreneurs

1.5 RESEARCH METHODOLOGY

Research methodology is the systematic plan used to conduct a research study effectively. It outlines the procedures for collecting and analyzing data, along with the theoretical framework guiding the research. This helps ensure the accuracy, reliability, and validity of the findings. A well-defined methodology enhances the overall credibility of the research.

1.5.1 RESEARCH DESIGN

Sample size : 90 respondents

Sampling Technique : Convenience Sampling Technique

Statistical Tools used : Simple Percentage Analysis, Likert Scale Analysis, Ranking Analysis, Correlation Analysis

Primary Data : Collected 90 respondents through questionnaire

Secondary Data : Journals, Books, Websites

1.6 LIMITATIONS OF STUDY

- The study is conducted in Coimbatore City which may have unique cultural, economic, and social characteristics that may not apply to other contexts.
- The sample size is limited to 90 respondents.
- Rapid evolution in social media and digital marketing may limit the study's long-term relevance, as findings reflect current technologies.

2.1 REVIEW OF LITERATURE

Johan Manurung et.al. (2024) This research focuses on how social media helps young entrepreneurs build a strong brand and enhance customer engagement. The research method used in this study is a Systematic Literature Review(SLR). Social media offers young entrepreneurs unparalleled opportunities for brand building, customer engagement, and market expansion. It concludes that Social media plays an integral role in strengthening the position of young entrepreneurs in an increasingly competitive market.

Sani Yakubu et.al. (2024) The study examines the effect of social media marketing on the performance of young entrepreneurs in Small and Medium Enterprises in the Gombe metropolis, Gombe State of Nigeria. The study investigated three dimensions of social media mediums (Facebook, Twitter, and

Instagram) to find out the relationship between social media marketing mediums and the performance of SMEs among young entrepreneurs in the Gombe metropolis. 350 respondents were used as a sample size. The study therefore concludes that social media specifically Facebook, Twitter, and Instagram are marketing tools that when utilized effectively in any business irrespective of their nature can positively affect its performance.

Rohit Bansal and Shweta Saini (2022) Highlight the increasing significance of social media platforms in modern entrepreneurship. Social media is a cost-effective marketing tool, enabling entrepreneurs to reach wider audiences with minimal investment. The study explores the role of social media in brand building, customer engagement, and market research. It examines the impact of platforms like Facebook, Twitter, and Instagram on business growth and customer loyalty. This study states that social media facilitates networking and collaboration opportunities, fostering entrepreneurial success in a globalized market.

3.1 ANALYSIS AND INTERPRETATION

➤ SIMPLE PERCENTAGE ANALYSIS

$$\text{Percentage} = \frac{\text{Number of Respondents}}{\text{Total Number of Respondents}} \times 100$$

TABLE 3.1.1: PRIMARY GOALS OF USING SOCIAL MEDIA IN BUSINESS

S.NO	PRIMARY GOAL	NO.OF RESPONDENTS	PERCENTAGE (%)
1	Brand awareness	20	22.2
2	Sales and revenue generation	32	35.6
3	Customer engagement	26	28.9
4	Networking and partnerships	12	13.3
TOTAL		90	100

INTERPRETATION :

The table 3.1.1 indicates that 22.2% of the respondents' primary goal is brand awareness, 35.6% with sales and revenue generation, 28.9% with customer engagement, and 13.3% with networking and partnerships.

TABLE 3.1.2: BUSINESS GROWTH SINCE ADOPTING SOCIAL MEDIA

S.NO	BUSINESS GROWTH	NO.OF. RESPONDENTS	PERCENTAGE (%)
1	Yes, significant growth	31	34.4
2	Yes, slight growth	50	55.6

3	No impact	9	10
TOTAL		90	100

INTERPRETATION

The table 3.1.2 indicates that 34.4% of the respondents reported significant growth using social media, 55.6% have experienced slight business growth, and 10% of the respondents stated that social media had no impact on their business growth.

➤ LIKERT SCALE ANALYSIS

$$\text{Likert Scale} = \frac{\sum f(x)}{\text{Total Number of Respondents}}$$

f = No.of respondents

x = Likert scale value

$\sum f(x)$ = Total value

MID VALUE: The mid value indicates the middlemost value of the Likert scale.

TABLE 3.1.3: IMPACT OF SOCIAL MEDIA ON REACHING A WIDER AUDIENCE

S.NO	PARTICULARS	NO.OF. RESPONDENTS (F)	LIKERT SCALE (X)	TOTAL (FX)
1	Strongly Agree	68	5	340
2	Agree	10	4	40
3	Neutral	7	3	21
4	Disagree	1	2	2
5	Strongly Disagree	4	1	4
TOTAL		90		407

$$\begin{aligned} \text{Likert Scale Value} &= \sum (FX) / \text{Total no of respondents} \\ &= 407/90 \\ &= 4.522 \end{aligned}$$

INTERPRETATION :

The Likert scale value of 4.52, above the midpoint of 3, shows that respondents strongly agree that social media helps their business reach a wider audience. This reflects a positive view of social media's effectiveness in expanding business visibility.

TABLE 3.1.4: PERCEPTIONS ON THE CHALLENGE OF KEEPING UP WITH SOCIAL MEDIA TRENDS

S.NO	PARTICULARS	NO.OF. RESPONDENTS (F)	LIKERT SCALE(X)	TOTAL (FX)
1	Strongly Agree	19	5	95
2	Agree	58	4	232
3	Neutral	8	3	24
4	Disagree	4	2	8
5	Strongly Disagree	1	1	1
TOTAL		90		360

Likert Scale Value = $\Sigma (FX) / \text{Total no of respondents}$

$$= 360/90$$

$$= 4$$

INTERPRETATION :

A Likert Scale score of 4.00 shows that respondents generally agree with the statement. This suggests many find it challenging to keep up with social media trends.

➤ RANKING ANALYSIS**TABLE 3.1.5: RANKING OF SOCIAL MEDIA MARKETING BY EFFECTIVENESS IN DRIVING BUSINESS GROWTH**

FEATURES	1	2	3	4	TOTAL	RANK
Paid advertisements	43(4)	10(3)	6(2)	31(1)	245	2
Influencer collaborations	20(4)	41(3)	25(2)	4(1)	257	1
Organic content marketing	7(4)	31(3)	39(2)	13(1)	212	3
Video Marketing	20(4)	8(3)	20(2)	42(1)	186	4

INTERPRETATION :

The Table 3.1.5 shows that Influencer collaborations ranked 1 is the most effective strategy for business growth, followed by paid advertisements ranked 2, Organic content marketing ranked 3 is moderately effective, while video marketing ranked 4.

➤ **CORRELATION****TABLE 3.1.6: RELATIONSHIP BETWEEN ANNUAL REVENUE AND WEEKLY HOURS SPENT ON SOCIAL MEDIA**

		Business growth (Annual Revenue)	Social Media Use (Hours /Week)
Bussines Growth (Annual Revenue)	Pearson Correlation	1	.523**
	Sig. (2-tailed)		.000
	N	90	90
Social Media (Hours /week)	Pearson Correlation	.523**	1
	Sig. (2-tailed)	.000	
	N	90	90

INTERPRETATION :

The analysis reveals a moderate positive correlation ($r = 0.523$) between social media use and business growth, supported by a highly significant p-value (0.000). This suggests that frequent social media use is linked to higher revenue growth in businesses. However, other factors may also play a role, indicating that social media is beneficial but not the only driver of success.

TABLE 3.1.7: RELATIONSHIP BETWEEN ANNUAL REVENUE AND SOCIAL MEDIA POSTING FREQUENCY

		Business growth (Annual Revenue)	Social Media Use (Posting Frequency)
Business growth (Annual Revenue)	Pearson Correlation	1	-.130
	Sig. (2-tailed)		.221
	N	90	90
Social Media Use (Posting Frequency)	Pearson Correlation	-.130	1
	Sig. (2-tailed)	.221	
	N	90	90

INTERPRETATION :

The Pearson correlation of -0.130 suggests a very weak negative relationship between social media posting frequency and business growth. With a p-value of 0.221, the correlation is not statistically significant, indicating no strong evidence of impact. Despite a sample size of 90, the results show minimal and inconclusive association.

4.1 FINDINGS

- 35.6% of the respondents' primary goal is sales and revenue generation
- 55.6% of the respondents have experienced a slight business growth
- The Likert Scale value 4.52 is higher than the middle value (3), respondents strongly agree that social media helps their business reach a wider audience.

- The Likert Scale value 4.00 is above the middle value (3), respondents generally agree that keeping up with social media trends is challenging.
- Businesses prefer influencer collaborations and paid ads for growth due to high reach and engagement, while organic content marketing is effective but slower. Video marketing ranks lowest, likely due to content creation challenges.
- Businesses spending more time on social media see higher revenue growth, with a positive correlation (0.523) and a statistically significant p-value (0.000). While this suggests social media is valuable for growth, other factors may also play a role.
- The findings indicate that posting frequency alone does not significantly impact business revenue growth. A comprehensive social media strategy focusing on engagement, content quality, and targeted marketing is more effective.

4.2 SUGGESTIONS

- Be aware of frauds and be strong enough to accept positive and negative feedback from customers, and be innovative in every advertising posts
- Use Creative content and images for to attract those who are spending more time in social media like Instagram, facebook, LinkedIn, and others.
- Make a plan and follow the updates, and bring new ideas in social media

4.3 CONCLUSIONS

The study clearly establishes that social media plays a crucial role in fostering business growth and development among young entrepreneurs in Coimbatore City. Platforms such as Instagram, Facebook, LinkedIn, and WhatsApp have become powerful tools for increasing brand visibility, enhancing customer engagement, and driving sales. The results indicate a strong preference for influencer collaborations and paid advertisements due to their effectiveness in expanding reach and engagement. A moderate positive correlation between time spent on social media and annual revenue underscores its importance in business growth. However, entrepreneurs still face challenges like content creation and adapting to trends. Therefore, strategic, creative, and informed use of social media is essential for young entrepreneurs aiming for sustained success in the digital age.

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