



**Mauritius Research Council**

**Use of Digital and Social  
Media Marketing among SMEs  
in Mauritius**

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# Mauritius Research Council



# Use of Digital and Social Media Marketing among SMEs in Mauritius

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# List of Acronyms

AMM	Association of Mauritian Manufacturers
B2B	Business to Business
B2C	Business to Customer
CIDB	Construction Industry Development Board
DBM	Development Bank of Mauritius
DM	Digital marketing
DSM	Digital and Social Media
DSMM	Digital and Social media marketing
IT	Information Technology
MCCI	Mauritius Chamber of Commerce and Industry
MRC	Mauritius Research Council
NCB	National Computer Board
NES	National Export Strategy
NICE	National Institute for Co-operative Entrepreneurship
NWEC	National Women Entrepreneur Council
OECD	Organisation for Economic Co-operation and Development
ROI	Return on Investment
SEM	Search Engine Marketing
SEO	Search Engine Optimisation
SM	Social Media
SMB	Small and Medium Business
SME	Small and Medium Enterprise
SMEDA	Small and Medium Enterprises Development Authority (Now SME Mauritius)
SMM	Social Media Marketing
SPSS	Statistical Package Social Science
TM	Traditional Marketing

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## **Executive Summary**

This study reveals that SMEs in Mauritius have been coming late in their appropriation of the digital and social media tools for marketing and are still at a low level of engagement for those who have been using the tools. At first sight it would appear that there is a high level of appropriation given that 71.5% affirmed that they use DSMM, whereas in reality the appropriation is often only a token, simply the creation of a SM account but not the active and efficient use of it. Actually 65% of those already using DSMM recognised that they are not making optimum use of the tools. The survey reveals that three in 10 SMEs (31%) do not create any post or update on their social media platforms.

The survey actually brings out that overall, the top 3 marketing tools that the Mauritian SMEs use the most are: Facebook (58%), word of mouth (56%) and flyers (21%).

Out of the 108 SMEs that are currently using DSMM to promote their products and services, 49% have come to it only since a year and only 29% have been using it for more than 3 years.

While 91% of the SMEs surveyed in this study say they are convinced that there are benefits to using DSM tools for marketing, 65 per cent of them do not even have a website.

64% do not have any DSMM strategy. Only 44% of them say they have created tailored content for their DM. Out of the 108 SMEs currently using DSMM, 69% of them do not have any DSM monitoring analytics in place. In fact, more than half of the SMEs concerned (55%) do not use any measurement to evaluate the benefits of their DSMM.

Almost half of the respondents (48%) state that they themselves manage their DSMM. Given that in the majority of SMEs, the owner is often the manager and the overall functions persons, this sets serious limitations on the understanding, the focus, and time spent for engagement in DSMM. Only 9% of SMEs have a qualified marketing staff that manages their DSMM.

It is cause for concern and a call for action to know the reasons why some of the SMEs do not want or are uncertain about implementing DSMM. It was found that 37% of them do not have enough knowledge and expertise to start using it. In addition, 14% of the SMEs do not find it necessary for their business. One in 10 SMEs (9%) say that they are simply not interested in DSMM and are pleased with their current marketing practices and they are not sure if DSMM will help them achieve their aims.

On a more positive and comforting note, even though it is still but a minority, 14% of the respondents sell their products online. This is most interesting and their experience amply proves the benefits of adequate DSMM engagement. Six are of the manufacturing sector, four from retail, two from accommodation and food services, one from IT, one from arts, entertainment and recreation. Of those who sell online, 80% of them are selling online to foreign customers. Of the six, four of the manufacturing SMEs are selling online to foreigners, three are from the retail sector, two are from accommodation, one from IT and one from arts, entertainment and recreation.

More worryingly is the fact that out of the 43 SMEs that are not currently using DSMM, 42% of them are still uncertain about whether they will use the tools in the near future or not, and 28% affirm they will still not be adopting DSMM despite their understanding of the benefits that this type of marketing provide to companies.

In an interview on *Le Defi Economique* of 31<sup>st</sup> March, the well-known Mauritian economist Eric Ng stated “il faut aider les PME à s’initier à la digitalization pour être compétitives”.

Indeed this study brings out the need for a well-designed action plan and resource support for Mauritian SMEs to step into higher level of engagement in the use of DSM tools for their marketing.

# INTRODUCTION

**The hardest part of a successful digital transformation is the cultural piece. Like the proverbial journey of a thousand miles, it begins with small steps<sup>1</sup>.**

The networking technology has revolutionized long distance communication making it cheaper, more convenient than ever before, opened a phenomenal access to information and immense opportunity for visibility both for individuals and businesses. The technology which started with simply the internet has been constantly blooming into multiple avenues of communication such as mobile applications and of course the SM channels. It is now a truism to affirm that digital and social media (DSMM) has imposed change about how the business environment operates. With these tools, businesses are able to gain access to resources that were otherwise not available to them previously. It is thus helping businesses to increase their worthiness, cultivate strategic partnerships and increase their contact with customers and suppliers.

The online world presents massive business opportunities for small and medium-sized enterprises (SMEs) in Mauritius and holds the potential for both a faster growth of the businesses and higher contribution to the Mauritian economy. In fact, DSMM will allow Mauritian enterprises to break through the historical and geographical fatality of being very distant to market! An interesting case in point is when about nine years ago, Rodriguan ladies who do articles in crochet which they were normally selling on the Saturday market in Port Mathurin and to passing tourists, were organized in a marketing company called La Compagnie des Artisans Rodriguais. They have been online<sup>2</sup> since then getting orders from as far as France where they have never set foot.

Facing an increasing trend in online spending and fierce business competitions, digital engagement is a low-hanging fruit for SMEs to grasp the market opportunities, to enhance competitiveness and to bring about innovative product offering. SMEs that are not digitally engaged should be aware of the importance and value of digital and social media marketing (DSMM), while low and medium digitally engaged SMEs should place efforts in enhancing their digital engagement level. High digitally engaged SMEs need to invest more resources to

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<sup>1</sup> McKinsey Insights – Digital Transformation – The Three Steps to Success. April 2016

<sup>2</sup> <https://fr-fr.facebook.com/Les-Amis-des-Artisans-Rodriguais-134936559854198/>

develop more sophisticated digital marketing (DM) strategies. In this race, those who are complacent and are satisfied with lower levels will lose out. Even those SMEs who are still only focusing on the domestic market cannot just rely on word of mouth recommendation for new customers, they need to look for alternative mode of communication to ensure their visibility and the visibility of the products or services they offer.

## **1.1 Scaling of Digital Engagement**

**Table 1 – Scaling of Digital Engagement**

<b>Digital Engagement Level</b>	<b>Digital Activities</b>
<b>No</b>	<ul style="list-style-type: none"> <li>• None</li> <li>• Business Email Address</li> </ul>
<b>Low</b>	<ul style="list-style-type: none"> <li>• Online listings or social networking pages</li> <li>• Email newsletters or electronic direct marketing</li> <li>• E-coupons</li> </ul>
<b>Medium</b>	<ul style="list-style-type: none"> <li>• Own company website</li> <li>• Online marketing campaign through videos, online display advertisements or mobile advertisements on smartphones</li> <li>• Online market page for sales purposes</li> </ul>
<b>High</b>	<ul style="list-style-type: none"> <li>• Own website</li> <li>• Online marketing campaign through videos, online display advertisements or mobile advertisements on smartphones.</li> <li>• Online market page for sales purposes</li> <li>• Search engine marketing (SEM)</li> <li>• Search engine optimisation (SEO)</li> </ul>

The motivation to introduce social media for business purpose is often considered "fashionable", because companies feel "forced" to use them as "all other companies do it." Consequently many entrepreneurs simply transfer in the company the use of technological tools that until then they have used only in their private life. On that basis however, the use of social media will contribute little to change the company's competitive position and add value

for the customer. Their use is in fact largely underestimated, precisely because DSMM is not cast in a comprehensive strategic plan that includes process management and marketing strategies.

The SMEs then show very limited ability to exploit the full potential of existing interactive technological tool. Over and above the fact that appropriation of DSMM tools is done without an adequate business strategy, the entrepreneur's limited technological skills and awareness of the potential of the tools available. Furthermore, the business small size and limited financial resources prevents the hiring of people with adequate technological skills, which are necessary to manage social media and change the business model in order to exploit the potential of these tools.

This study was conducted to provide an evidence based understanding of how Mauritian SMEs are engaging DSMM. Thence the objectives of the research proposal were set so as to investigate:

1. The level of awareness of SMEs about the existence, relevance to their business and benefits they could derive from the use of DSMM.
2. The extent to which SMEs are using any form of digital and social media to promote themselves and their products and services.
3. Whether SMEs which are using DSMM are able to evaluate the benefits derived therefrom.
4. The reasons why some SMEs are not using or making optimum use of digital and social media.

With the findings of this study, we hope to flag to the community of SMEs, the organisations dealing with SMEs, the various private and public organisations and institutions concerned and the government, the state of engagement of SMEs with DSMM, alert all the stakeholders on the need to motivate SMEs to fast track their adoption of the tools, and provide the necessary resources to help Mauritian SMEs capture the opportunities that DSMM offers.

We however also wish to bring out that the use of DSMM has deeper implications to the enterprise than just the obvious benefits. Higher visibility surely brings more customers and



opens enterprise offerings to customers the world over but it also brings more attention to shortcomings and wrongdoings of the enterprise. Thus, engaging in DSMM forces more innovation, more quality offerings, more concerns about social and environmental responsibility. Enterprises should be ready to do the necessary re-engineering to ensure that.

# LITERATURE REVIEW

Literature abounds about this so topical subject of use of DSM for marketing by SMEs.

**A 2017 report entitled « Connected Small Businesses US »** commissioned by Google and written by Deloitte begins by the statement that:

“Digital tools create significant opportunities for SMBs (small and medium business) to grow and innovate in a dynamic and competitive business environment. Technology enables businesses to increase connectivity and engagement with their customers, and can provide SMBs with a better understanding of their customer base. The use of digital tools can help SMBs to improve their performance and respond to changes in the business and consumer landscape in an agile manner”.

That statement has become a tautology through all literature over the subject.

The hardest part of a successful digital transformation is the cultural piece. Like the proverbial journey of a thousand miles, it begins with small steps<sup>3</sup>.

SM has gained much importance and its utilisation as a marketing tool has been on the rise since the past decade. Bernhardt et al (2012) and Okazaki and Taylor (2013) put forward that the improved technological developments in devices like smartphones and tablets have facilitated the access to SM. However, Durkin et al (2013) reported that SMEs are not making optimum use of SM as well as its benefits. Hence, this literature review will emphasise on examining relevant research theories in order to understand the perceptions, awareness, barriers and motivations of adopting DSMM by SMEs.

According to Gongora (2016), rapid technological advances and increased competition compel organisations to find new means to stand out and to provide better services to their clients. And with SM gaining much popularity across the world, organisations have begun to regard it as a new means of communication with their various stakeholders as well as a way to improve their brand image (Gongora, 2016).

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<sup>3</sup> McKinsey Insights – Digital Transformation – The Three Steps to Success. April 2016

Moreover, Michaelidou, Siamagka and Christodoulides (2011) argued that SM allows organisations to build relationships and communicate effectively with their current clients and to acquire new ones. Nadeem (2012), as well, advocated that SM has brought about a vital shift in the way organisations interact with their customers and that companies utilise such technologies to build lasting relationships with their stakeholders.

When it comes to SMEs, it is very crucial for them to have the capacity to innovate since innovation will enhance their competitive position on the market (Gongora, 2016). Davis and Vladica (2006) opined that SMEs are regarded as being limited in terms of their resources (human, technology and capital). And, as a result, they are faced with even more constraints to adopt Information Technology (IT) as compared to large enterprises. The inability of SMEs to adopt IT prevents them from being more efficient and lack behind in face of competition (Ein-Dor and Segev, 1978).

According to Lefebvre and Lefebvre (1996), various studies have shown that there are numerous internal and external factors that impact the use of IT by SMEs and Fink (1998) argued that internal factors are considered more significant when adopting IT than the external factors. The CEO's age, innovativeness and IT knowledge along with organisational factors, such as, size of business, ease of use, and observed benefits have an impact on the use of IT, while external pressure has been the only external factor that has had an impact on the use of IT (Rogers, 1991; Iacovou, Benbasat, and Dexter, 1995; Thong & Yap, 1995; Igbaria, Zinatelli, Cragg, and Cavaye, 1997; Bridge and Peel, 1999; Premkumar and Roberts, 1999; Mehrtens, Cragg, and Mills, 2001; Fosso Wamba and Carter, 2014).

## **2.1 Overview of SME Sector**

On a global front, SMEs are considered as the pillar of the economy in both developing countries and in developed ones like Europe, India and USA and they make up for more than half of all formal employment globally. In Organisation for Economic Co-operation and Development (OECD) countries, it is believed that SMEs make up for approximately 60% of their total turnover (NES, 2017). SMEs usually operate in sectors like services, trade, manufacturing and agri-business.

According to World Bank, formal SMEs make for 45% of employment and 33% of GDP in developing countries and if informal SMEs are included, this statistics rise considerably since there are about 285-345 million of informal enterprises (NES, 2017). SMEs are frequently categorised by their number of personnel and by assets' worth and it is to be noted that the classification differs from country to country, depending on the size of the economy. According to the European Commission, SMEs are defined as companies that have less than 250 personnel and a yearly turnover of up to EUR 50 million or a balance sheet amount of no more than EUR 43 million.

## **2.2 Mauritian SME Landscape**

It is to be noted that even in Mauritius, there is no uniform definition of SMEs but the one that is mostly utilised is from the Small and Medium Enterprises Development Authority (SMEDA) Act 2009, which differentiates between micro, small and medium enterprises. Hence, as per the SMEDA Act 2009, a micro enterprise is defined as an enterprise having a yearly turnover of less than MUR 2 million, a small enterprise is defined as an enterprise that has an annual turnover of less than MUR 10 million, and lastly, a medium enterprise is defined as one having a yearly turnover of more than MUR 10 million but less than MUR 50 million. In Mauritius, the SMEs mostly operate in the following sectors (Table 1):

**Table 2 – Mauritian SMEs by Sector**

<b>Sector</b>	<b>Percentage</b>
<b>Wholesale and retail trade; repairs of motor vehicles, motorcycles</b>	37.3
<b>Transportation and storage</b>	17.1
<b>Manufacturing</b>	12.1
<b>Construction</b>	10.3
<b>Accommodation and food service activities</b>	8.5
<b>Professional, technical and support service activities</b>	3.2
<b>Art, entertainment and recreation</b>	2.7
<b>Education</b>	1.5
<b>Human health and social work activities</b>	1.4
<b>Real estate activities</b>	0.5
<b>Information and communication</b>	0.4
<b>Financial and insurance activities</b>	0.1
<b>Other services</b>	4.9

Source: SMEDA, Corporate Strategic Plan 2016-2018

Over the last few decades, Mauritius has been a notable economic success story among African countries as well as the rest of the world. Being a small remote domestic market with inadequate natural resources, Mauritius has shown a growth rate of more than 35 fold in its GDP since its independence in 1968. And this successful performance is attributed to its bold policy reforms, creation of economic prospects and stability at its macroeconomic level (SME Master Plan, 2017).

However, at present, Mauritius is being held in the mid-income trap and the same growth model is not performing as it did during the past decades. With an increasing cost of labour and wavering productivity levels, value addition in the supply chain is mainly limited to large enterprises, resulting in a decline in growth and employment opportunities. The government has therefore identified the SME sector as one of the main tools that will help maintain the economic activity on an upward growth movement and finally reach the group of high-income countries.

A booming business environment comprises of various types of players, namely, micro enterprises, SMEs and large organisations, which engage in various activities that, in turn, create opportunities for more business ideas. Nonetheless, the parameters of the conventional policies put in place so far, have caused the polarisation of the Mauritian economy around large organisations. In order to tap into the growth potential of the economy, the private sector must work in collaboration with the policymakers to revitalize the economy as an entrepreneurial one, that is, an economy that promote creativity and innovation and motivates start-ups to question existing business models and try new techniques.

According to the SME Master Plan 2017, the SME landscape in Mauritius seems quite favourable since there are 124,972 small establishments. However, a closer look depicts a different story, indicating that the SME landscape is greatly skewed towards businesses with low value addition and little prospects of creating jobs in large numbers in the economy. Despite, having introduced various pro-business reforms on different fronts, namely, fiscal, monetary, labour markets, business deregulation, products markets and international trade, this has not enable the SMEs to reap maximum benefits of these reforms to enhance their level of competitiveness. The current policies are no longer contributing to this new business arena and the SMEs are still trapped at the lower end of the ladder while the large enterprises

have kept on growing and tapping into new markets. Hence, SMEs need extensive changes if they are to play a bigger role in the development of the Mauritian economy.

Policies must devise the correct business ecosystem whereby talented entrepreneurs are encouraged to grab opportunities and are also rewarded for taking those risks. The government policies must pay attention to the innovative potential that is present outside the traditional business arena. The government should try to create an entrepreneurial economy which is a mixture of market forces, business culture and positive policies and should also make sure that investment opportunities should not be reserved to only the large enterprises, even if the degree of openness to small enterprises differs from industry to industry (SME Master Plan, 2017).

During the past few years, Mauritius has witnessed policies and programmes meant to sustain economic development being not impactful, leaving SMEs with fewer resources on the ground. Hence, it is very important that transparency and good governance always exist. Through the 10-Year SME Master Plan, the Ministry of Business, Enterprise and Cooperatives has already started to transform the SME sector and the National Budget as well has suggested some measures to help SMEs face challenges in a much better way.

## **2.3 Definition and importance of Digital Marketing**

Over the years, the increase in digital technologies has revolutionised the concept of DM. Modern marketers are faced with a growing number of SM channels and digital tools and an increasing power of connected consumers. Chaffey (2013) defined DM as the process of creating and maintaining relationships with customers through digital technologies, like, email, web, databases, mobile and digital TV, in order to encourage the exchange of ideas, goods and services that fulfil the aims of both parties. If explained in simpler terms, DM is about how to be visible online. The fact that the amount of internet users has increased significantly over the recent years, illustrates the increase in awareness of DM among the business community.

It is believed that DM has some advantages over traditional marketing. Firstly, DM tools are said to be more affordable than the traditional marketing ones. For instance, an email

marketing or SM campaign can send a marketing message to customers for a meagre fraction of the cost of a traditional print campaign and can also possibly reach a wider audience.

According to Faulkner (2013), another advantage of DM is that it enables companies to motivate their customers to go on their websites, read about their offerings, analyse and rate them, make their purchase and give feedback which is visible to the target audience and this in turn helps to increase the prospects of the company. As opposed to traditional marketing, DM enables a company to see what is working and what is not working for the company and it can make the necessary changes to improve its results (Chaffey, 2013). For example, a company can utilise Google Analytics to measure traffic to its website and to know how many people are visiting the website, reading and purchasing their products (Vo, 2014).

Moreover, with regards to marketing research, a major benefit of carrying out surveys through digital means, is that it is easy to track and monitor results. As such, instead of doing expensive traditional market surveys, companies can rapidly have a look at the response rates and evaluate the success of their marketing campaigns and allowing them to better plan and organise for their future campaigns (Stokes, 2013).

## **2.4 Key forms of Digital Marketing**

DM is defined as the use of internet-connected devices, like, smartphones, tablets, laptops and gaming consoles to involve customers with online marketing tools and the following are a number of the most common marketing channels that can be used for DM.

### **2.4.1 Email Marketing**

Email has proven to be consistently the biggest application on the Internet and according to Email Statistics Report 2015-2019 published by the Radicati Group Inc, there were about 4,920 million worldwide email accounts in 2017 and 225.3 billion emails were sent and received on a daily basis around the world in 2017. It is believed that email marketing is one of the most primitive forms of DM that utilised electronic ways to send messages to the target audience. One out of five visitors goes on the company's website as a result of clicking on the email link found in the email (Vo, 2014).

Email marketing is regarded as being extremely cost-effective, measurable, highly targeted, and can be tailored on a large scale and all these features allow email marketing to be one among the most influential digital marketing tools. It is a tactic that companies use to build long-lasting relationship with current and potential customers. Email marketing should be able to retain customers and eventually helps the company to increase its profitability. However, according to Chaffey (2013), a large number of companies are not successful at developing effective email campaigns since consumers regarded 65% of the promotional emails as spams.

Hence, the best way to carry out an email campaign is to drive emails to existing and potential customers that are interested in getting information from the company and have also permitted the company to communicate with them. Clarks (2013) further added that it is very important to stress on value exchange in email campaigns – the organisation's valuable message for its customers' valued time and consumers should feel that they can rely on the company and that the company is not a baseless self-promoting spammer.

### **2.4.2 Online Advertising**

Online advertising is defined as display ads which are in the forms of video ads or banner format and put on various sites to create more awareness about the advertiser's website and to bring about more click-throughs to his/her website (Vo, 2014). According to Stokes (2013), online advertising can be enhanced by aiming at certain geographical locations and specific markets and by putting it in a specific context. There are various types of online advertising available and each one of them has their own benefits and drawbacks. There is nothing known as the best type of online advertising because eventually the specific method adopted by the advertiser will depend on his/her needs, the type of website it is being run on and the target audience. The most used types of online advertising are, namely, sponsorships, banner run and Pay-Per-Click advertising.

### **2.4.3 Mobile Marketing**

As tablets, PDAs and smartphones with Internet access are giving more popularity and gaining more attention, it appears very logical for SMEs to look closer at mobile marketing strategies which will help them in competing fiercely with their competitors.



Kaplan (2012) defined mobile marketing as “any marketing activity carried out through a common network to which customers are continuously connected using a personal mobile device”. Companies which are familiar with mobile marketing will be in a better position to lessen the probability of failure with regards to mobile campaigns. SMEs utilise various type of mobile marketing to market the products and services and the most common ones that are being use are the SMS marketing, mobile friendly website, and QR Codes marketing.

#### **2.4.4 Search Engine Optimisation (SEO)**

Davis (2006) defined SEO as “the art, craft and science of driving web traffic to websites” and Stoke (2013) added that this method is used in order to allow a website to be ranked higher on search engine pages. This marketing tool implicates working with criterion set by the various search engines in order to ensure that these search engines register it when people enter a search term which is related to a good or service.

SEO enacts a key role in customer acquisition as it guarantees that the company’s website or advertising campaign show up in search results and hence enabling the organisation to reach its target audience. It is believed that a website that is adjusted for search engines is one that is well-designed and transparent and Stokes (2013) advocated that these two factors guarantee a good user experience and this signifies that SEO has also a role to play in customer retention as well.

One of the key features of SEO is the use of keywords in creating SEO results and these keywords specify the tags that are utilised for differentiating a website with other websites (Gongora, 2016). The capability to make use of correct keywords will considerably improve the results for search engines, mainly when some keywords are already found in the content. And since, duplication of keywords does not really improve the quality of the web design, Bradley (2011) suggested that keywords and phrases should be incorporated cleverly in the content.

#### **2.4.5 Content Marketing**

Customers are no more focusing at the traditional marketing and they tend to avoid television and magazine advertising. They are so acquainted with surfing on the internet that they can

search for any information and companies should understand this revolution and look for better ways of reaching out to customers and this can be done through content marketing.

Pulizzi (2012) has described content marketing as a marketing tool that develops and distributes appropriate and valuable content in order to attract and retain a target audience and having as aim to put in place beneficial customer action. This type of marketing strategy can be used in all marketing channels (traditional and digital) and at any phase of the purchasing process, from attention-oriented strategies to retention ones. Content marketing is being used by large companies like Microsoft and Coca Cola and is also utilised by small enterprises as well (Vo, 2014).

## **2.5 Social Media Marketing**

A decade ago, customers were obtaining information about an organisation by communicating directly to the salesperson. With the rise in technology, mass adverts and emails have become the primary methods of communication between companies and their customers. Although, most of these marketing channels are still important features of successful marketing strategies, SM should also be included (Miller, 2013).

According to Durkin et al (2013), the impact that SM is having on people's lives is as remarkable as the internet evolution in the 90s. SM is defined by Kaplan and Haenlein (2010) as "a group of Internet based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of user-generated content". In addition, Reed (2011) put forward that SM is normally an online platform and tool that people can utilise for communication and sharing of information for free. Recent statistics have shown that there were 2.789 billion active social media users at the start of 2017, indicating an increase of 21 percent as compared to 2016 (Chaffey, 2017).

It is believed that SM can signify different things to different people and Tuten and Solomon (2013) opined that three components are to be considered, namely, social, media, and network. The **social component** speaks of SM as the way digital communities live their social life, that is, it is about being able to freely participate and communicate openly with others by simply sharing photos, likes, comments, reviews, stories, etc (Gongora, 2016).

The **media component** refers to the creation of an environment that promotes various types of online activity, for instance:

- Social community media: enable online users to socialise (e.g Facebook)
- Social publishing media: enable online users to publish movies, photos, etc (e.g YouTube)
- Social commerce media: enable users to conduct business (e.g TripAdvisor)
- Social entertainment media: enable people to play online games (e.g Zynga12)

Lastly, the **network component** refers to the technology that makes things possible, for instance, online forums that enable online users to interact with each other as well as it implies the connections between users of an online community (Gongora, 2016).

Businesses that utilise SM to promote their products and services can achieve the right balance in engaging with customers and sharing content (Stokes, 2013). SM platforms like Facebook, YouTube, WhatsApp, Twitter, Instagram, LinkedIn and Google+ allow companies to interact with customers who are interested in the products and services that the companies are offering and to inform them about the promotional offers and campaigns (Gongora, 2016). According to Chaffey (2013), incorporating SM in marketing campaign can transform a company-to-purchaser marketing model into a peer-to-peer influence model. And this does not only increase brand loyalty and customer trust, but also have a positive impact on return on investment (ROI) (Vo, 2014).

## **2.6 Functions of Social Media and key tools of Social Media platforms**

Solis (2010) highlighted that SM has not only bring a change in the way people communicate but also in the way they shop and do business. Also, O'Brien (2011) and Sashi (2012) noted that organisations as well have benefitted from the advantages of SM as a marketing tool. Fischer and Reuber (2011) further added that SM provides a lot of opportunities for companies and despite all the benefits that SM has to provide, Ashworth (2011) found that SMEs are slower in embracing SM than customers. Gligorijevic and Leong (2011), Bettiol, Di Maria and Finotto (2012), Newman (2013) and Gongora (2016) stated that SMEs are most likely to adopt SM marketing practices, such as, building fan page, managing online

advertising and promotions, enhancing customer support and feedback mechanism, and managing public relations. And in today's world, there is a number of SM platforms that SMEs can use for various purposes and the most common ones are as follow:

### **2.6.1 Facebook**

According to recent statistics, Facebook is said to be the largest and mostly used SM platform across the globe with 1,871 billion of active users as of January 2017 (Chaffey, 2017). Hence, according to Geoff (2014), Facebook is a good option to use for business purposes as it allows the organisation to have a wider reach of audience and to build lasting relationships. Moreover, organisations can also advertise or pay to promote their page on Facebook and to keep track of the success of their content (Chitwood, 2014).

### **2.6.2 Twitter**

Twitter is a good social media platform for companies that want to reach a target audience at the moment and expect immediate responses from them (Gongora, 2016). In order to make the message reach out to the target audience, the company should provide information that are clear, relevant and precise. One interesting feature of Twitter is that it enables a company to schedule the content in advance and share them on a 24/7 basis and hence increasing customer engagement (Chitwood, 2014).

### **2.6.3 LinkedIn**

According to Levy (2013), LinkedIn is the most used SM platform for building connections in the business world and Gongora (2016) advocated that it offers the highest penetration among users aged above 35. It is believed that this SM platform is mainly of interest to service providers rather than manufacturing and retail companies since it is not much of a visual medium. Chitwood (2014) added that an organisation's network of contacts is the most valued content on LinkedIn. LinkedIn also offers users the possibility to discuss their interests and ask for advice.

#### **2.6.4 Pinterest**

Pinterest is believed to be the most “visual” platform, where users are allowed to pin or post images and videos and this SM platform is different from the others since it gives more importance to recent posts and content. According to Geoff (2014), Pinterest has around 70 million active users and 68% of them were mostly women.

Levy (2013) further added that this SM platform is mostly appropriate for businesses whose selling point is visual imagery, for instance, cooking, interior design and fashion. When users pin and re-pin their posts, this allows the content to be classified in different categories, making it easier to search by using appropriate keywords (Chitwood, 2014).

#### **2.6.5 Google+**

At present, Google+ is believed to be the fastest growing social media platform, with 400 million active users in 2016. It is suitable for businesses where SEO is necessary to acquire new customers (Gongora, 2016). Businesses should link content on Google+ to that of their websites so as to improve search engine rankings, since everything that is being put on Google+ helps companies in becoming more visible on Google (Chitwood, 2014). Honigman (2014) added that the most important feature of Google+ is that it can be integrated with other Google platforms such as Gmail and YouTube.

#### **2.6.6 Instagram**

Instagram is the biggest image-oriented SM platform on the Internet, with 400 million active users in 2016 (Gongora, 2016). Similar to Pinterest, Instagram is also a visual SM platform where users can share pictures and videos. It is a SM platform where it is mostly the artistic segments that succeed and hence it is not suitable for every sector. Instagram is known for its unique filters and editing options. Companies can use hashtags for search purposes since hashtags are clickable and they can also utilise the integrated sharing functions for Facebook and Twitter so as to make their Instagram posts more visible (Chitwood, 2014).

## **2.7 Purpose behind the implementation of social media marketing by SMEs**

Various studies have shown that SMEs start to adopt DSMM mainly for sales and marketing purposes (Berthon, Pitt, Plangger & Shapiro, 2012; Ashworth, 2011; Barnes, 2010). However, there are various other reasons why SMEs decide to start using DSMM and the following reasons are frequently:

- **Create brand awareness:** SM can help companies in giving their brand a personality online. The way companies communicate with its customers and the way their websites and SM platforms look visually, form part of the characteristics of their brands. In addition, SM is an easy and cheap way to create brand awareness for SMEs, since the two things that they need is a computer and internet connection (Gongora, 2016).
- **Increase website traffic:** Social referrals are essential sources of traffic for websites. This is so because 93% of customers use SM to make their purchasing decisions and 90% of them trust goods and services that are recommended by their peers. For this reason, it is important that SMEs attract customers to their websites through SM.
- **Sales of goods and services:** SM allows businesses to know what customers feel about their brands and competitors and this in turn enable businesses to know their customers' needs. Besides, SM aids businesses to build long lasting relationships with their loyal customers (Smith, 2014).
- **Customer engagement:** SM is one of the main channels that allow companies to engage with customers. SM platforms are said to be the most appropriate methods to communicate with customers and build relationships. Engaged customers usually spend more and recommend the brand to others on SM platforms (Sklar, 2013).
- **Enhance SEO:** When searching about a company on the Internet, the users will see the company's social profile since SM profiles are usually seen as top results in search listings. Also, Lyngbo (2013) added that search engines rely heavily on SM activity to rank pages that are related to a keyword.
- **Keep an eye on competition:** SM allows businesses to have a look at what their competitors are doing and through the number of likes and followers that their

competitors have, businesses can understand the way their competitors are positioning themselves, the way they communicate with their customers and their promotional campaigns on SM platforms.

- **Receive feedbacks from customers:** Customer feedback is believed to be a source of learning for companies and nowadays, when customers have a complaint, compliment and questions, most of them post directly on SM platforms. Hence, it is important that businesses monitor their SM platforms in order to know about customers' perceptions regarding the brands and help the businesses to improve (Gongora, 2016).
- **Build customer loyalty:** Communication with customers helps businesses to build lasting relationships and SM facilitates this business-customer communication which in turn allows companies to support and help customers, making SM a perfect way to build customer loyalty.
- **Advertisement and promotion of goods and services:** SM is said to be a cheaper way of promoting goods and services as compared to traditional marketing and it also allows companies to use limited resources to target a much larger number of customers through promotion on SM platforms. Companies can promote their goods and services on SM platforms by offering special deals, arranging contests and through pictures and videos (Ajmera, 2014).

Among all the above reasons, the two most significant reasons behind social media adoption cited by companies are namely, enhancement of brand image and creating brand awareness (Gongora, 2016).

## **2.8 Benefits of implementing Social Media Marketing**

It is believed that the implementation of SM techniques can bring a lot of benefits to SMEs due to its simplicity and accessibility (Zeiller and Schauer, 2011), for instance, SMEs are able to communicate over long distances (no geographical barriers) and there is no time constraint when it comes to information and communication purposes (Chen and Wellman, 2009; Schwartz-DuPre, 2006). SM also enables companies to be closer to their customers by making it an easy and accessible way to interact with them (Gongora, 2016).

Moreover, if utilised in the right way, SM can directly bring advantages to the company. According to Nobre and Silva (2014), all the surveyed companies that utilised SM tools mentioned that they noticed an increase in their website traffic and 75% of businesses mentioned that they experienced increased knowledge regarding their own company. Roberts (2012) further added that 47% of surveyed SMEs witnessed a substantial amount of traffic coming from their Facebook.

Apart from being a means for sales and marketing, Keitzmann, Silvester, McCarthy and Pitt (2012) advocated that SM also helps SMEs in achieving higher customer satisfaction. SM also offers SMEs the opportunity to interact with their customers and learn new ways of enhancing their goods and services (Mangold and Faulds, 2010). The use of SM allows companies to target in the most cost-effective manner. Moreover, SM tools provide good reporting and analytic, which allow SMEs to compete with larger firms (Kim, Lee & Lee, 2011).

Furthermore, according to a study carried out by Deloitte in 2012, it was found that Facebook allows organisations to focus their advertising towards a particular segment of users once they become followers of the company. SM allows organisations to do brand promotion in a more efficient manner so as to increase their sales. SM platform is also an excellent tool for organisations to interact with their customers, owing to the speedy information flow and low costs associated as opposed to traditional marketing. The strength of SM is that it is viral in nature since customers can relate to one another and the promotional message is spread rapidly over the Internet (Gongora, 2016).

Lastly, Capgemini (2011) opined that SM does not only benefit SMEs in the fields of marketing and sales but also in various other fields as well. Becker, Nobre and Vijay (2013) further added that SMEs have started recognizing that SM represents a modern approach to deal with customers and enhance customer relationships, permitting their organisation to expand its communications, build reputation and enhance brand image.



## **2.9 Social Media: Challenges facing SMEs**

In order to adopt and make use of SM tools, there are a number of internal and external challenges that companies have to face, for instance, internal challenges such as, resources, economic issues, ownership and authorization and external challenges related to reputation, legal issues and public/private network identity (Kuikka and Akkinen, 2011).

However, when it comes to SMEs, these challenges are way tougher to overcome since they have various characteristics and limitations, such as, lack of planning, lack of time and resources, lack of marketing expertise and market information (Gilmore, Carson and Rocks, 2006). Moreover, due to inadequate financial resources, SMEs have difficulties to market themselves and gain visibility for their products and services (Gongora, 2016).

The adoption and utilisation of SM demands resources and a broad managerial strategy, which usually SMEs cannot really provide. Hence, several features with regards to resources, such as, “high maintenance efforts” and “the need to hire someone to update the information” are the most cited features when it comes to adoption of SM (Meske and Stieglitz, 2013). Barnes (2010) and Ashworth (2011) also added that lack of qualified marketing personnel acts as a barrier to the use of SM in companies.

Moreover, another challenge that has been often cited is the difficulty in analysing and measuring the impact of SM on businesses. In his study, Carter (2014) found that half of the firms emphasized the difficulties of measuring the impact of SM. Other studies as well highlighted that there is not much assistance available to firms with regards to measuring the impact of SM (Fischer & Reuber, 2011; Aral, Dellacrocas & Godes, 2013).

Hence, to be able to successfully put in place SM marketing strategies, SMEs must identify the challenges and opportunities associated with SM. SMEs must also understand the necessity of measuring the impact of SM, since analysing results help in strategic planning and give the SMEs the opportunities to reviews their aims and objectives.

Furthermore, the use of SM demands time to build relationships, to search for finance and to acquire the required knowledge and these conditions are easy to achieve for large businesses

but very challenging for SMEs (Gongora, 2016). It is believed that SMEs' owners lack the required skills and knowledge to implement SM in their company. Moreover, time is an important factor when it comes to maintaining SM and due to lack of resources, some SMEs find it difficult to do so.

Lastly, another major challenge that SMEs face when making use of SM is negative communications. SM is known to be an extremely good tool that allows customers to gain maximum information regarding companies and their offerings. However, Nobre and Silva (2014) argued that the challenge is that customers can spread negative communications regarding companies, and making it vital for companies to cautiously monitor their SM platforms so that they can respond to it in a timely and efficient manner.

# METHODOLOGY

This chapter will inform about the methodology used to investigate the use of DSMM by the SMEs and the motivation behind employing the chosen methodology.

## **3.1 Research method and design method**

Quantitative research was considered to be the appropriate method to gain an insight into the subject of the study. Quantitative research methods allow researchers to look for explanations and forecasts that generalize to other people and places (Thomas, 2003).

The aim of quantitative research is to attain the goal and come up with accurate results by utilising statistical methods and standardized data collection tools (Thomas, 2003). Thomas and Magilvy (2011) further added that numerical data obtained from quantitative research are perfect for confirming existing hypothesis and generalizing results across a large number of subjects.

## **3.2 Research Instrument Design**

A structured survey questionnaire was designed to collect information from a purposeful sample of 151 SMEs and 14 SME Support Institutions in various regions across Mauritius. The questionnaire was designed for face-to-face interviews and an online version questionnaire were designed. The questionnaire was made up of 3 sections covering a total of 34 questions with the aim of gathering information regarding the awareness of the respondents about DSMM, their attitude towards these marketing channels, their extent of use of the tools, as well identifying the main barriers and challenges that respondents face when using DSMM.

The questionnaire (Appendix 1) that was administered to the SMEs was designed using two languages, mainly, English and French. The English version of the survey questionnaire was also designed using Google Form for the purpose of online application. The questionnaire was divided into three sections, namely:

- Section A – Demographic Profile

- Section B – Awareness of Digital and Social Media Marketing
- Section C – Current Marketing Practice

The survey questions were very practical, close ended and easy so that respondents would not have any difficulty in answering and finish the questionnaire in lesser time. The questionnaire looked into the current marketing practice of SMEs as well as their use and knowledge of SM as a marketing tool.

*It was agreed with the individual respondents that the information provided by them would remain confidential and be used only for the purpose of this study.*

Likewise, the survey questionnaire for the SME Support Institutions (Appendix 2) was designed by the research assistant and finalised by the Principal Investigator and the questionnaire comprised of fifteen questions and they were divided into three sections, namely:

- Section A – General Information
- Section B – Support available to SME Sector
- Section C – Support and suggestion for improvement

This survey questionnaire has been designed in order to get a better insight on the support that are being offered to SMEs to enhance their marketing efforts and on future plans these institutions have to support DSMM.

### **3.3 Population and Sampling**

Lane (2013) defined survey population as “the total number of individuals, groups or events that are being studied”. Hence, for this study, the population is the SMEs found in Mauritius. According to the latest Census of Economic Activities 2013, there are approximately 124,972 SMEs operating in Mauritius. The sectoral distribution of this SME population is as follows (Table 3):

**Table 3 – Sectoral distribution of SME sector in Mauritius**

Industry Group	Number of SMEs	Percentage
Manufacturing	15,241	12.2
Construction	12,940	10.4
Wholesale and retail trade; repair of motor vehicles and motorcycles	46,776	37.4
Transportation and storage	20,920	16.7
Accommodation and food service activities	10,699	8.6
Information and communication	557	0.4
Financial and insurance activities	175	0.1
Real estate activities	600	0.5
Professional, scientific and technical activities	2,263	1.8
Administrative and support service activities	1,715	1.4
Education	1,853	1.5
Human health and social work activities	1,705	1.36
Arts, entertainment and recreation	3,409	2.73
Other services	6,119	4.90
<b>Total</b>	<b>124,972</b>	<b>100</b>

Source: Statistics Mauritius, Census of Economic Activities 2013

According to Lane (2013), sampling is the process of selecting individuals and units from a population of interest so as when the researcher studies the sample, he/she can generalize the results to the whole population of interest. The sample used in this study is 151 SMEs across Mauritius and 14 SME Support Institutions. The sampling was made based on a census on SMEs – 2013 Collection of Statistics of Economic Activities Phase 1 – Small establishments. The table below shows the number of SMEs interviewed per sector of activities.

**Table 4 – SMEs interviewed per sector of activities**

Industry Group	Number of SMEs	Percentage
Manufacturing	28	18.5
Construction	31	20.5
Wholesale and retail trade; repair of motor vehicles and motorcycles	51	33.8
Accommodation and food service activities	14	9.3
Information and communication	3	2.0
Financial and insurance activities	2	1.3
Education	5	3.3
Arts, entertainment and recreation	13	8.6
Other services	4	2.6
<b>Total</b>	<b>151</b>	<b>100</b>

The purposive sampling was applied to select respondents in this survey. The main aim of this sampling technique is to choose respondents who better fit the purpose of this study. Though the sample is not a random selection, the researcher ensured representativeness in terms of sector of activity, geographical representation as well as size of enterprise.

### **3.4 Data collection**

Since this survey was about use of DSMM by SMEs, it was decided to first use online approach to apply the survey. A pilot test for online response was used, the questionnaire was sent through email invitations to 30 SMEs on 17<sup>th</sup> August 2017 and after one week, there were still no response. The interviewers started the fieldwork on 28<sup>th</sup> August 2017 and ended on 14<sup>th</sup> October 2017. During the fieldwork, some SMEs opted to respond online as opposed to face-to-face interviews and at the end of the data collection period, the online response rate was 40 % of the 151 SMEs interviewed. Ultimately, 151 out of the 151 questionnaires were correctly completed, representing a response rate of 100 %.

The survey questionnaire was administered to the SME Support Institutions on 27<sup>th</sup> July 2017 by email and out of the 14 SME Support Institutions that we targeted, 2 responded by email and for the remaining 12, 5 face-to-face interviews have been conducted and the other 7 institutions have not responded. The list of the SME Support Institutions contacted and surveyed is found in Appendix 3 and the list of the SMEs surveyed is found in Appendix 4.

### **3.5 Limitations of methodology**

For this survey, we had to contact approximately 400 SMEs in order to be able to build up our sample population of 151 SMEs, since a lot of SMEs did not agree to participate. Moreover, SMEs from the retail sector did not agree to participate when contacted by phone, so the fieldworkers had to go on field and select retail SMEs randomly in a particular region.

## FINDINGS & ANALYSIS

Data for this study was analysed using the statistical software SPSS 19. The questions were analysed on an individual basis and some questions have been cross-analysed to find similarities and differences among the SMEs. This section is divided into two sub-sections, namely, findings for SMEs and findings for SME Support Institutions. An overview of the data analysis is found below.

### **4.1 Findings for SMEs**

#### **4.1.1 SME Demographic profile**

##### **4.1.1.1 Location**

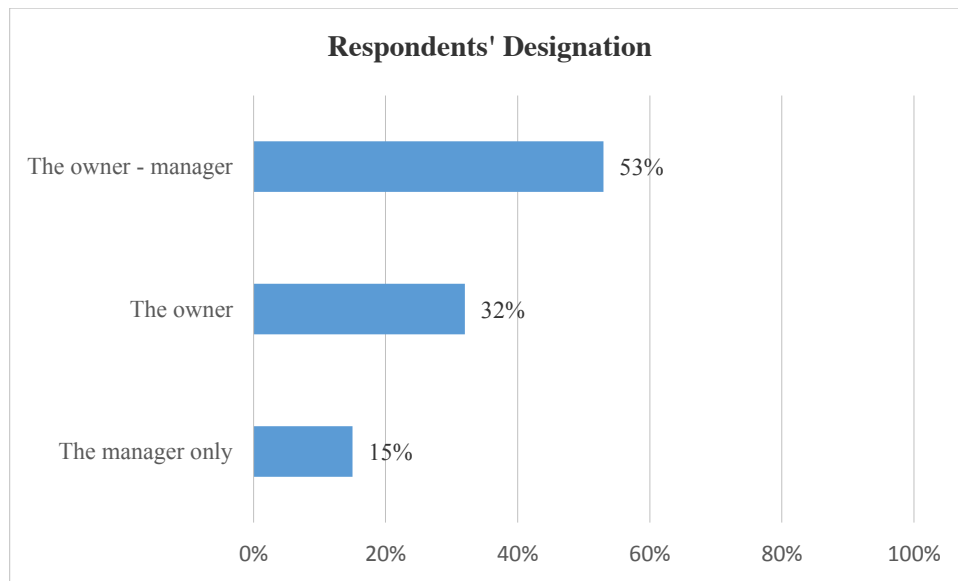
Figure 1 below represents the location of the SMEs and it shows that 54% of the surveyed SMEs were in rural regions and 46% were from urban regions.



##### **4.1.1.2 Status of Respondents in the enterprise**

Out of the 151 respondents who filled up the questionnaire, more than half of them (53%) were the “owner-manager”, 32% were “the owner” and 15% of them were “the manager only” (Figure 2).

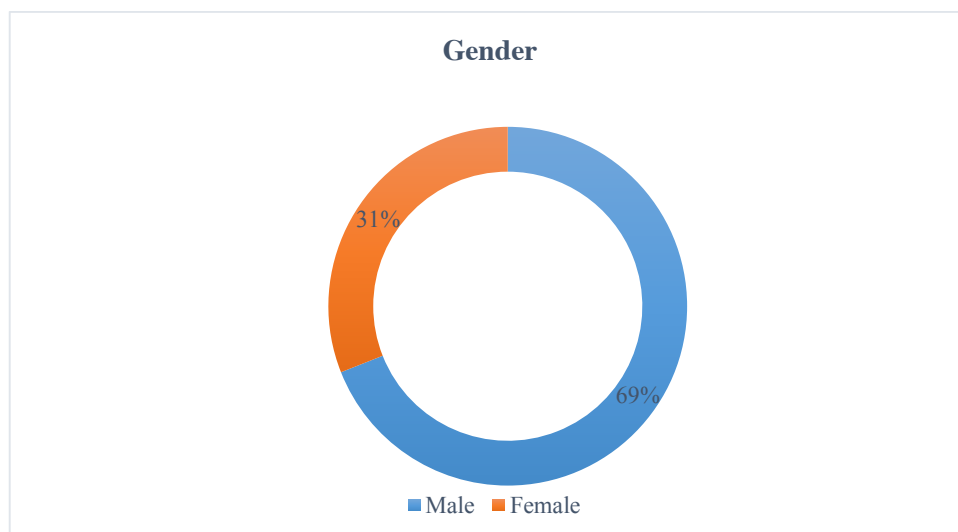
**Figure 2 – Designation of respondents**



#### **4.1.1.3 Gender, Age and Education of respondents**

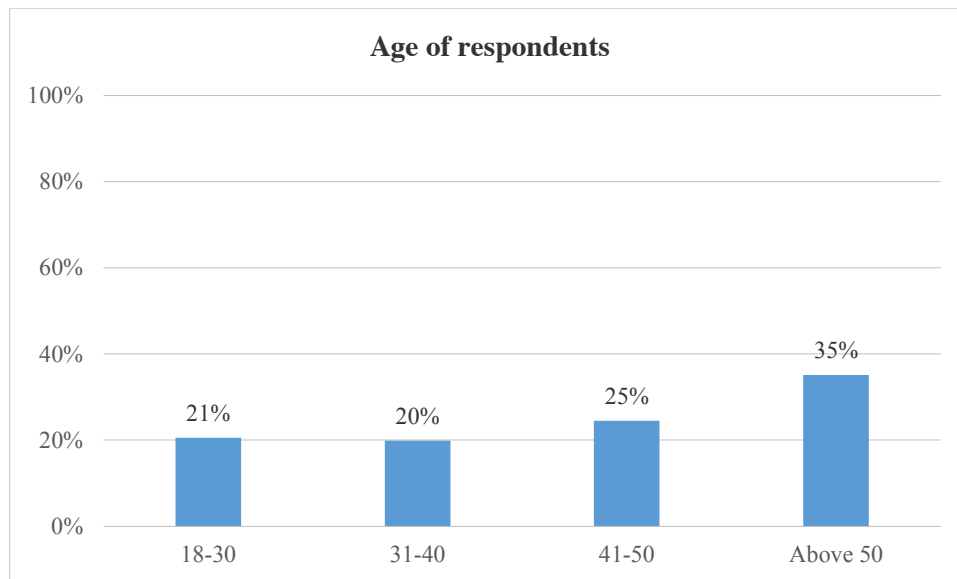
Figure 3 shows that the majority of the respondents were male (69%) and 31% were female. Figure 4 presents the age distribution and it can be seen that 21% of the respondents were aged between 18 and 30, 20% were aged between 31 and 40, 25% from the age bracket 41-50 and 35% of them were aged above 50. Regarding the educational level of respondents, 14% of the respondents have studied till CPE level, 24% till SC level, 19% till HSC level, 10% to Diploma/Advanced Diploma level, 14% till Bachelors Degree level, 11% till Master Degree level, and 1% till PhD level. 7% of the respondents have a Professional Qualification (Figure 5).

**Figure 3 – Gender of respondents**

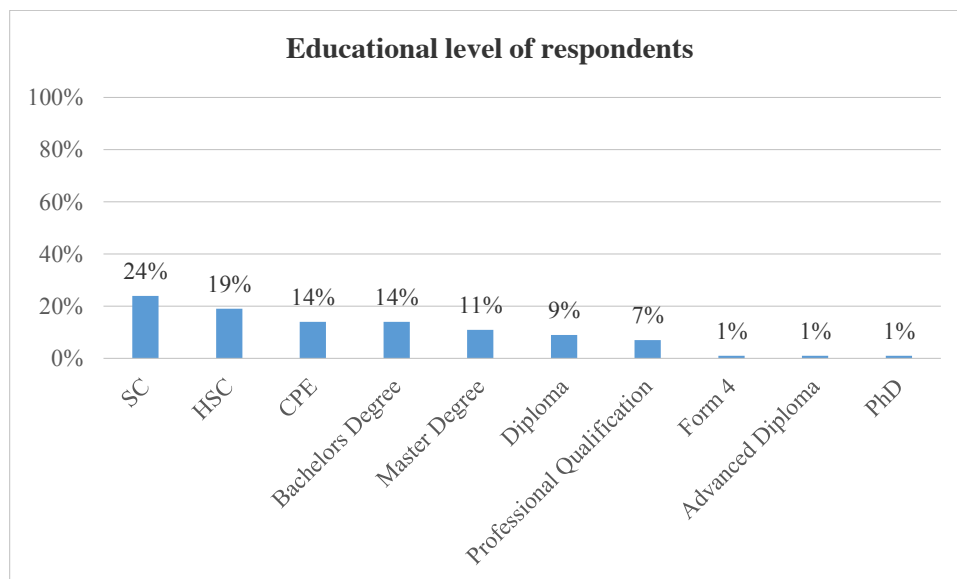




**Figure 4 – Age of respondents**



**Figure 5 – Educational level of respondents**

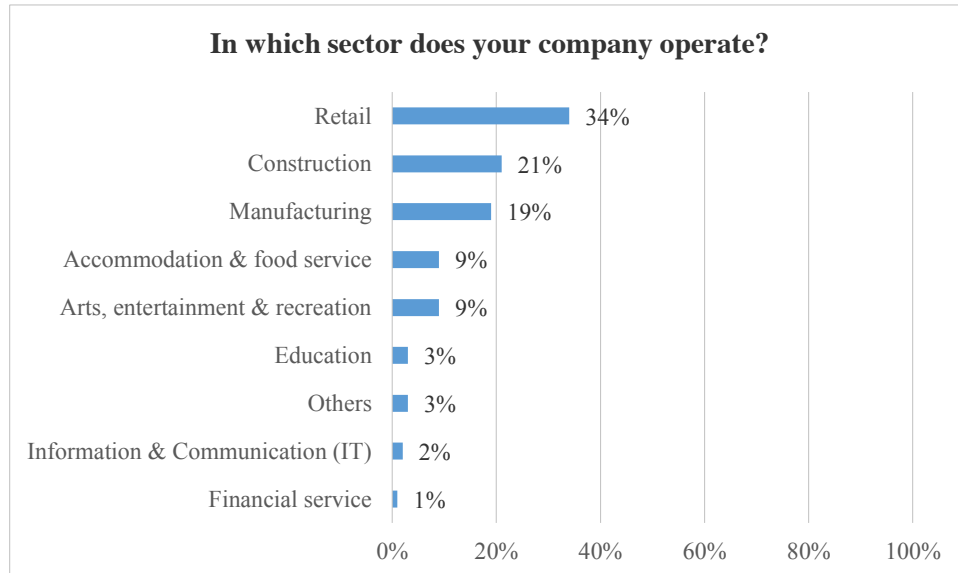


#### **4.1.1.4 Sectoral Distribution**

Data collection was designed in order to collect information from different sectors throughout the SME population, allowing generalisation of the findings and increasing the reliability of the study. The sample was made up of 151 SMEs in 9 sectors and Figure 6 represents the distribution according to the type of industry in which the SMEs operate. Retail was ranked at the highest position (34%), followed by construction (21%), manufacturing (19%),

accommodation and food service (9%), arts, entertainment and recreation (9%), education (3%), others (3%), Information & Communication (IT) (2%) and financial service (1%).

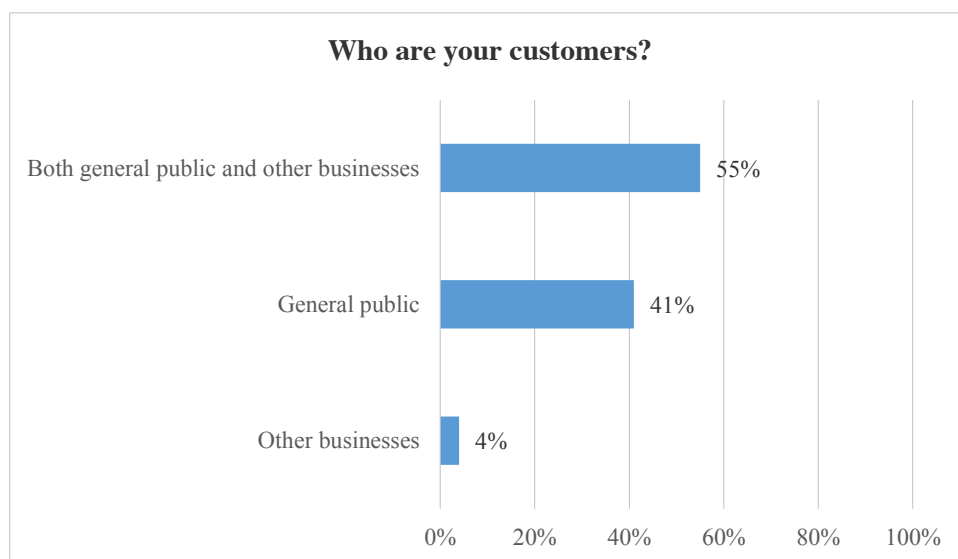
**Figure 6 – Sector**



#### **4.1.1.5 B2C or B2B?**

41% of the surveyed SMEs provide their products and services to the general public and 55% of them cater for both general public and other businesses. Only 4% of the SMEs say that they sell their products and services to other businesses only (Figure 7).

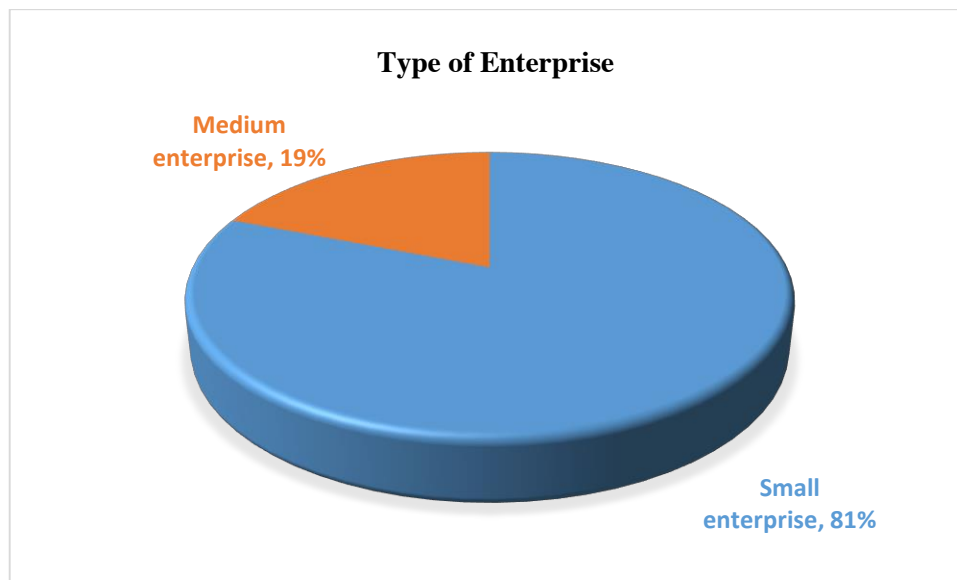
**Figure 7 – Type of customers**



#### 4.1.1.6 Categorisation by Size

Out of the 151 SMEs that were surveyed, 81% of them were small enterprises and 19% were medium ones (Figure 8).

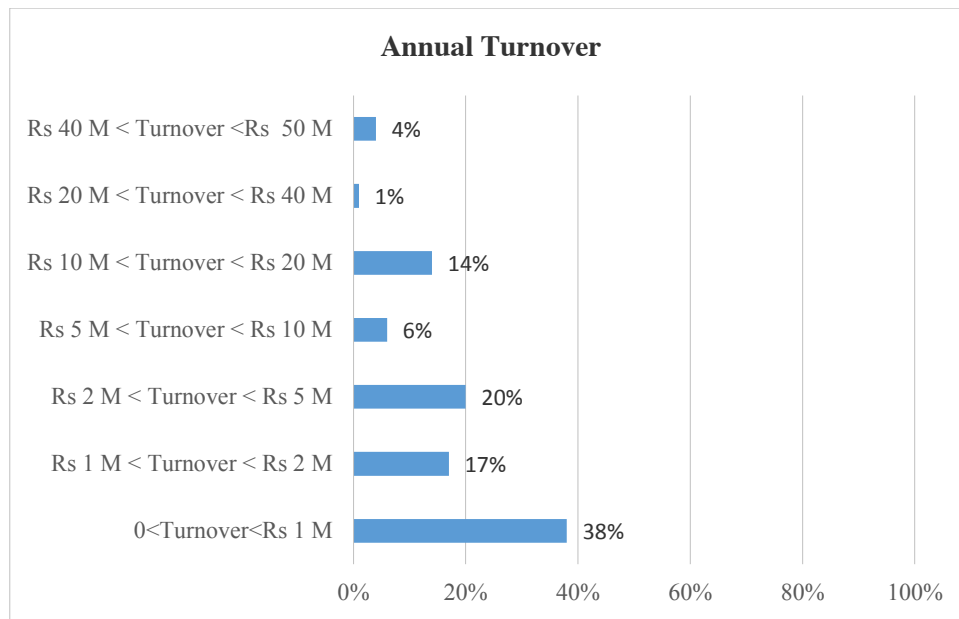
**Figure 8 – Type of enterprise**



#### 4.1.1.7 Annual Turnover

As per the SMEDA Act 2009, a small enterprise is defined as an enterprise having an annual turnover of less than Rs 10 million, and according per the findings of this survey, 81% of the SMEs had a turnover of less than Rs 10 million, and out of these small enterprises, 38% of them had a turnover of less than Rs 1 million. On the other hand, the SMEDA Act 2009 defined a medium enterprise as an enterprise having an annual turnover of more than Rs 10 million but less than Rs 50 million. 19% of the SMEs had an annual turnover of more than Rs 10 million and less than Rs 50 million and out of these medium enterprises, only 4% had an annual turnover of more than Rs40 million (Figure 9).

**Figure 9 – Annual turnover of SMEs**



However, as per the data of Statistics Mauritius from the latest Census of Economic Activities 2013 for SMEs, 74% of the SMEs in Mauritius had annual turnover of less than Rs 1 million, 14% had an annual turnover between Rs 1 million and Rs 2 million, 9% had an annual turnover between Rs 2 million and Rs 5 million. 2% of the SMEs had an annual turnover between Rs 5 million and Rs 10 million and only 1% had an annual turnover of more than Rs 10 million (Table 5).

**Table 5 – Annual Turnover (Statistics Mauritius)**

Annual Turnover	Number of SMEs	Percentage
0 < AT < Rs 1 M	92,004	73.61
Rs 1 M < AT < Rs 2 M	17,135	13.71
Rs 2 M < AT < Rs 5 M	11,756	9.41
Rs 5 M < AT < Rs 10 M	3,061	2.45
Above Rs 10 M	1,016	0.81

Source: Statistics Mauritius, CEA 2013 Phase 1 Report – Small Establishments

## 4.1.2 Awareness of Digital and Social Media Marketing

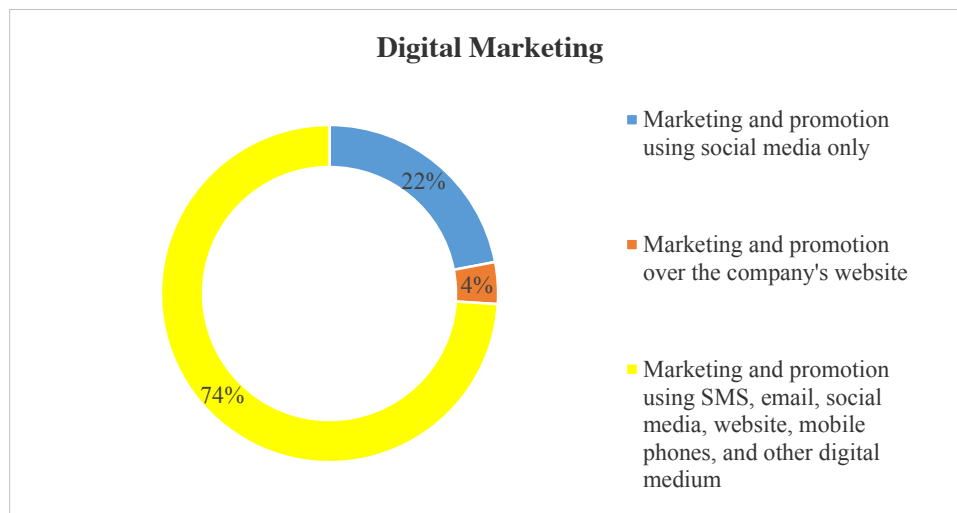
### 4.1.2.1 Awareness

DM is a type of marketing and promotion using SMS, email, social media, website, mobile phones, and other digital medium (Afrina, Sadia, and Kaniz, 2016). And as per the survey

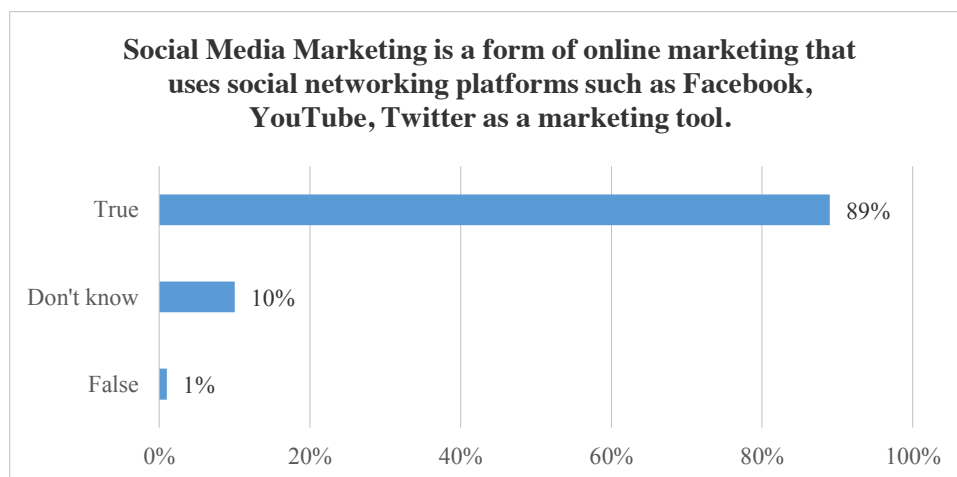
findings, while 74% of the respondents are aware of what DM is all about, 26% of them do not know the real definition of DM (Figure 10).

Coming to SMM, a large majority of respondents (89%) are aware of what it means, however, 11% of them do not really understand its definition (Figure 11).

**Figure 10 – Definition of Digital marketing**



**Figure 11 – Definition of Social Media marketing**



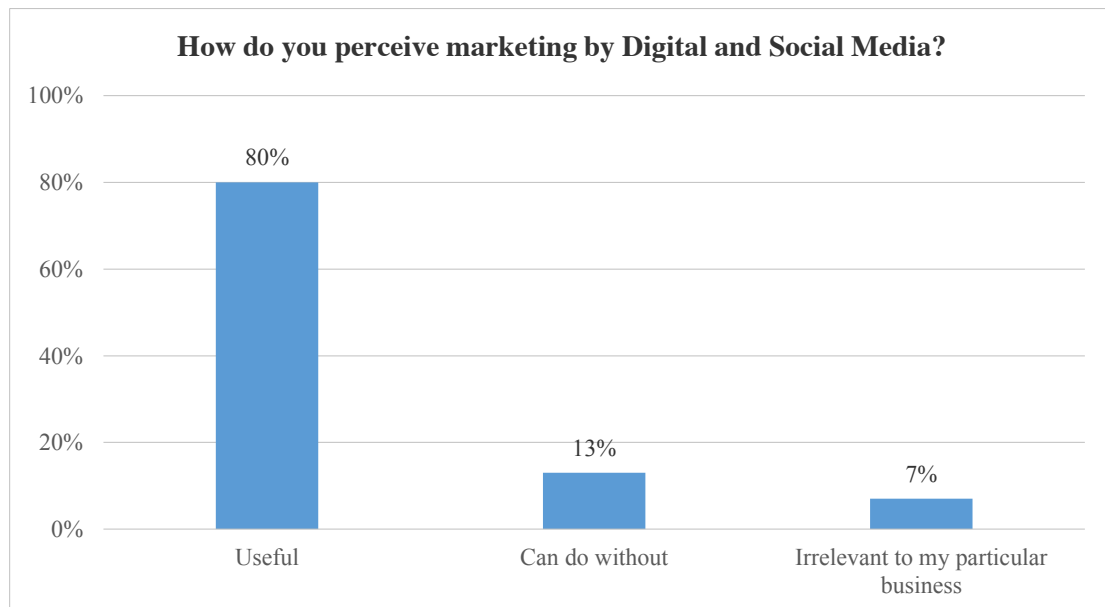
#### 4.1.2.2 Perception of Relevance of Digital and Social Media Marketing

The study reveals that 80% of the respondents find DSMM useful, while 13% of them say that they can do without it and 7% of them find it irrelevant to their business (Figure 12).

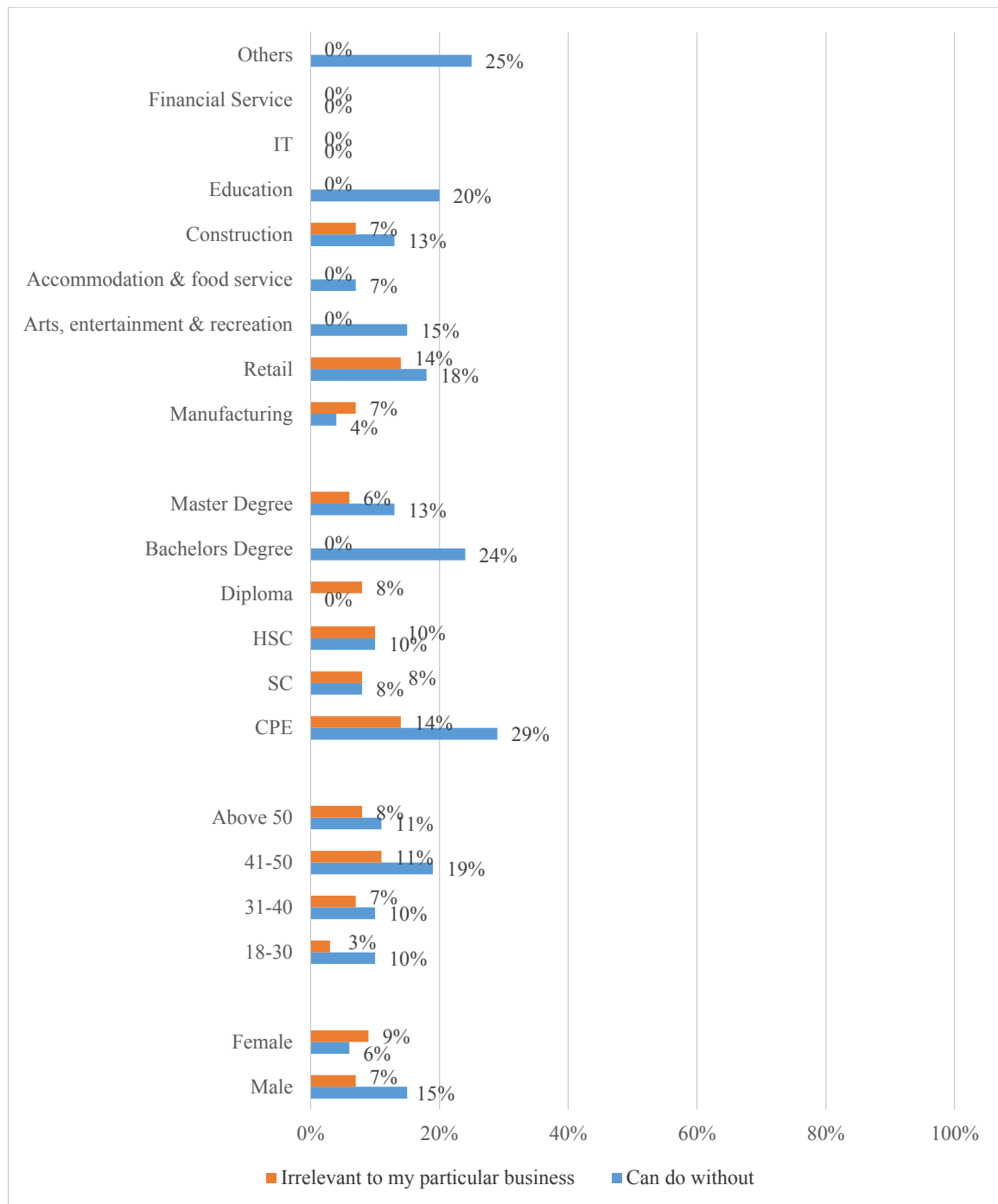
Salient facts of the demographic distribution of the responses:

- ➔ More men feel that they can do without DSMM as compared to women (15% vs. 6%)
- ➔ 9% of men and 7% of women consider that DSMM is irrelevant to their particular business.
- ➔ Worryingly two in 10 respondents (19%) aged between 41 and 50 say that they can do without DSMM.
- ➔ As expected for the younger generation of entrepreneurs, only 3% of respondents from the age group 18-30 feel that DSMM is irrelevant to their particular business.
- ➔ Respondents coming from lower educational background perceived DSMM as irrelevant to their business (14%) and can do without this type of marketing (29%) as compared to respondents coming from higher educational background.
- ➔ While 20% of SMEs in the education sector feel that they can do without DSMM, 14% of SMEs in the retail sector find it irrelevant to their particular business (Figure 13).

**Figure 12 – How do you perceive marketing by Digital and Social Media?**



**Figure 13 – Perception by demographics**

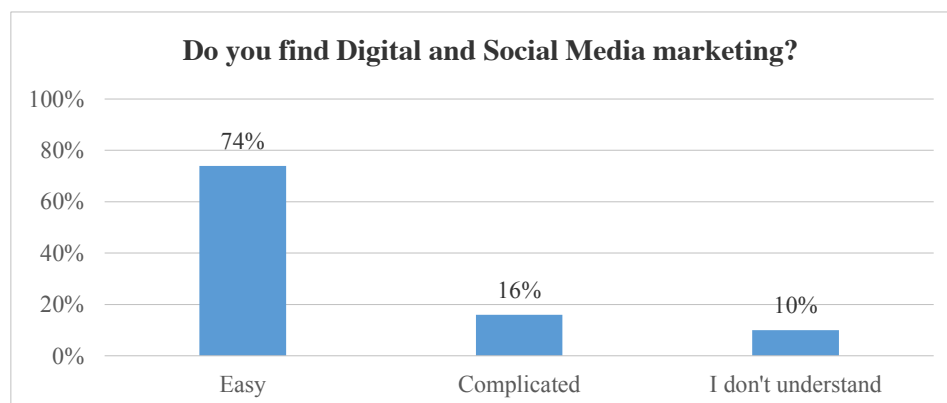


The survey findings also reveal that 74% of the respondents perceive DSMM easy, 16% of respondents find it complicated and 10% do not understand it at all (Figure 14).

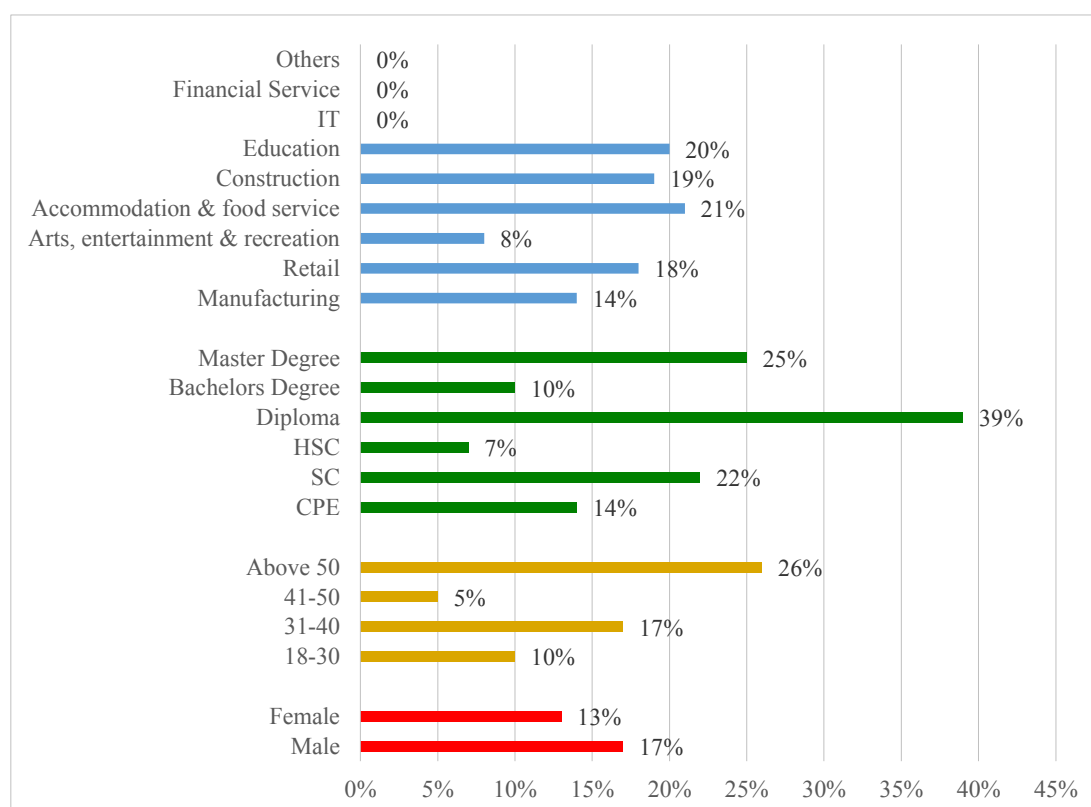
Men find DSMM more complicated than their female counterparts (17% vs. 13%). Understandably respondents aged above 50 (26%) find it more complicated as compared to youngsters aged between 18 and 30 (10%). While 21% of the SMEs in the Accommodation

& food service sector find it complicated, none of the SMEs from the IT and Financial service find it complicated (Figure 15).

**Figure 14 – Do you find Digital and Social Media marketing?**



**Figure 15 – Find Digital and Social Media marketing complicated (Demographics)**



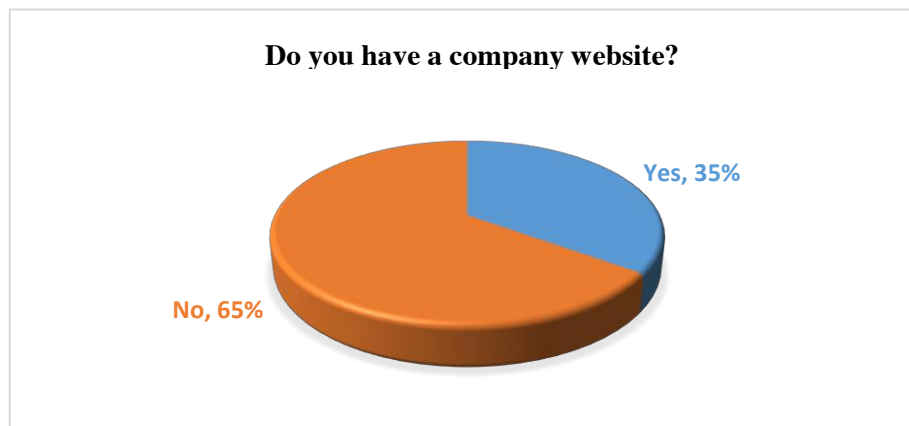
#### 4.1.2.3 Company Website

The study reveals that the majority of SMEs (65%) do not have a company website, only 35% of them had a company website (Figure 16). Men (67%) are more likely to not have a

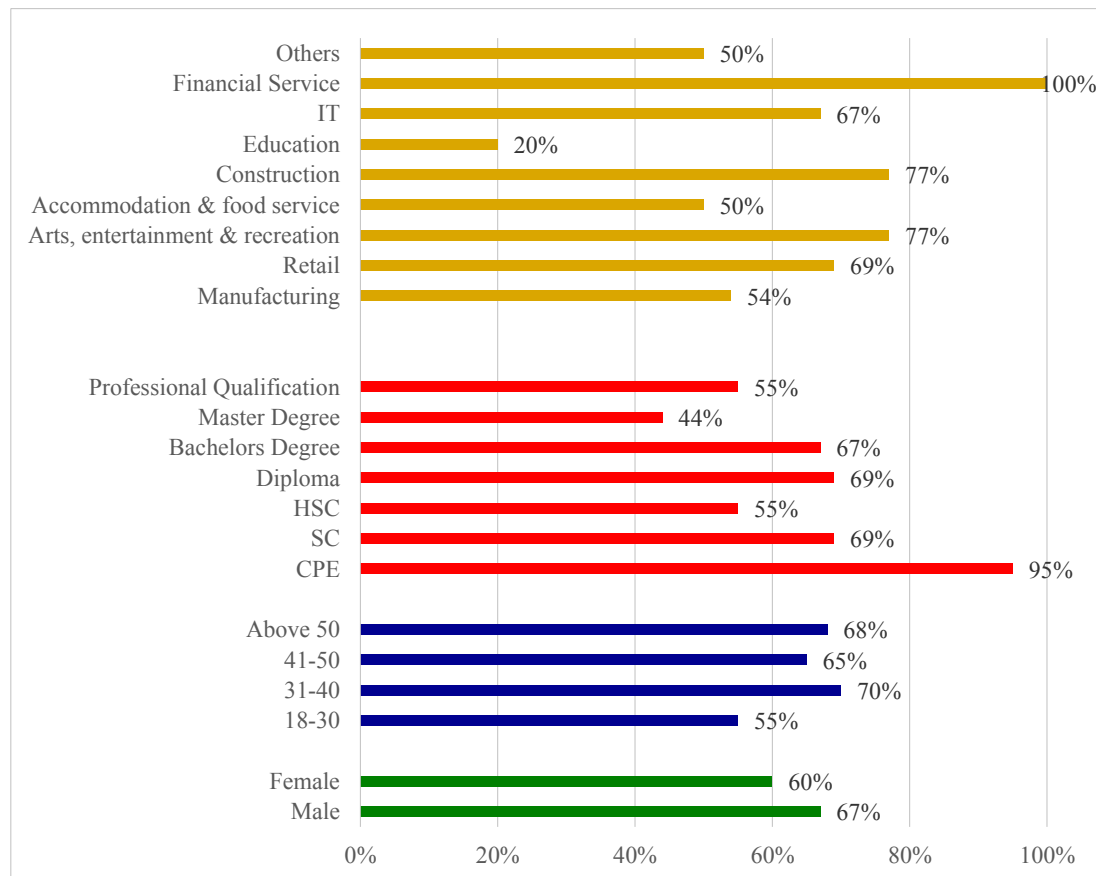


company website as compared to women (60%). 70% of the respondents aged between 31 and 40 do not have a company website. The majority of respondents having only primary education (95%) are those who do not have a company website. The majority of SMEs that do not have a company website are mostly from the Financial Service sector (100%), the Construction sector and the Arts, Entertainment and Recreation sector (77%) (Figure 17).

**Figure 16 – Company website**



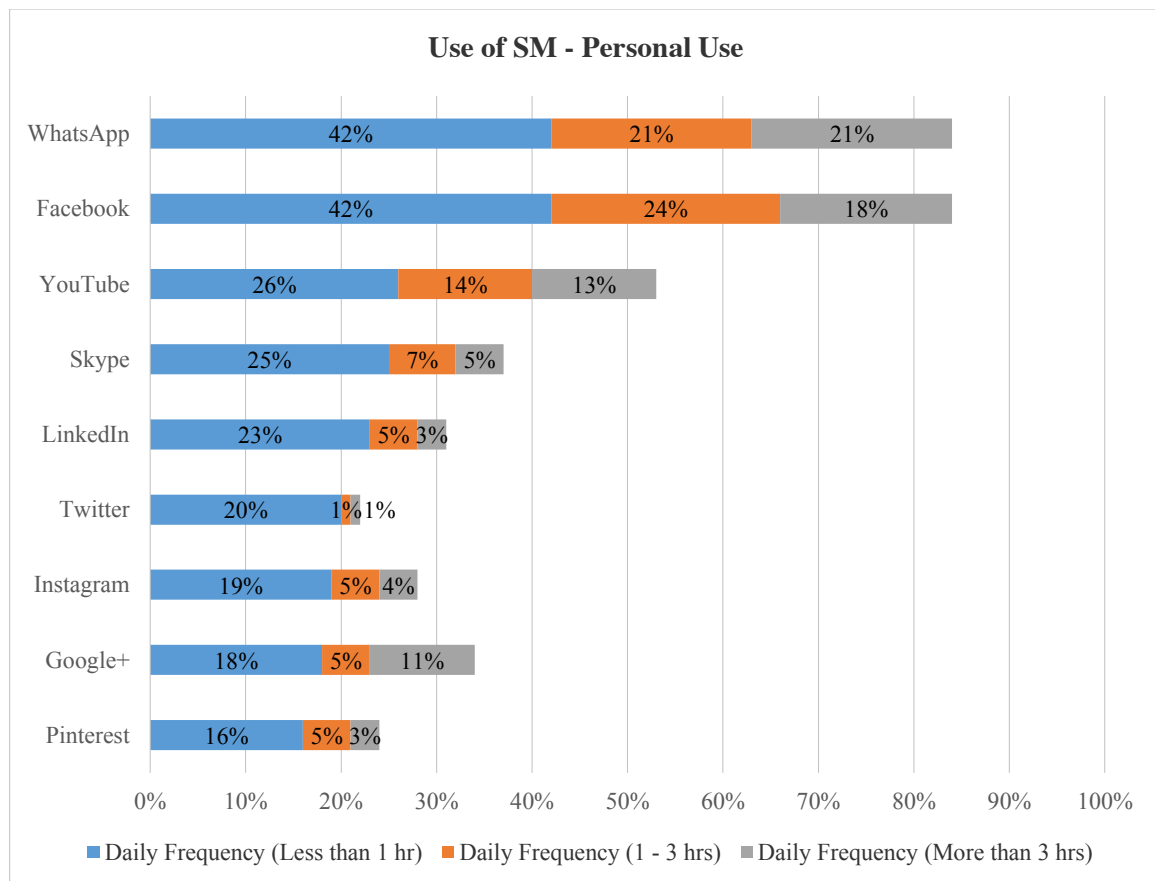
**Figure 17 – SMEs that do not have a company website (By demographics)**



#### 4.1.2.4 Use of Social Media

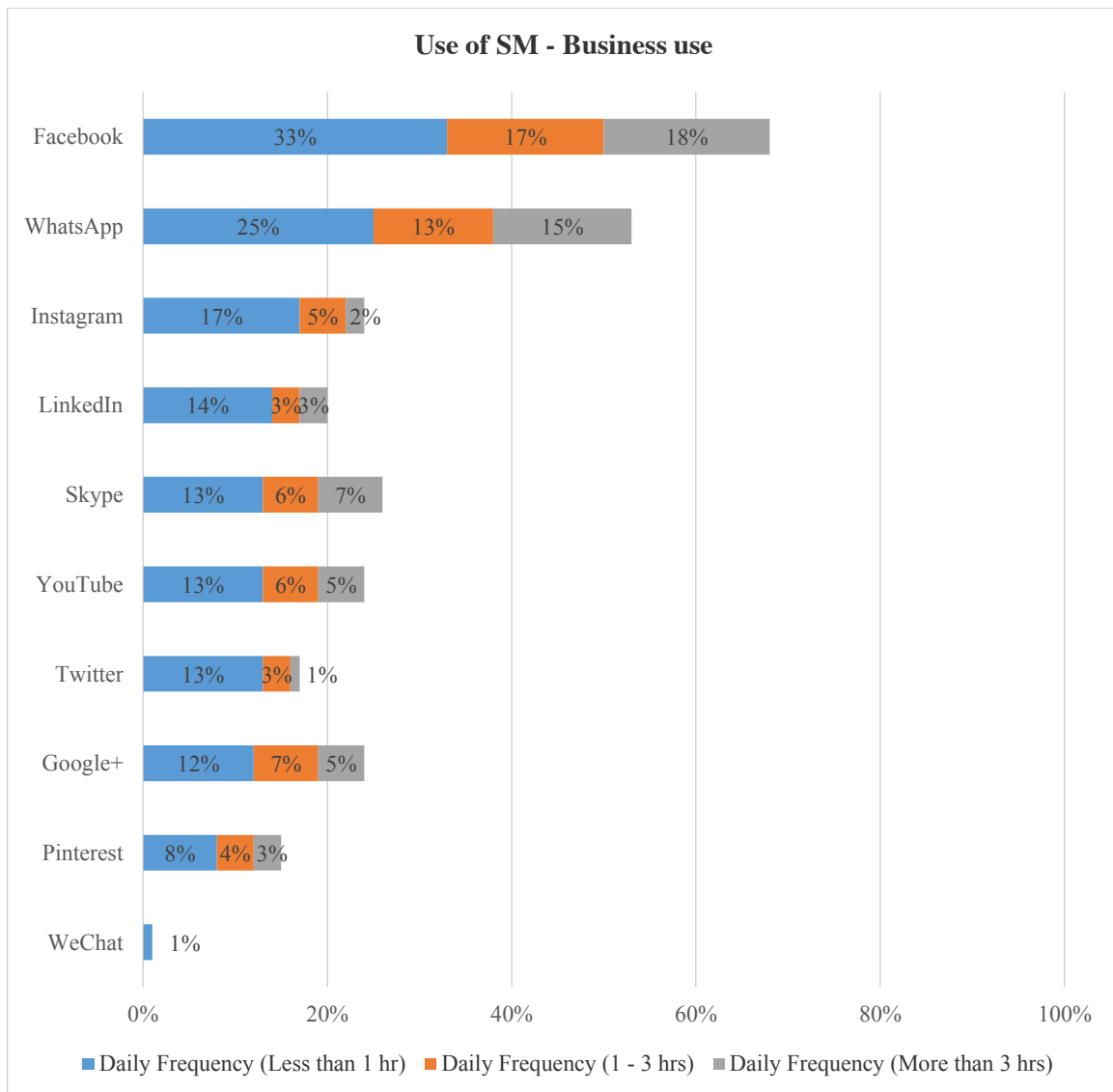
When it comes to personal use of SM, the study reveals that most of the respondents use SM less than 1 hour per day and the top three SM that they use are: WhatsApp (42%), Facebook (42%) and YouTube (26%). Pinterest is the least used SM among the respondents (16%) (Figure 18).

**Figure 18 – Utilisation of SM for personal use**



Regarding the use of SM for business purpose, the survey findings show that most of the SMEs use SM for less than 1 hour on a daily basis. The most used SM for business purposes is Facebook (33%) and WhatsApp and Instagram followed closely with 25% and 17% respectively. The least popular SM used was WeChat (1%) (Figure 19).

**Figure 19 – Utilisation of SM for business use**

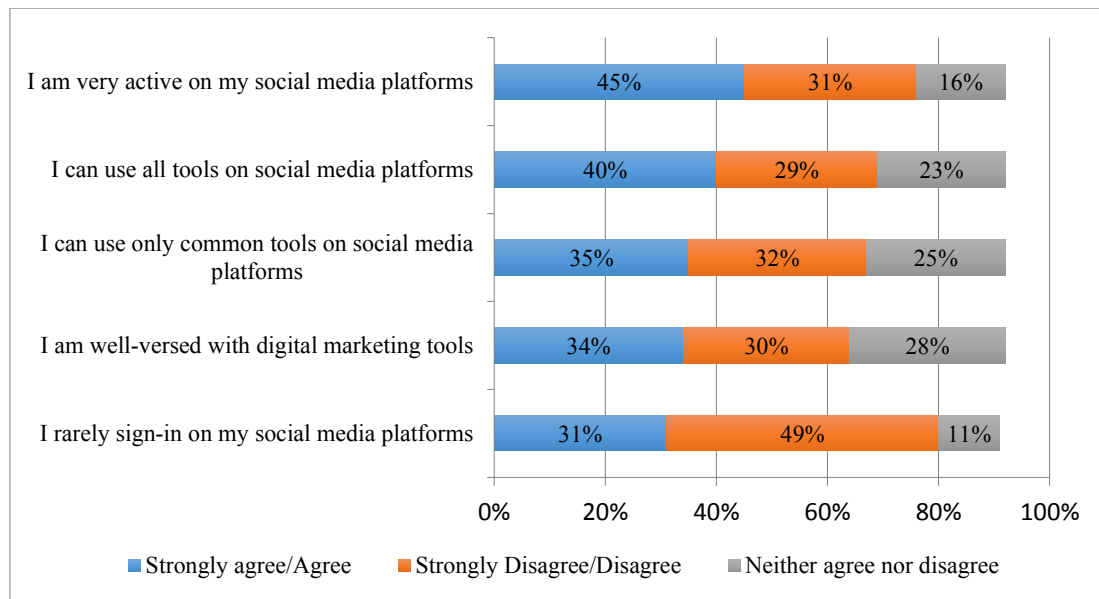


#### **4.1.2.5 Knowledge and use of Social Media**

The study reveals the following details with regards to the knowledge and use of SM by SMEs:

- ➔ Four in 10 respondents say that they are very active on their SM platforms (45%) and can use all tools on SM platforms (40%).
- ➔ While one-third of the respondents say that they are well-versed with DM tools (34%), another 35% of respondents say that they can only use common tools on SM platforms.
- ➔ Three in 10 respondents (31%) say that they rarely sign-in on their SM platforms (Figure 20).

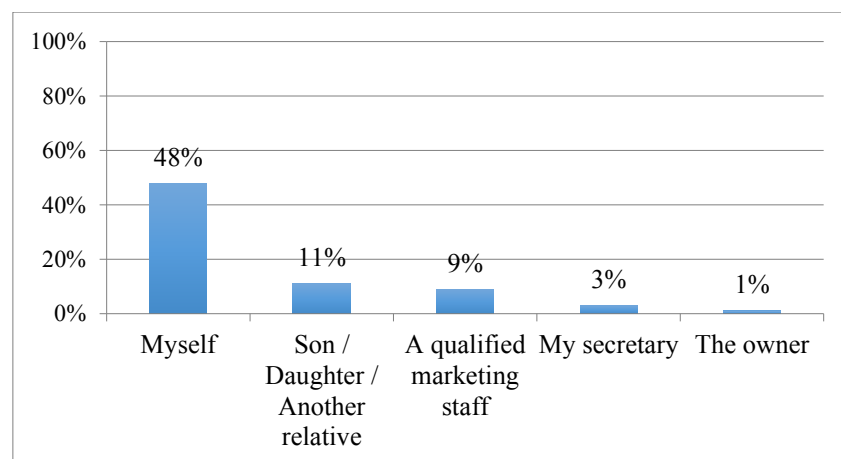
**Figure 20 – How would you describe your level of knowledge and use of SM?**



#### 4.1.2.6 Managing Digital and Social Media Marketing

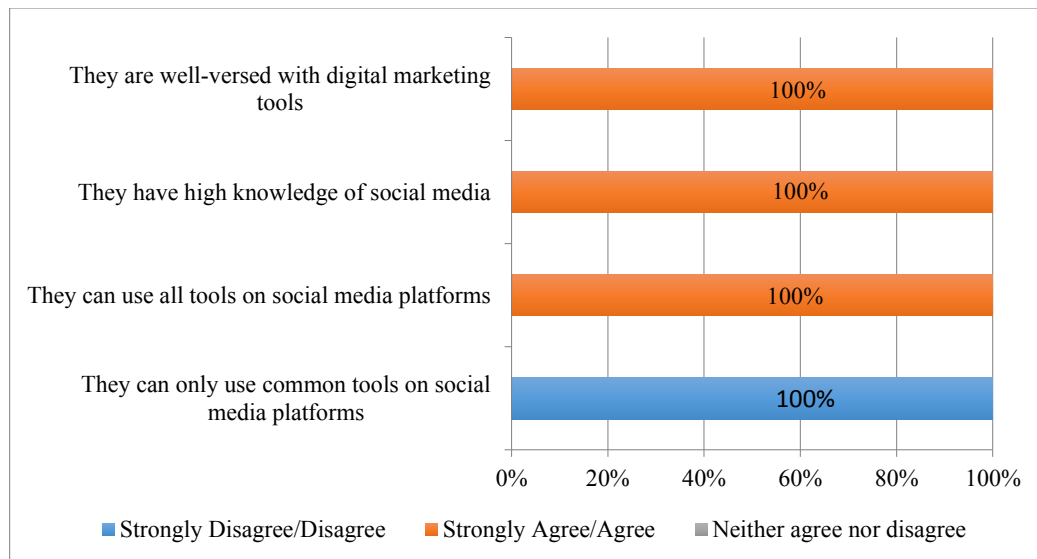
Almost half of the respondents (48%) state that they themselves manage their DSMM. One in 10 respondents (11%) says that it is their son/daughter or another relative that manages their DSMM. Only 9% of SMEs have a qualified marketing staff that manages their DSMM. It is interesting to note here that these are being run by people from higher educational level, namely: 38% of their owners/managers have Bachelor Degree, 38% have a Professional Qualification, 15% have an HSC Certificate and 8% have a Diploma. For 3% of the SMEs, it is the personal secretary of the owner or manager that manages the DM of the company and 1% of the respondents say that it is the owner itself that manages the DSMM (Figure 21).

**Figure 21 – Who manages your Digital and Social Media marketing?**



As per the study, all SMEs having a qualified marketing staff that manage their DSMM, say that their qualified marketing staffs are well-versed with DM tools, have high knowledge of SM and can use all tools on SM platforms (Figure 22).

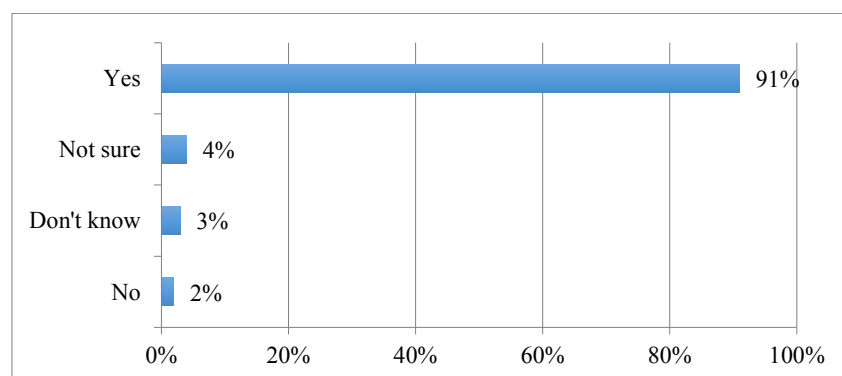
**Figure 22 – Knowledge and use of DSMM by marketing staff**



#### 4.1.2.7 Benefits of using Digital and Social Media Marketing

A large majority of respondents (91%) are convinced that there are benefits in using digital and social media tools for marketing. Only 2% of the SMEs say that there is no benefit in using it and 4% of the respondents are not sure about the benefits that DSMM can bring to their companies. 3% of the respondents simply have no idea about the benefits of using DSMM (Figure 23).

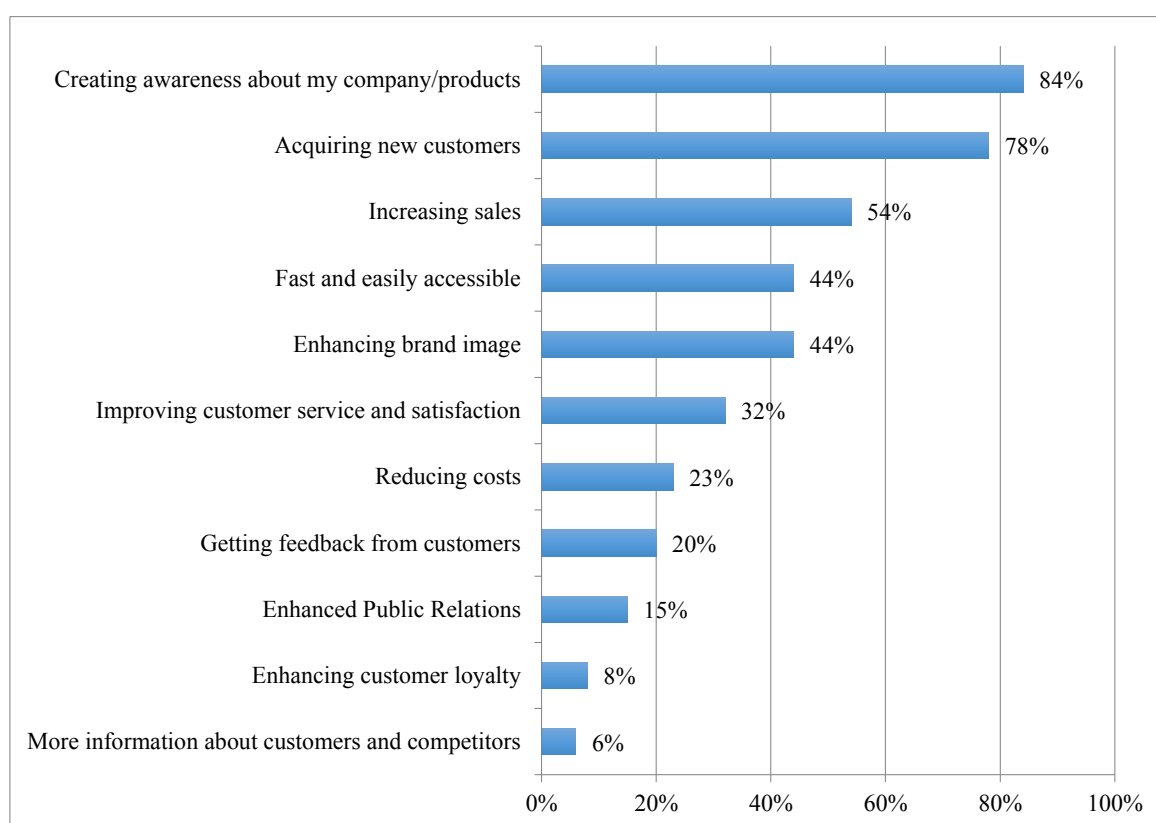
**Figure 23 – Do you believe there are benefits in using DSM tools for marketing?**



When probing further to know the views of the respondents with regards to the advantages of using DSMM, respondents indicated that creating awareness about the company/products is the main benefit of using DM (84%), followed by acquiring new customers (78%) and increasing sales (54%).

Moreover, 44% of the respondents believe that DM is fast and easily accessible and also helps in enhancing brand image. One-third of the respondents (32%) feel that DM helps in improving customer service and satisfaction. Two in 10 respondents feel that it helps in reducing costs (23%) and getting feedback from customers (20%). Less than one-fifth of the respondents feel that DSMM helps in enhancing public relations (15%), in enhancing customer loyalty (8%) and in having more information about customers and competitors (6%) (Figure 24).

**Figure 24 – Benefits of DSMM**

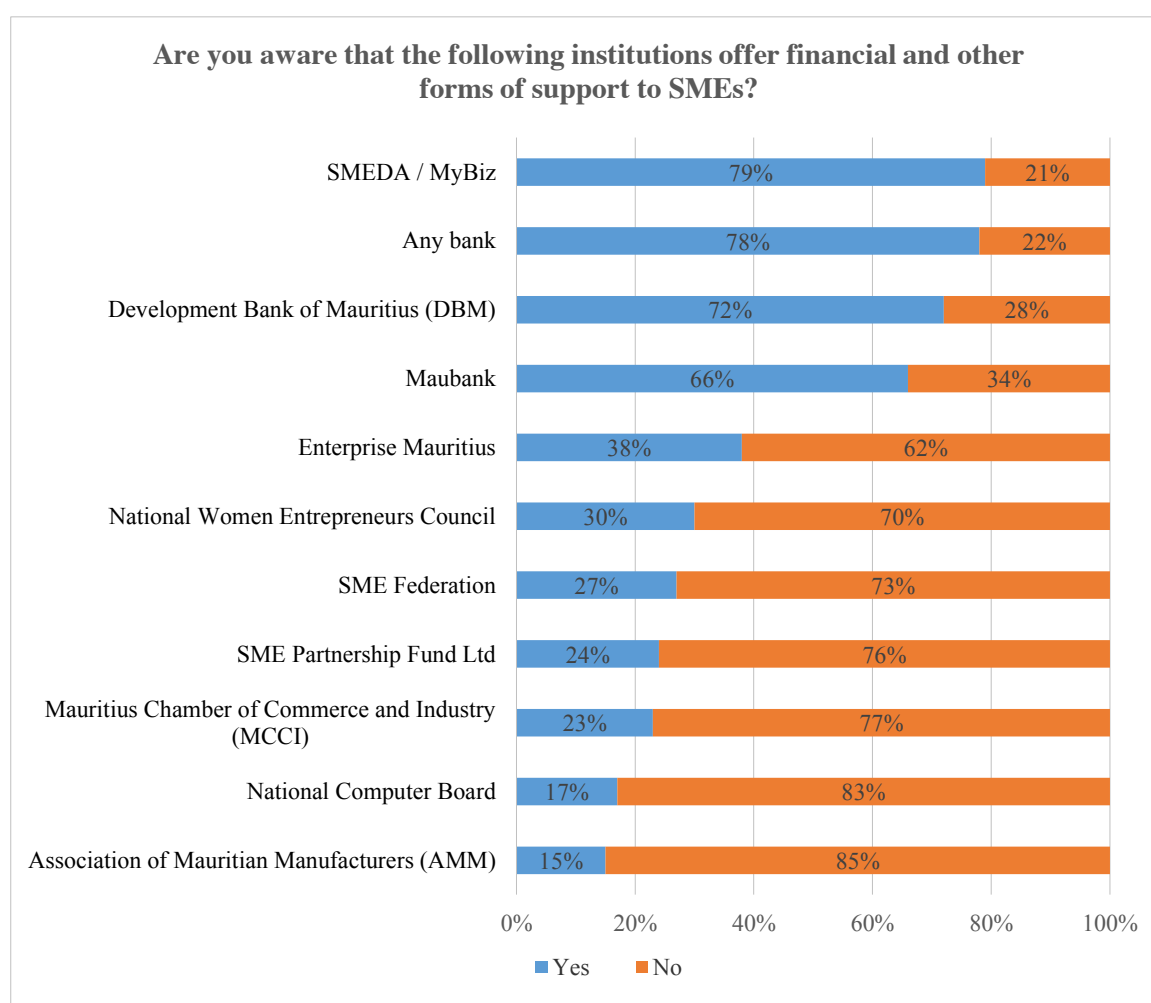


#### **4.1.2.8 SME Support Institutions**

According to the survey findings, the majority of respondents are aware that SMEDA/MyBiz (79%), any bank (78%), Development Bank of Mauritius (DBM) (72%) and Maubank (66%)

provides financial and other supports to SMEs. However, 62% of the respondents do not know that Enterprise Mauritius provide support to SMEs. More than seven in 10 SMEs are unaware that National Women Entrepreneurs Council (NWECC) (70%), SME Federation (73%), SME Partnership Fund Ltd (76%), Mauritius Chamber of Commerce and Industry (MCCI) (77%), National Computer Board (NCB) (83%) and Association of Mauritian Manufacturers (AMM) (85%) offer financial and other forms of support to SMEs (Figure 25).

**Figure 25 – SME Support Institutions**



Moreover, when analysing further this question, it was found that men have less awareness as compared to women when it comes to SMEDA, Maubank, NWECC, and MCCI. The majority of respondents who are not aware that SMEDA (23%) and NWECC (77%) provide supports to SMEs are aged between 31 and 40. On the other hand, 46% and 87% of the respondents in the age group 41-50 did not know that Maubank and MCCI offer financial and other supports to SMEs.

While half of the PhD holders (50%) are not aware that SMEDA provide supports to SMEs, all the surveyed PhD holders (100%) did not know that NWEC and MCCI offer supports to SMEs. With regards to Maubank, 47% of the respondents having studied till School Certificate level, are not aware that the institution offer financial and other supports to SMEs (Table 6).

**Table 6 – Not aware that these institutions offer financial and other forms of support to SMEs (By Demographics)**

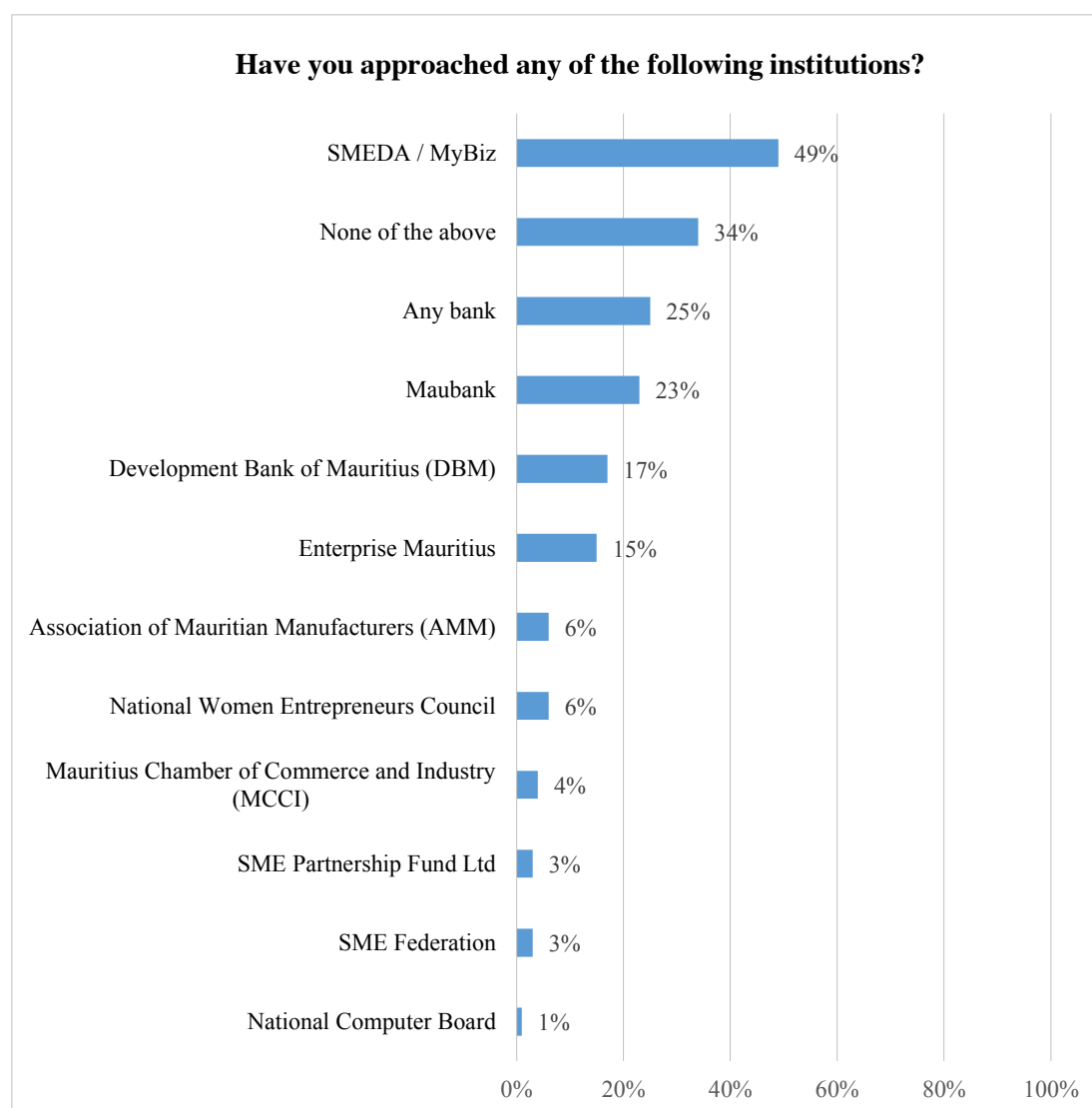
	SMEDA	Maubank	NWEC	MCCI
<b>Male</b>	23%	41%	78%	82%
<b>Female</b>	15%	19%	53%	66%
<b>18-30</b>	19%	10%	61%	71%
<b>31-40</b>	23%	40%	77%	83%
<b>41-50</b>	22%	46%	76%	87%
<b>Above 50</b>	19%	38%	68%	70%
<b>CPE</b>	33%	38%	71%	91%
<b>SC</b>	19%	47%	75%	72%
<b>HSC</b>	28%	41%	76%	72%
<b>Diploma</b>	23%	23%	69%	77%
<b>Bachelors Degree</b>	5%	19%	52%	81%
<b>Master Degree</b>	13%	31%	56%	63%
<b>PhD</b>	50%	0%	100%	100%
<b>Professional Qualification</b>	9%	18%	82%	82%
<b>Manufacturing</b>	11%	14%	68%	68%
<b>Retail</b>	24%	41%	71%	78%
<b>Arts, entertainment &amp; recreation</b>	15%	31%	69%	85%
<b>Accommodation &amp; food service</b>	36%	50%	79%	93%
<b>Construction</b>	19%	45%	71%	74%
<b>Education</b>	20%	0%	20%	20%
<b>IT</b>	33%	33%	100%	100%
<b>Financial Service</b>	0%	0%	100%	100%
<b>Others</b>	25%	25%	75%	100%

When the SMEs were asked about which of the above mentioned institutions they have approached, almost half of the respondents (49%) say that they approached SMEDA/MyBiz,



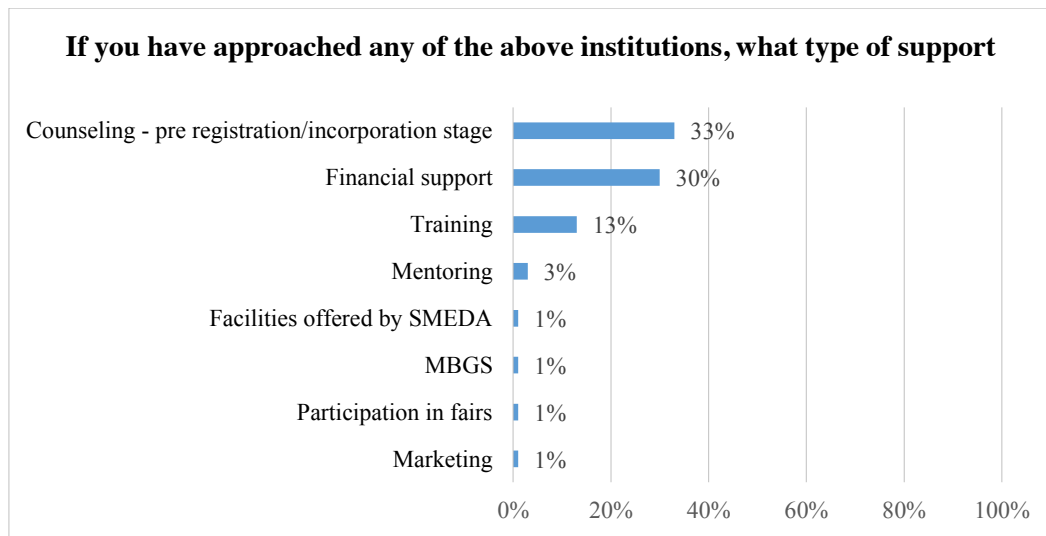
one-fourth of the SMEs approached any other bank (25%) and Maubank (23%), 17% of the respondents approached DBM and 15% approached Enterprise Mauritius. Fewer than one-tenth of the respondents approached the following institutions: AMM (6%), NWECC (6%), MCCI (4%), SME Partnership Fund Ltd (3%), SME Federation (3%) and NCB (1%). On the other hand, one-third of the SMEs (34%) have not approached any of these institutions (Figure 26).

**Figure 26 – Have you approached any of the following institutions?**



The surveyed SMEs approached the above institutions for the following type of support: counselling – pre registration/incorporation stage (33%), financial support (30%), training (13%), mentoring (3%) and marketing (1%) (Figure 27).

**Figure 27 – Type of support**



The study further reveals that one-third of men (33%) approached these institutions for counselling and financial support and only one in 10 men (10%) approached these institutions for training. On the other hand, three in 10 women (32%) approached one of the above for counselling, two in 10 women seek for training (21%) and financial support (23%) and one in 10 women (9%) approached the SME Support Institutions for mentoring.

Four in 10 respondents (41%) aged between 41 and 50 have approached these institutions for counselling, 16% of the respondents aged between 18 and 30 have approached for training and 6% of respondents aged above 50 have approached for mentoring and almost four in 10 respondents (37%) have approached for financial support.

More than half of the respondents having a Diploma (54%) have approached these institutions for counselling, while 21% of the respondents having an HSC Certificate have approached for training. Half of the respondents (50%) holding a PhD degree have approached for mentoring and 45% of respondents who have studied to HSC level have approached for financial support.

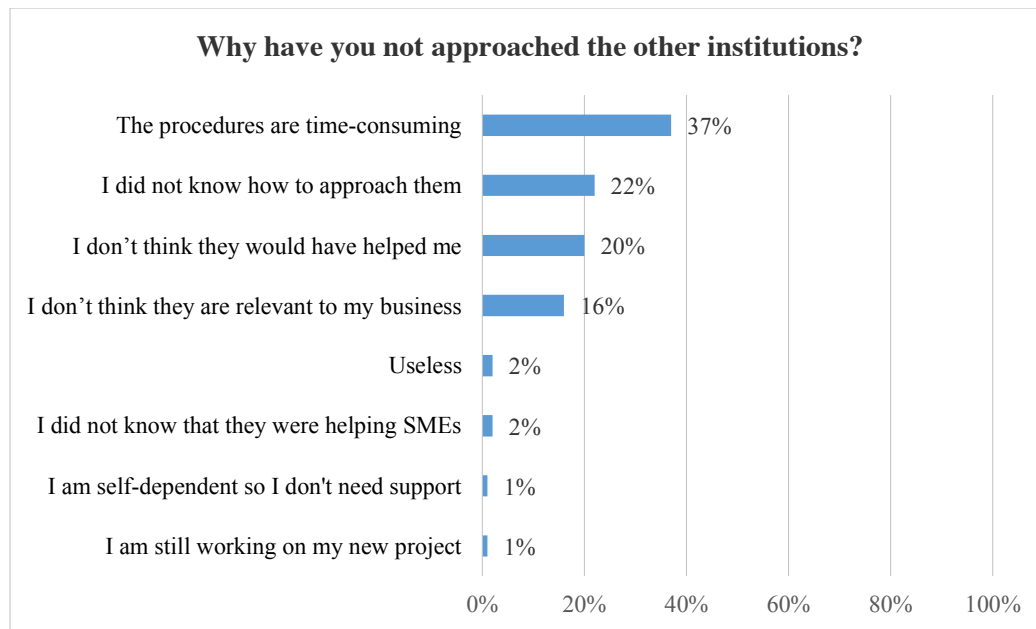
All the surveyed SMEs in the IT sector have approached these institutions for counselling, SMEs in the education sector have approached for training (40%) and mentoring (20%) and 36% of the SMEs in the manufacturing sector have approached for financial support (Table 7).

**Table 7 – Type of support (By demographics)**

	<b>Counselling - pre registration/incorporation stage</b>	<b>Training</b>	<b>Mentoring</b>	<b>Financial support</b>	<b>Marketing</b>	<b>Participation in fairs</b>	<b>MBGS</b>	<b>Facilities offered by SMEDA</b>
<b>Male</b>	33%	10%	1%	33%	1%	1%	1%	1%
<b>Female</b>	32%	21%	9%	23%	0%	0%	0%	0%
<b>18-30</b>	26%	16%	3%	32%	0%	0%	0%	0%
<b>31-40</b>	40%	7%	0%	37%	0%	0%	0%	3%
<b>41-50</b>	41%	14%	3%	19%	3%	0%	3%	0%
<b>Above 50</b>	26%	15%	6%	32%	0%	2%	0%	0%
<b>CPE</b>	33%	10%	5%	19%	0%	0%	0%	0%
<b>SC</b>	28%	14%	0%	36%	0%	1%	1%	0%
<b>HSC</b>	24%	21%	0%	45%	0%	0%	0%	3%
<b>Diploma</b>	54%	8%	0%	23%	8%	0%	0%	0%
<b>Bachelors Degree</b>	33%	14%	0%	38%	0%	0%	0%	0%
<b>Master Degree</b>	50%	13%	0%	13%	0%	0%	0%	0%
<b>PhD</b>	50%	0%	50%	0%	0%	0%	0%	0%
<b>Professional Qualification</b>	18%	9%	27%	9%	0%	0%	0%	0%
<b>Manufacturing</b>	36%	29%	14%	36%	0%	4%	0%	0%
<b>Retail</b>	24%	6%	0%	33%	2%	0%	2%	2%
<b>Arts, entertainment &amp; recreation</b>	38%	23%	0%	23%	0%	0%	0%	0%
<b>Accommodation &amp; food service</b>	43%	0%	0%	21%	0%	0%	0%	0%
<b>Construction</b>	26%	13%	0%	35%	0%	0%	0%	0%
<b>Education</b>	40%	40%	20%	0%	0%	0%	0%	0%
<b>IT</b>	100%	0%	0%	0%	0%	0%	0%	0%
<b>Financial Service</b>	0%	0%	0%	0%	0%	0%	0%	0%
<b>Others</b>	75%	0%	0%	25%	0%	0%	0%	0%

Since 34% of respondents did not approach any of the SME Support Institutions, the reasons were further probed. When asked about the reasons for not approaching these institutions, more than one-third (37%) of the respondents say that the procedures are time-consuming and two in 10 respondents did not know how to approach these institutions (22%) and do not think that they would have helped them (20%). Moreover, 16% of the respondents do not think that they are relevant to their business. A very small minority of SMEs feel that it is useless to approach them (2%) and did not know that these institutions are helping SMEs (2%). Also, 1% of the respondents say that they do not need any support and 1% of them have not approached these institutions yet because they are still working on a new project (Figure 28).

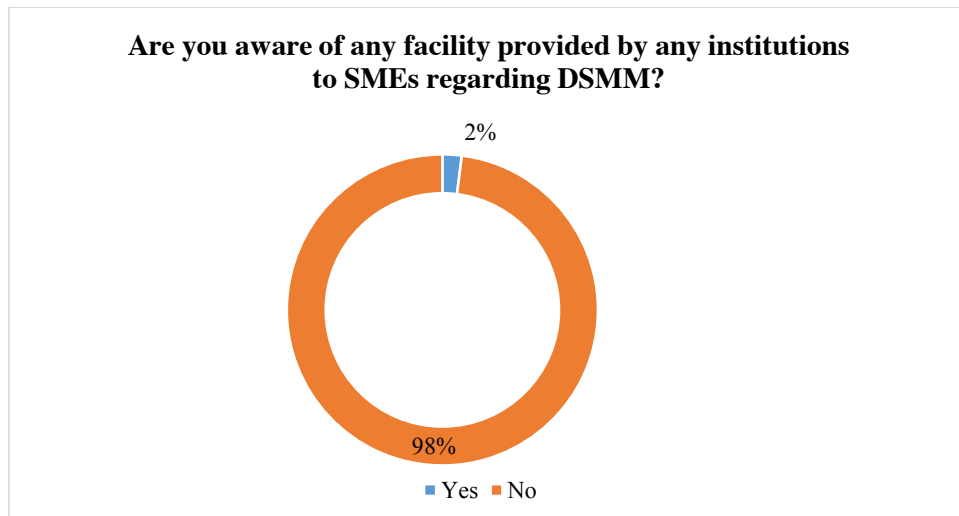
**Figure 28 – Reasons behind not approaching SME Support Institutions**



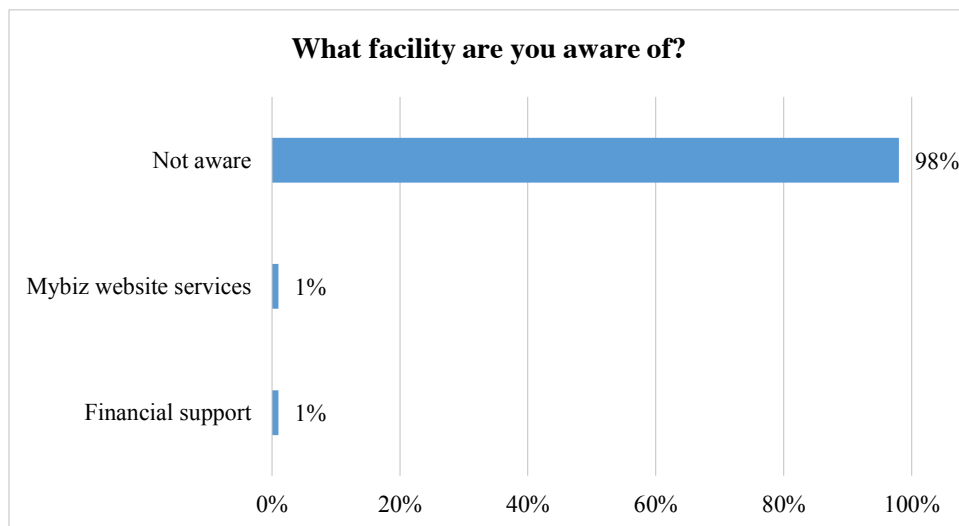
#### **4.1.2.9 Support Facilities related to Digital and Social Media Marketing**

A large majority of SMEs (98%) is not aware of any facility provided by any SME Support Institutions regarding DSMM. Only 2% of them are aware of some facilities provided by these institutions (Figure 29) and the facilities that they know of are: financial support (1%) and MyBiz website services (1%) (Figure 30).

**Figure 29 – Awareness of facility regarding DSMM**



**Figure 30 – What facility are you aware of?**

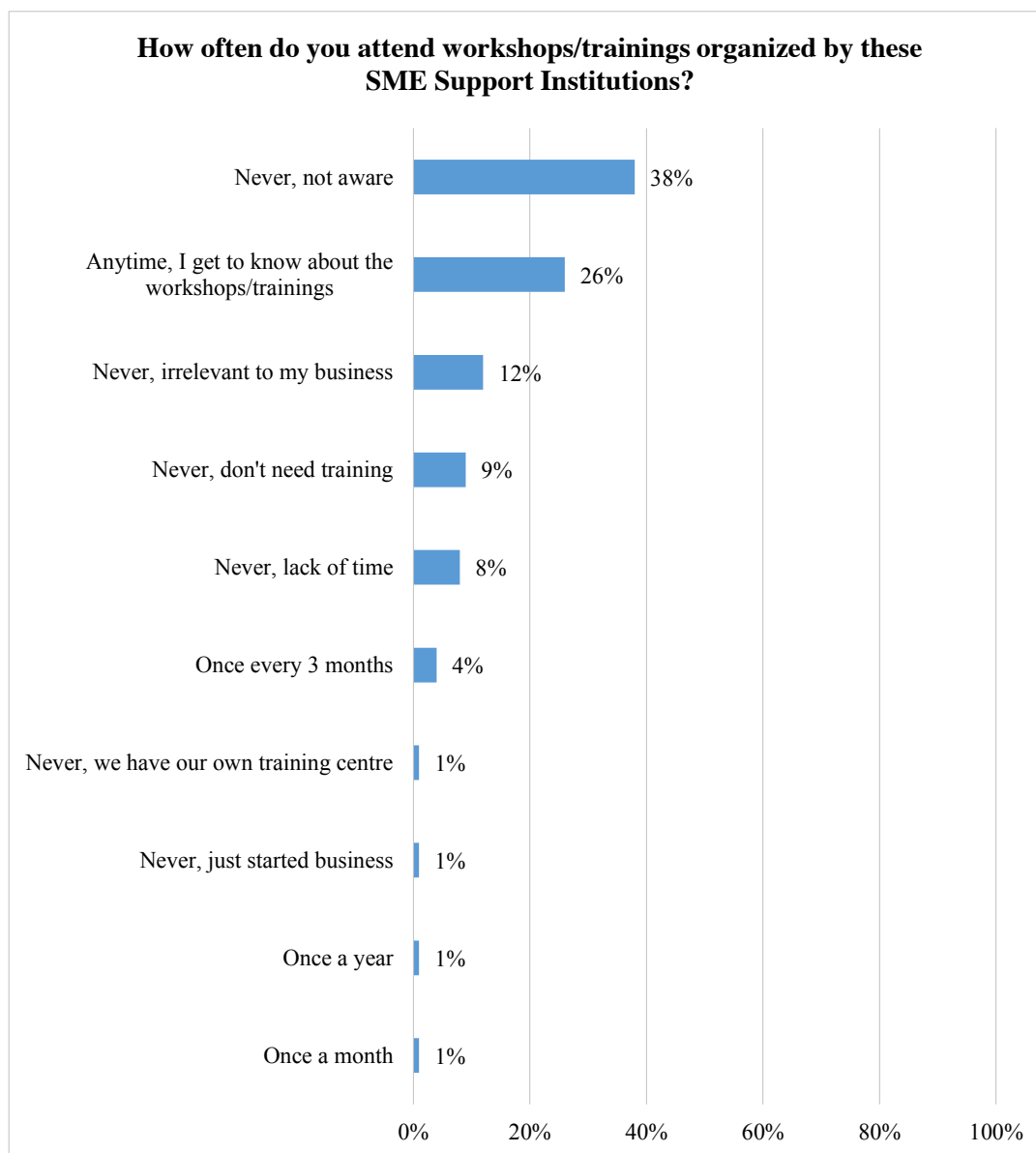


#### **4.1.2.10 Trainings and workshops**

According to the study, 12% of the SMEs attend workshops/trainings organised by these SME Support Institutions anytime they get to know about it, 1% of respondents say they attend once a month and 6% say they do so once every 3 months. However, almost seven in 10 SMEs (69%) never attended training or workshop and out of these 69%, 38% say they were not aware, 12% believe the trainings are irrelevant to their business, 9% feel that they do not need any training,

8% say they do not have time, 1% say they have their own training centre and 1% have just started business (Figure 31).

**Figure 31 – Attendance with regards to trainings/workshops**



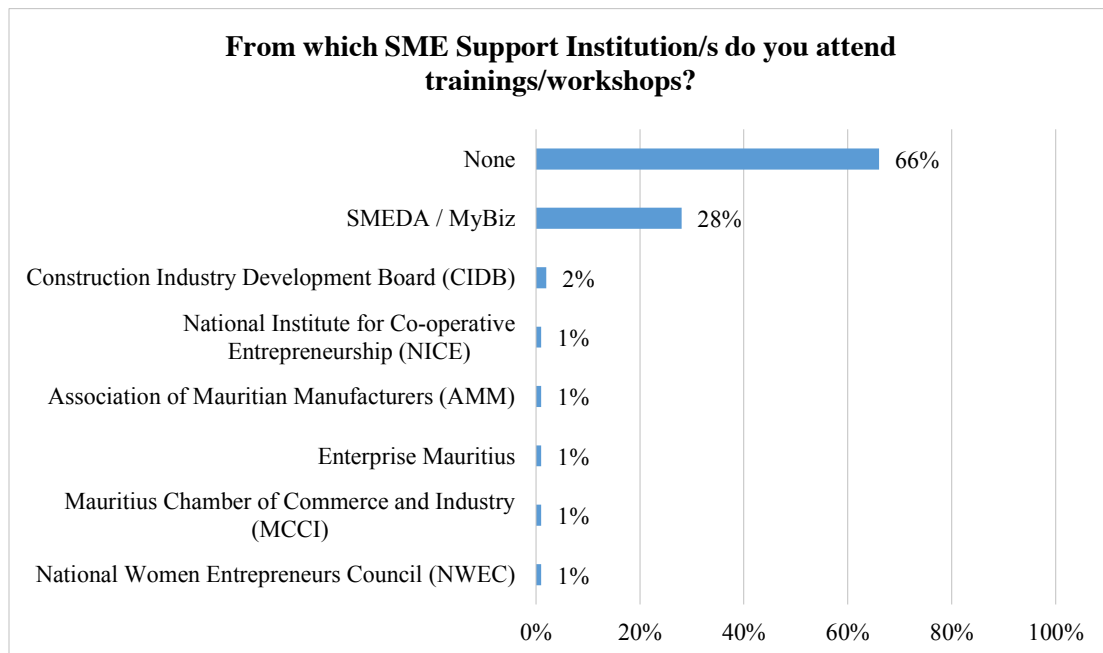
Out of the 151 SMEs surveyed, three in 10 SMEs (30%) prefer personal trainings/workshops in small groups. Two in 10 respondents prefer on-the-job/on-site trainings (25%), large classroom-type trainings (23%) and online trainings (19%) (Figure 32).

**Figure 32 – Preference for type of trainings/workshops**



Moreover, the survey findings reveal that 28% of the SMEs attend trainings/workshops from SMEDA/MyBiz, 2% of the respondents attend workshops from Construction Industry Development Board (CIDB), 1% of them attend trainings from National Institute for Co-operative Entrepreneurship (NICE), AMM, Enterprise Mauritius (now Economic Development Board), MCCI, NWEC (Figure 33).

**Figure 33 – From which SME Support Institutions do you attend trainings?**

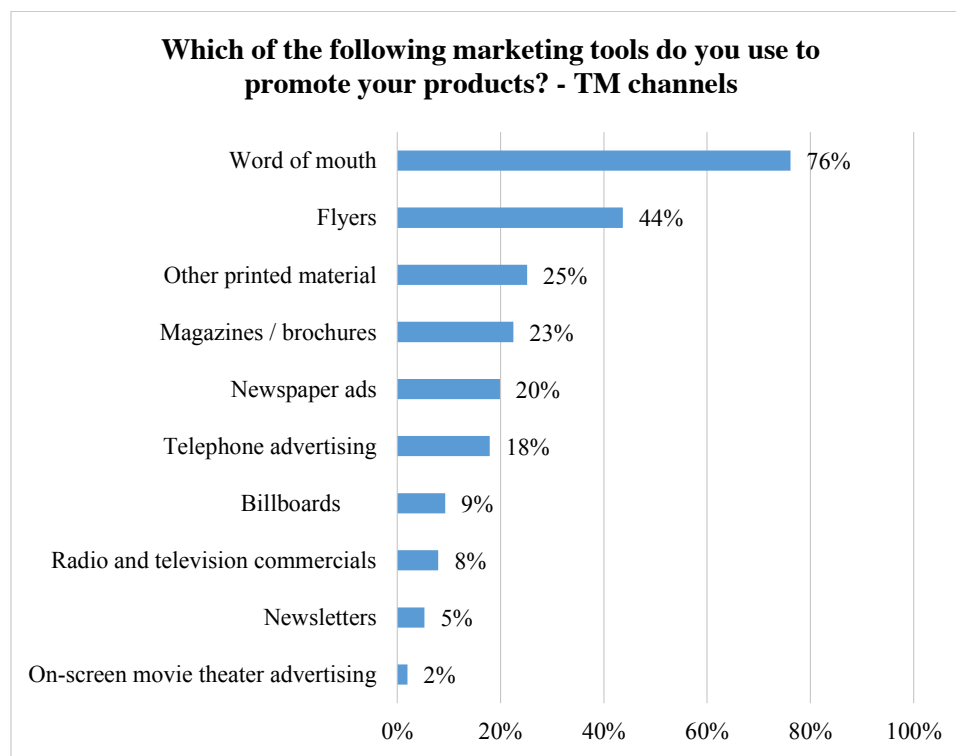


## 4.1.3 Current Marketing Practice

### 4.1.3.1 Marketing tools used by SMEs

The survey brings out that the Mauritian SMEs use a mixture of both traditional and DSM marketing tools to promote their products. With regards to their traditional marketing (TM) channels, word of mouth is ranked highest (78%), followed by flyers (44%), other printed material (25%), magazines/brochures (23%), newspaper ads (20%), telephone advertising (18%), billboards (9%), radio and television commercials (8%), newsletters (5%) and on-screen movie theatre advertising (2%) (Figure 34).

**Figure 34 – TM tools**



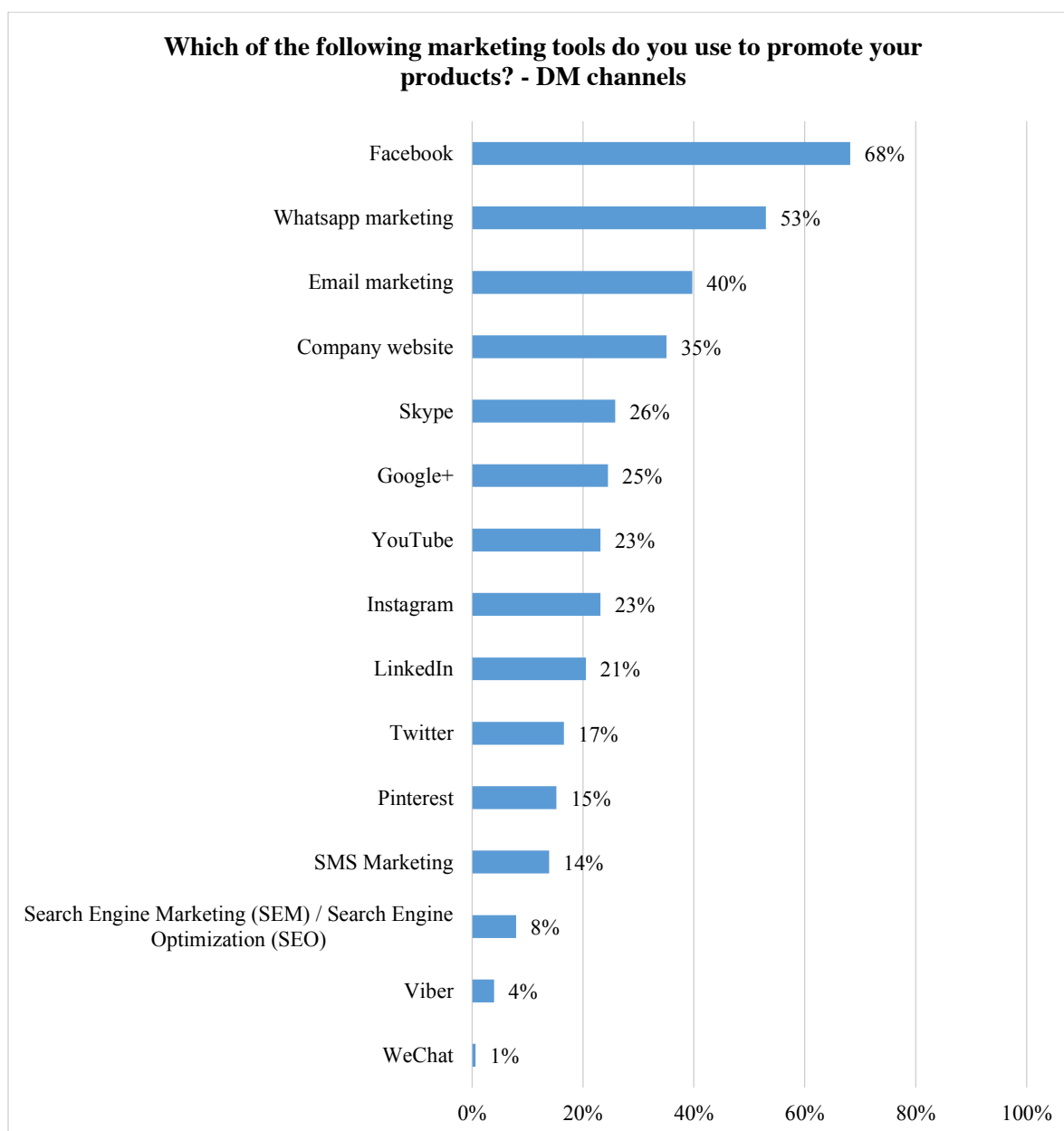
With regards to the DM tools, the results show that Facebook is the most common digital marketing channel (68%) used by the SMEs in Mauritius, following by Whatsapp (53%), email marketing (40%) and company website (35%). Moreover, two in 10 SMEs use Skype (26%), Google+ (25%), YouTube (23%), Instagram (23%) and LinkedIn (21%). Only one in 10 SMEs



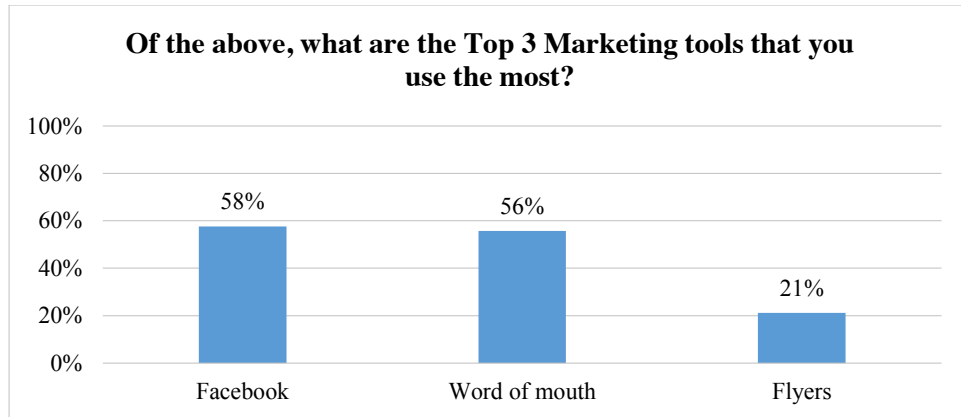
utilise Twitter (17%), Pinterest (15%), SMS marketing (14%), Search Engine Marketing (SEM) (8%), Viber (4%) and WeChat (1%) to promote their products (Figure 35).

Overall the top 3 marketing tools that the Mauritian SMEs use the most are: Facebook (58%), word of mouth (56%) and flyers (21%) (Figure 36).

**Figure 35 – DM tools**

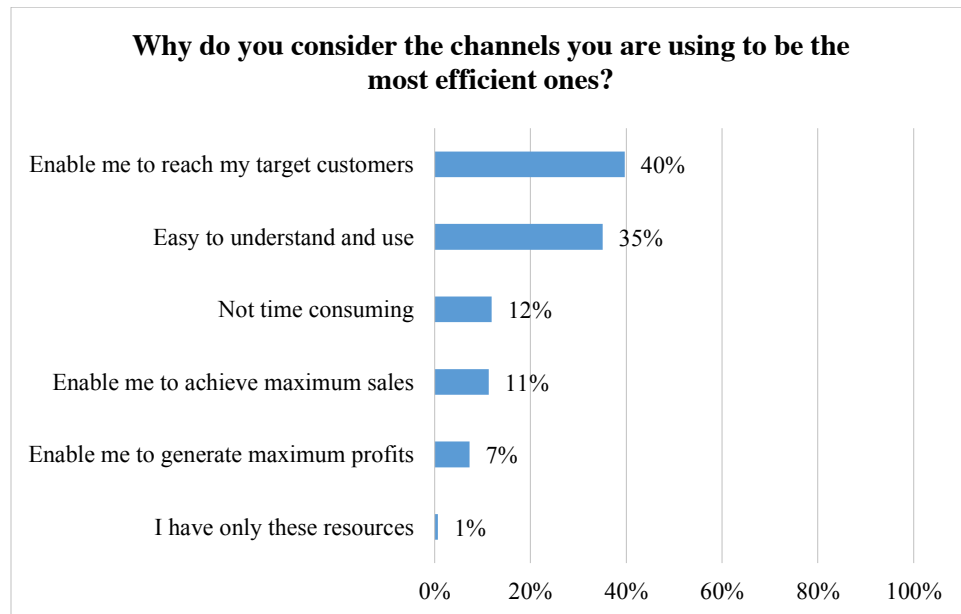


**Figure 36 – Top 3 marketing tools**



And the majority of SMEs (40%) say that they consider the marketing tools that they are using to be the most efficient ones since they enable them to reach their target customers. One-third of SMEs (35%) say that the channels they use the most are efficient because they are easy to understand and use. One in 10 SMEs find them efficient because they are not time consuming (12%), enable them to achieve maximum sales (11%) and generate maximum profits (7%) (Figure 37).

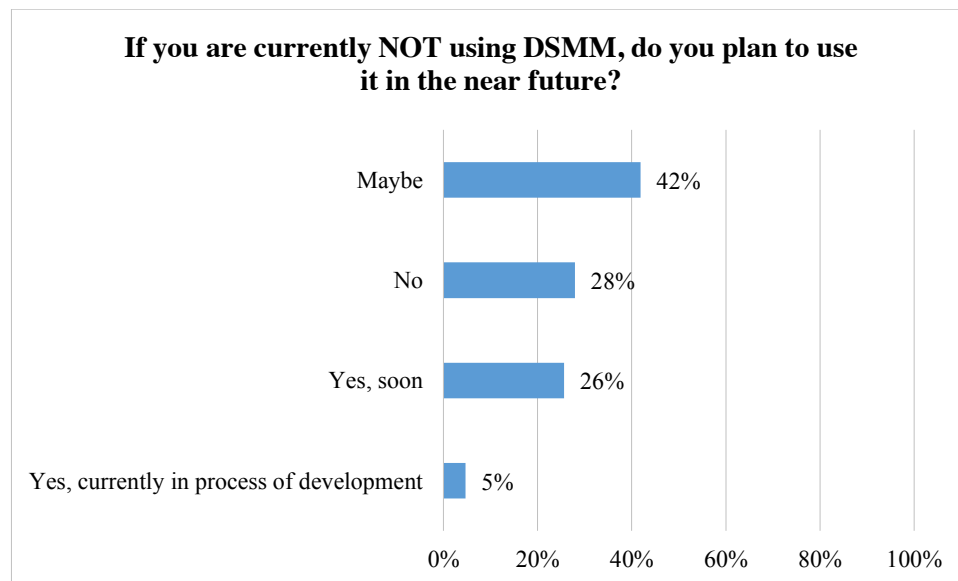
**Figure 37 – Why do you consider the channels you are using to be the most efficient ones?**



#### 4.1.3.2 Future plans regarding Digital and Social Media Marketing

Out of the 43 SMEs who say that they are not currently using DSMM, the survey reveals that 42% of them are still uncertain about whether they will use DSM in the near future or not, 28% of the SMEs affirm they will still not be adopting DSMM despite their understanding of the benefits that this type of marketing provide to companies, 26% of them will soon be implementing DSMM and 2 out of these 43 SMEs (5%) are currently developing their DM and this is illustrated in Figure 38 below.

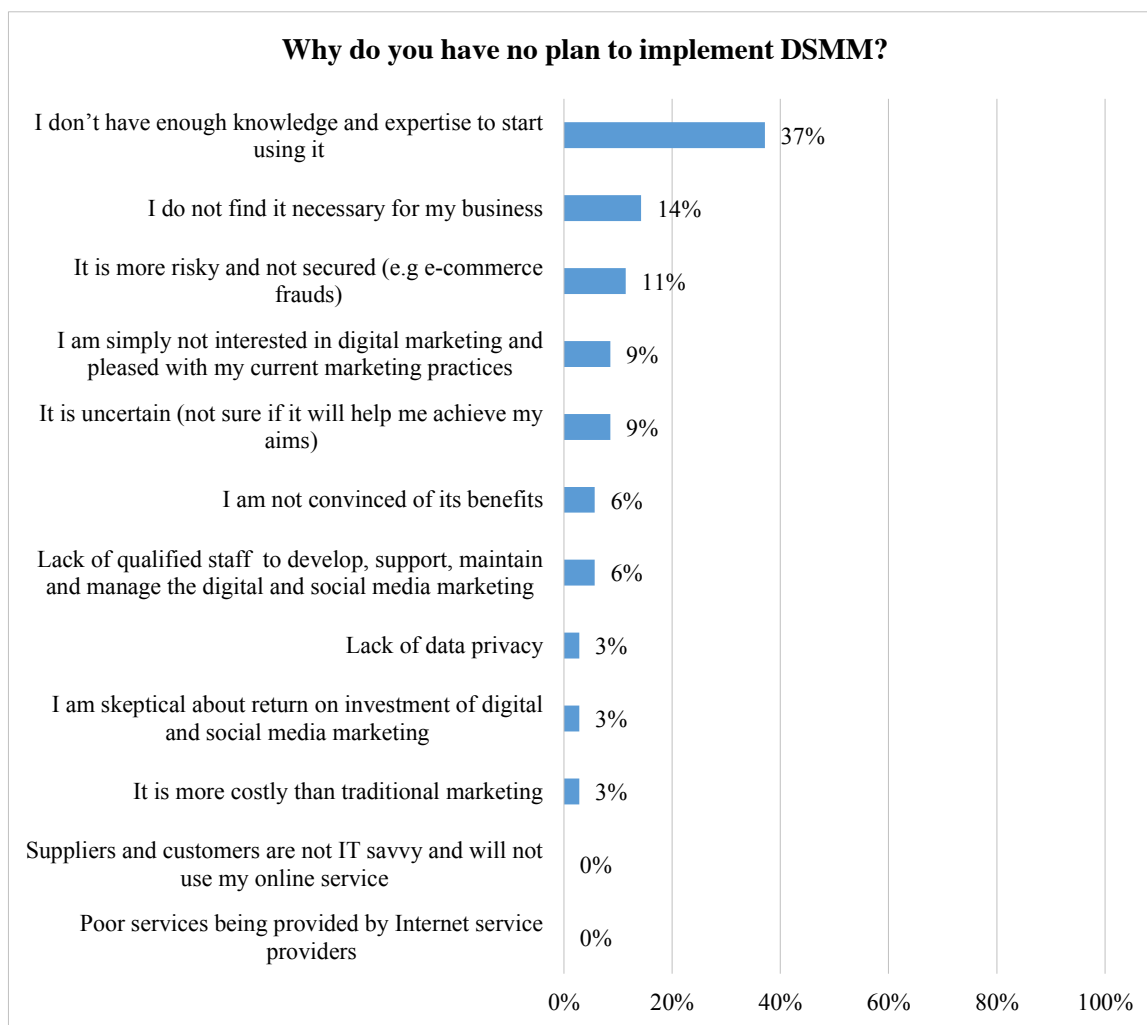
**Figure 38 – Future plan concerning use of DSMM**



Furthermore, when trying to know the reasons why some of the SMEs do not want or are uncertain about implementing DSMM, it was found that 37% of them do not have enough knowledge and expertise to start using it. In addition, 14% of the SMEs do not find it necessary for their business and some of the SMEs (11%) are concerned about online security and feel that it is more risky and not secured as compared to TM (e.g. e-commerce frauds). One in 10 SMEs (9%) say that they are simply not interested in DM and are pleased with their current marketing practices and they are not sure if DM will help them achieve their aims. A small minority of SMEs explained that they do not have qualified staffs to develop, support, maintain and manage

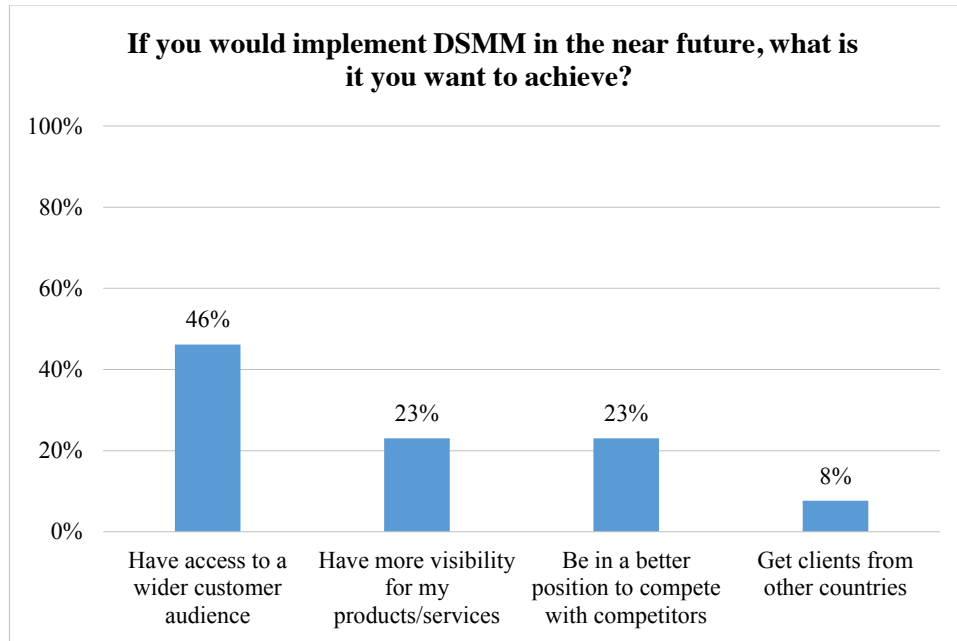
the DSMM (6%), they are not convinced of its benefits (6%), they are sceptical about return on investment (3%) and perceive that there is a lack of data privacy (3%) (Figure 39).

**Figure 39 – Reasons behind not adopting DSMM**



Out of the SMEs who are currently in process of implementing or those who will implement in the near future, 46% of them say that they will implement it in order to have access to a wider customer audience. Two in 10 SMEs (23%) say that they want to have more visibility for their products and services and be in a better position to compete with their competitors. Only a small proportion of the SMEs (8%) will implement DM since they want to get clients from other countries (Figure 40).

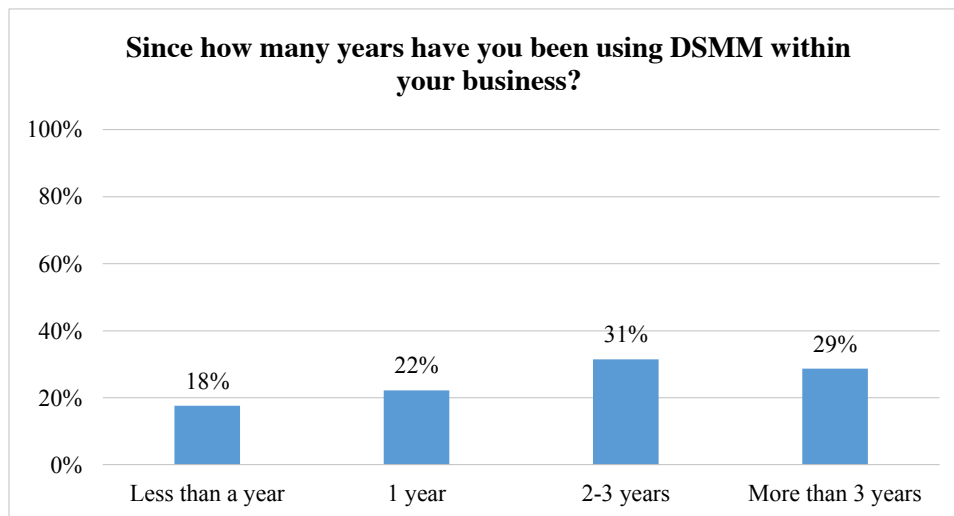
**Figure 40 – Reasons behind implementing DSMM in the near future**



#### **4.1.3.3 Number of years SMEs have been using Digital and Social Media Marketing**

Out of the 108 SMEs that are currently utilising DSMM to promote their products and services, 18% of them have been using DM channels for less than a year, 22% for 1 year, 31% for 2-3 years and 29% have been using it for more than 3 years (Figure 41).

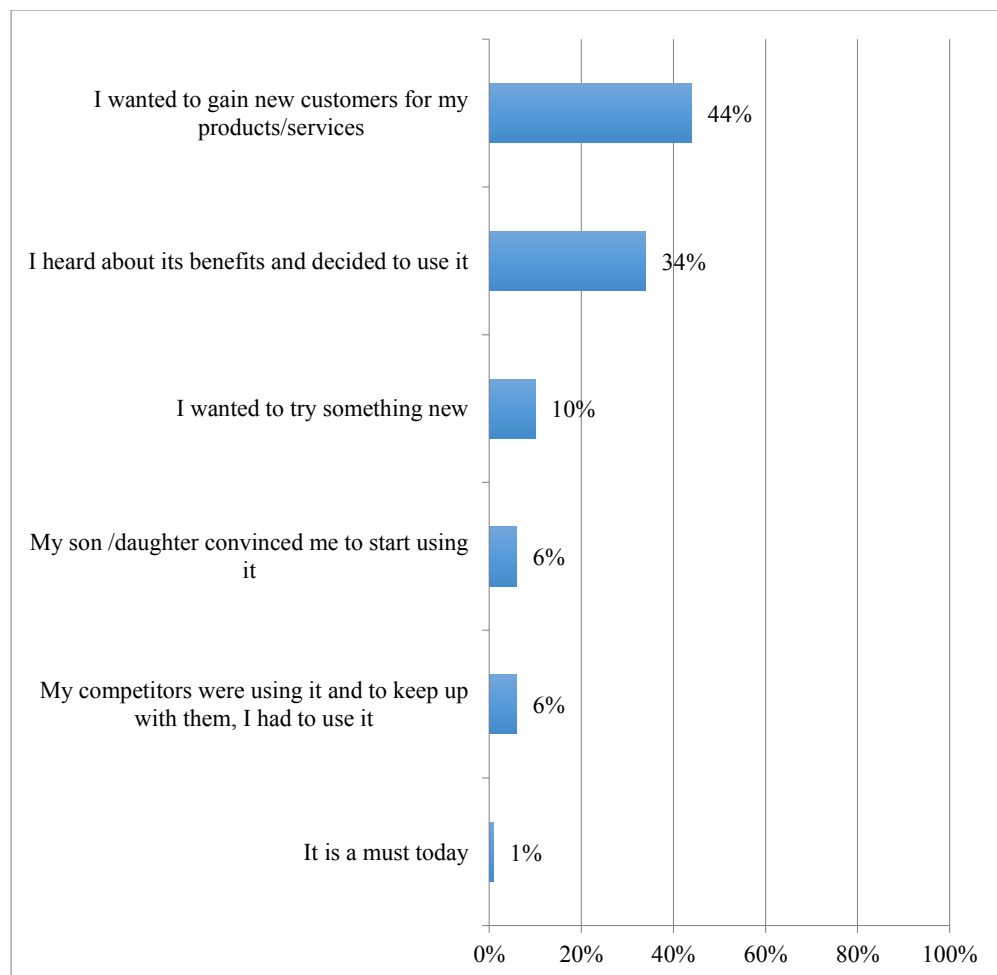
**Figure 41 – No. of years SMEs have been using DSMM**



#### 4.1.3.4 Motivation to start using Digital and Social Media Marketing?

The survey findings reveal that 44% of the SMEs started using DM tools because they want to gain new customers for their products and services. Moreover, one-third of the SMEs (34%) say they decided to use it since they heard about its benefits. One in 10 SMEs (10%) wanted to try something new. A minority of SMEs (6%) say that their son/daughter convinced them to start using it and that since their competitors were using it and to keep up with them, they had to use DSMM. Only 1% of the SMEs said that they start using it because they feel that it is a must nowadays (Figure 42).

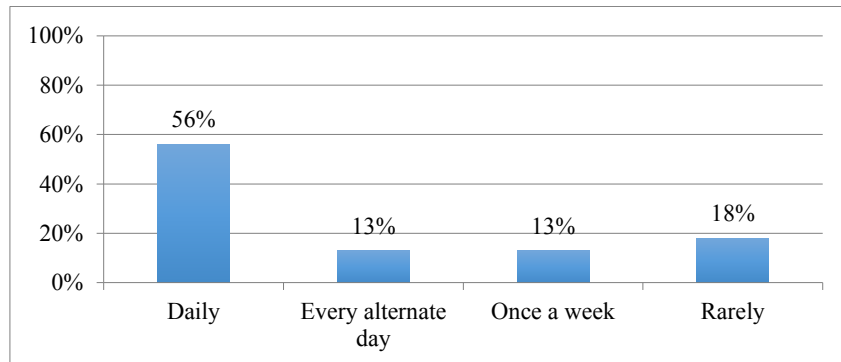
**Figure 42 – What made you start using DSMM?**



#### 4.1.3.5 Frequency of the use of Social Media for business purpose

More than half of the respondents (56%) use SM as part of their business activities, while 13% of them use it every alternate day. One in 10 SMEs utilise SM once a week and 18% of them use it rarely (Figure 43).

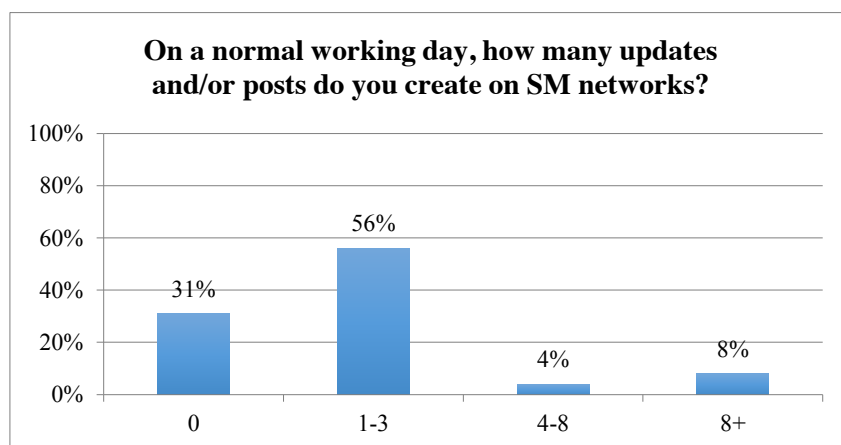
**Figure 43 – How often do you use SM as part of your business activities?**



#### 4.1.3.6 Number of updates created on SM networks

While the majority of SMEs (56%) create 1 to 3 updates/posts on their SM networks on a normal working day, the survey reveals that three in 10 SMEs (31%) do not create any post or update on their SM platforms. A minority of SMEs create 4 to 8 posts (4%) and more than 8 posts/updates (8%) on a normal working day (Figure 44).

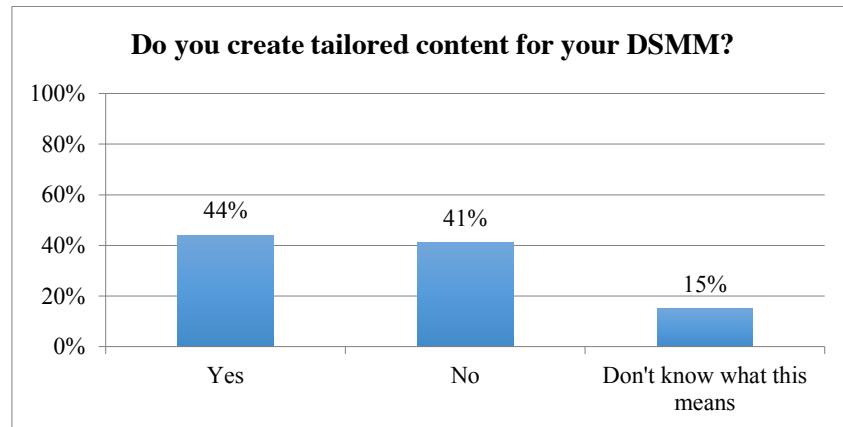
**Figure 44 – No. of updates/posts on a normal working day**



#### 4.1.3.7 Tailored content for Digital and Social Media Marketing

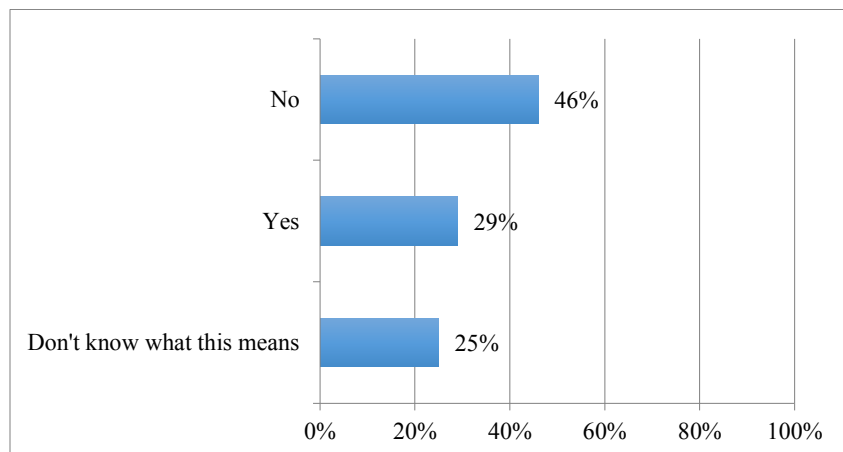
Out of the 108 SMEs that use DSMM, 44% of them create tailored content for their DM, 41% do not create any tailored content and 15% of them do not know what tailored content means (Figure 45).

**Figure 45 – Tailored content for DSMM**



However, 46% of the SMEs say that their DSM-related content do not incorporate their search optimization keywords. On the other hand, almost three in 10 SMEs (29%) say that their DSM-related content incorporate their search optimization keywords. One-fourth of the SMEs (25%) do not know what search optimization keyword means (Figure 46).

**Figure 46 – Does your DSM-related content incorporate your search optimization keywords?**





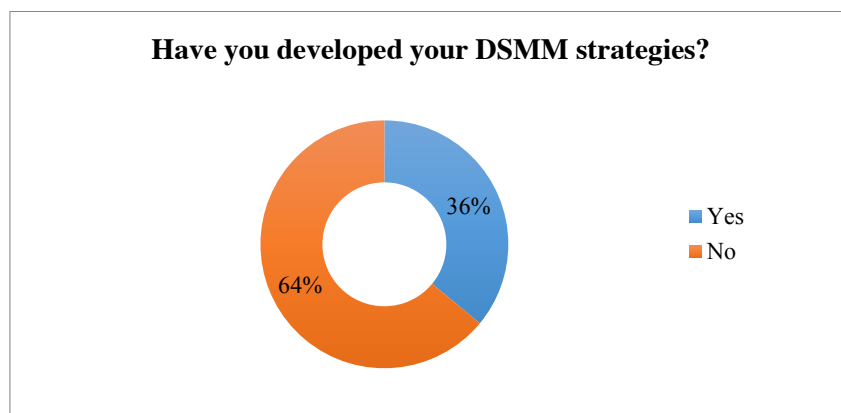
#### 4.1.3.8 Digital and Social Media Marketing strategies

The survey also shows that out of the 108 SMEs using DSMM, only 36% of them have developed their DSMM strategies. The majority of them (64%) have not developed it yet (Figure 47).

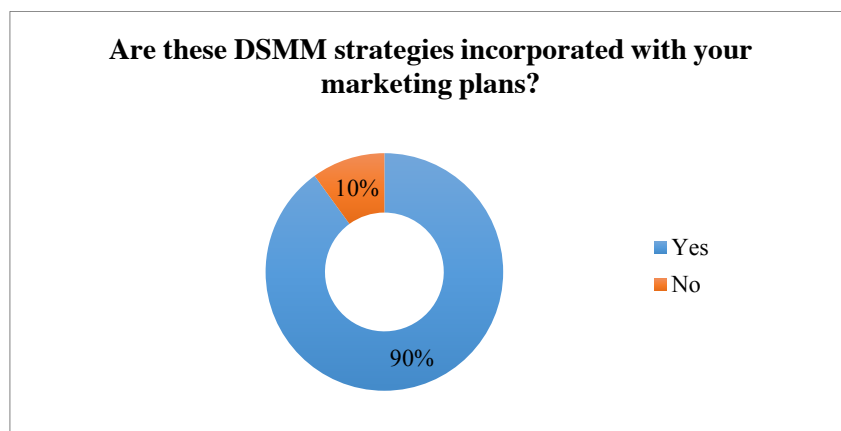
Furthermore, out of the 39 SMEs that have developed their digital strategies, 90% of them have incorporated these strategies with their marketing plans. Only 10% of them have not incorporated their strategies with their marketing plans (Figure 48).

Moreover, while 64% of the SMEs have created specific DSMM tactics related to their strategies, almost four in 10 SMEs (36%) have not done so yet (Figure 49).

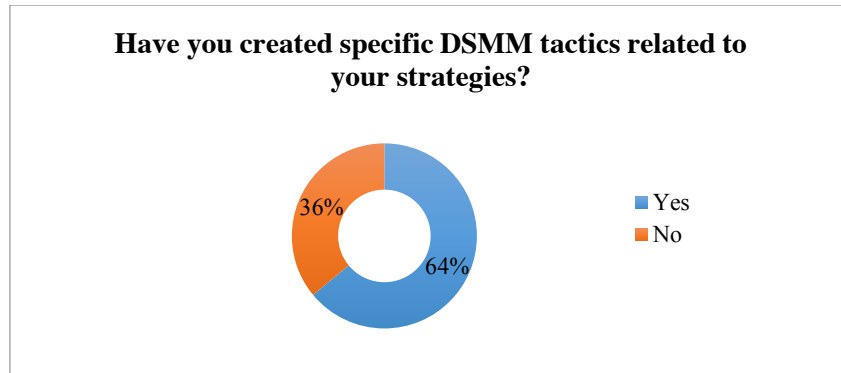
**Figure 47 – DSMM strategies**



**Figure 48 – DSMM strategies and marketing plans**



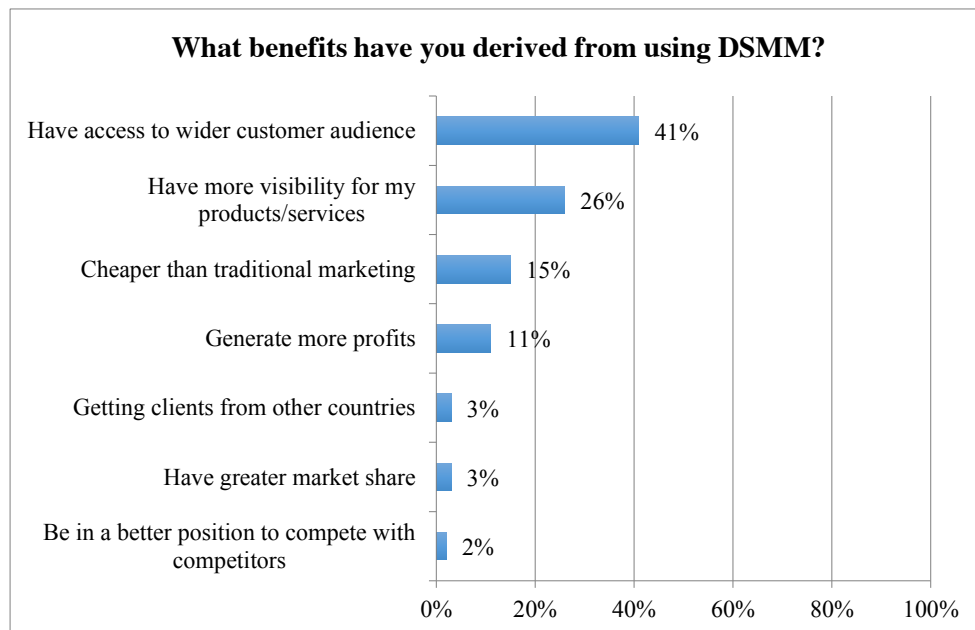
**Figure 49 – DSMM tactics and strategies**



#### **4.1.3.9 Have benefits been derived from using Digital and Social Media Marketing?**

According to the survey, 41% of the SMEs that are currently using DSMM consider they have benefitted from more access to wider customer audience. After using DSMM, almost three in 10 SMEs (26%) have had more visibility for their products and services. 15% of them find it cheaper than TM and 11% of the SMEs have been able to generate more profits. A minority of SMEs say that they have benefitted from the following advantages, namely, getting clients from other countries (3%), have greater market share (3%) and be in a better position to compete with competitors (2%) (Figure 50).

**Figure 50 – Benefits derived from using DSMM**



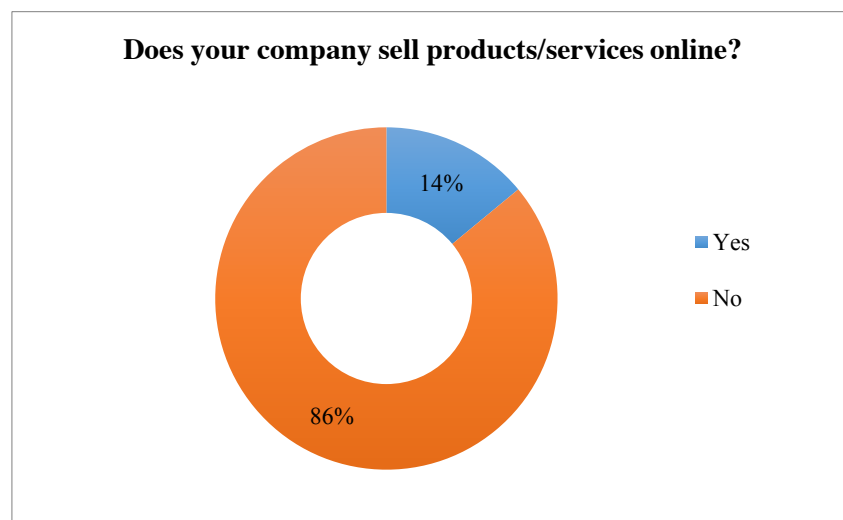
#### 4.1.3.10 Online sales

According to the survey findings, 86% of the SMEs that use DSMM do not sell products and services online. Only a small proportion of SMEs (14%) sell their products online (Figure 51). And out of those who sell online, 80% of them sell online to foreign customers (Figure 52).

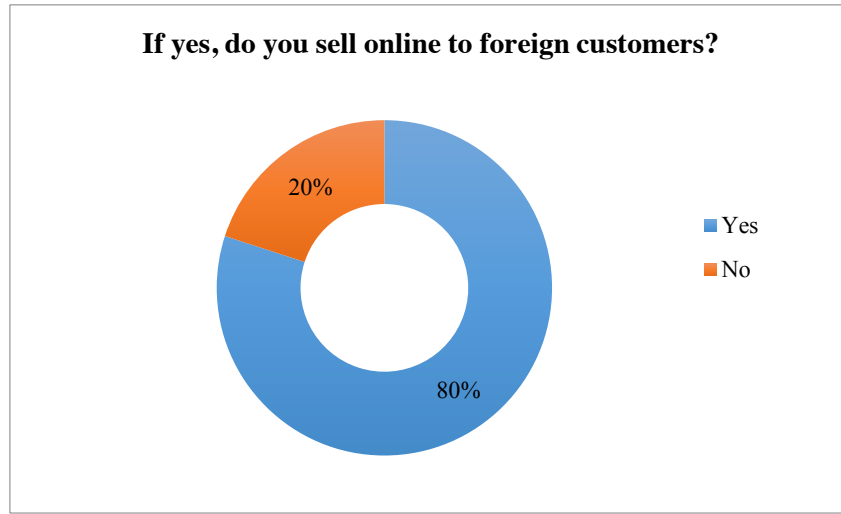
It was found that out of the 14% SMEs that sell online, six are from the Manufacturing sector, four from the Retail sector, two from Accommodation and food services sector, one from the IT sector and one from the Arts, Entertainment and Recreation sector. And of those who sell to foreigners online, four are from the Manufacturing sector, three from the Retail sector, two from the Accommodation and food services, one from IT sector and one from the Arts, Entertainment and Recreation sector.

Moreover, 53% of those selling online say that the percentage of their online sales to their total business sales is up to 25%, 27% of the SMEs say that their online sales is between 26% to 50% of their total business sales, 7% of them have an online sales between 76% and 100% and 13% of them have not evaluated the percentage of their online sales to their total business sales (Figure 53).

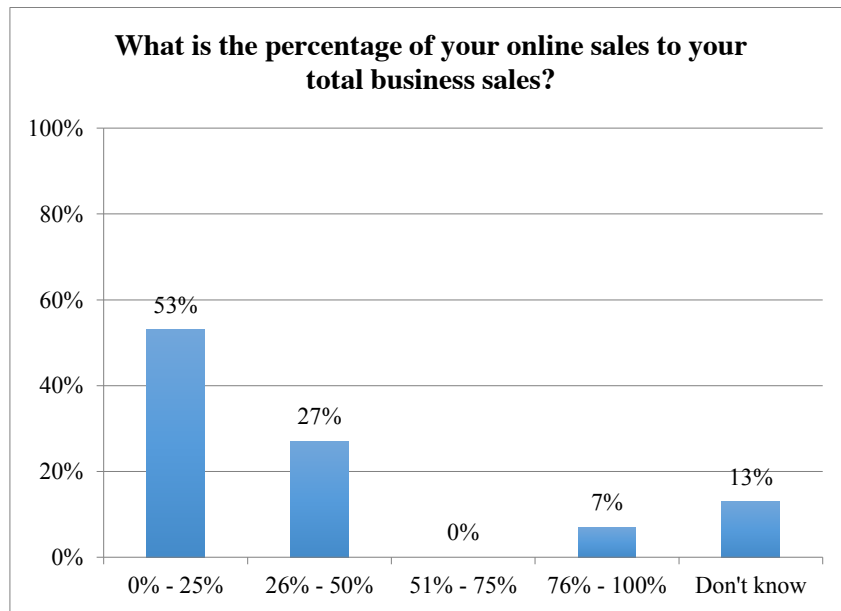
**Figure 51 – Online sales**



**Figure 52 – Sell online to foreign customers**



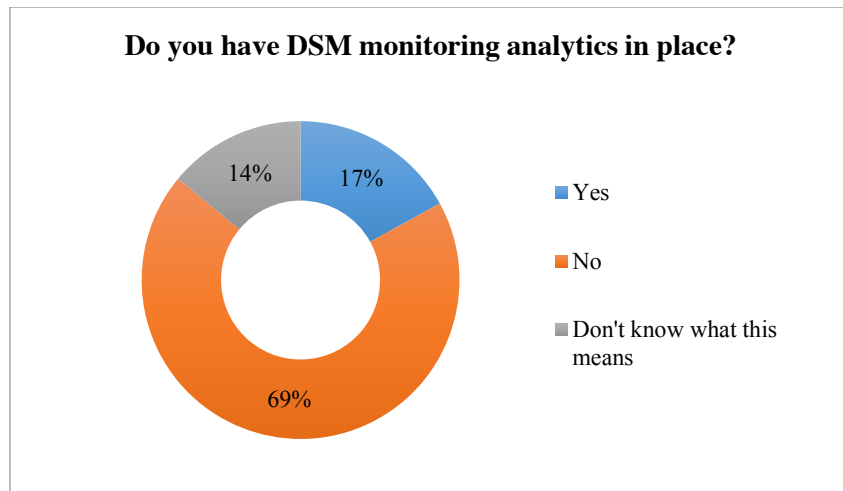
**Figure 53 – Percentage of online sales to total business sales**



#### **4.1.3.11 Digital and Social Media monitoring analytics and effective data**

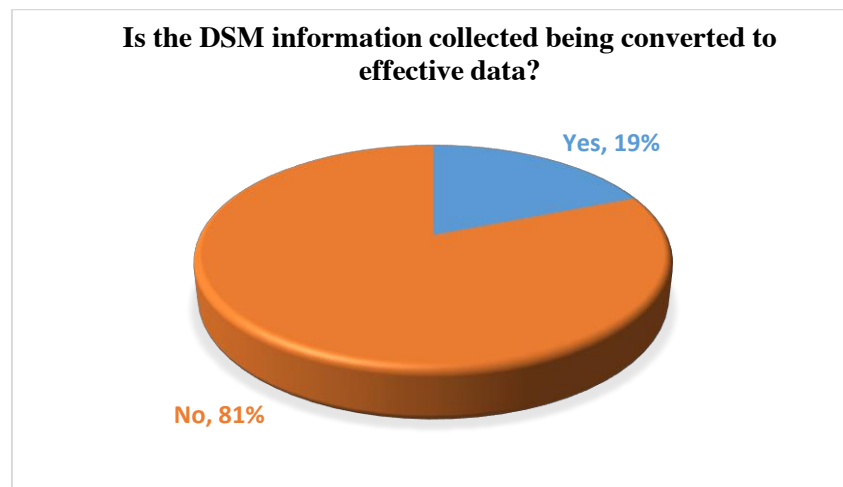
Out of the 108 SMEs currently using DSMM, 69% of them do not have DSM monitoring analytics in place and only 17% of them say they have it. 16 SMEs (14%) do not even know what DSM monitoring analytics (Figure 54).

**Figure 54 – DSM monitoring analytics**



Moreover, the majority of SMEs (81%) do not convert their DSM information into effective data. Only 19% of them convert their DSM information collected into effective data (Figure 55).

**Figure 55 – Effective data**

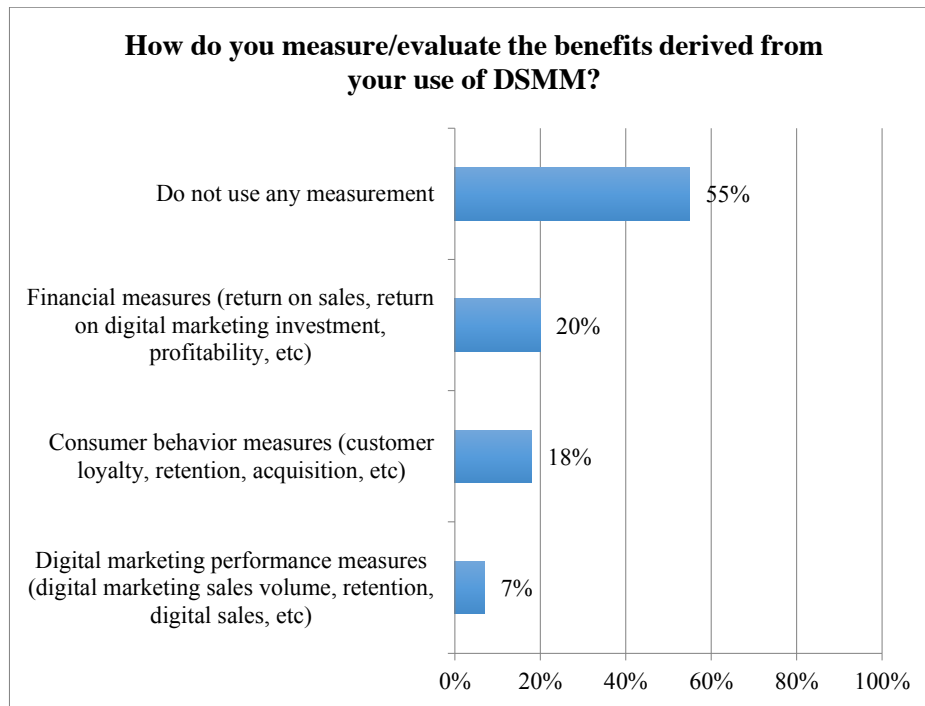


#### **4.1.3.12 Measuring the benefits of Digital and Social Media Marketing**

More than half of the SMEs (55%) do not use any indicator to measure the benefits of DSMM. While 22 SMEs (20%) use financial measures, for instance, return on sales, return on DM investment, and profitability, to measure the benefits of DSMM, 19 SMEs (18%) utilise consumer behaviour measures, for example, customer loyalty, retention and acquisition, to do so.

Only 7% of them use DM performance measures, such as DM sales volume, retention, and digital sales (Figure 56).

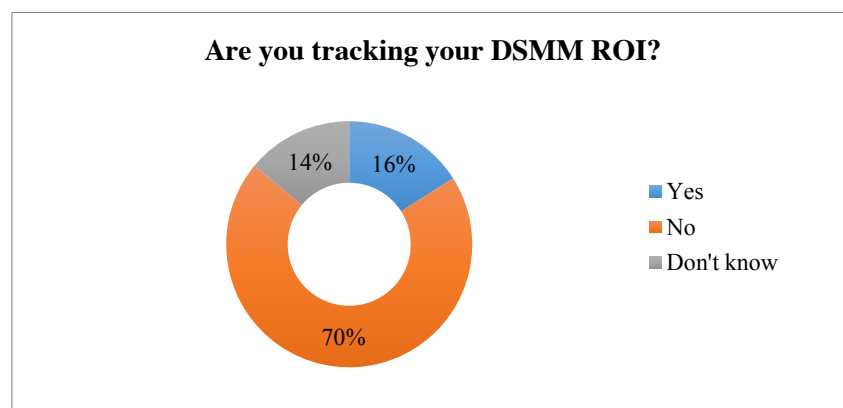
**Figure 56 – Measuring the benefits of DSMM**



#### **4.1.3.13 Tracking Return on Investment (ROI) on Digital and Social Media Marketing**

While seven in 10 SMEs (70%) are not tracking ROI on their DSMM, 16% of the SMEs are tracking their ROI. 15 SMEs (14%) do not know whether they are tracking it or not (Figure 57).

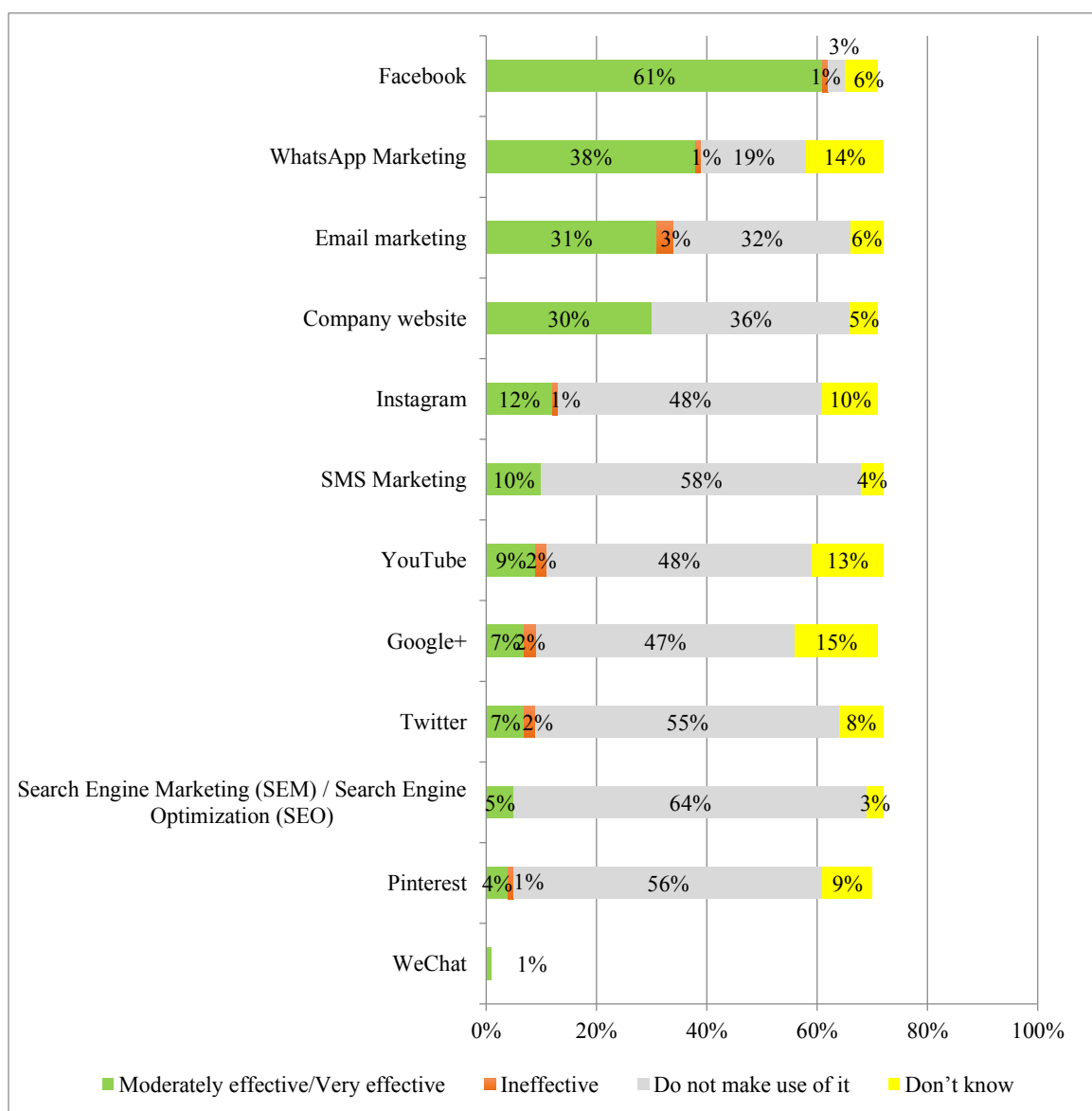
**Figure 57 – Tracking ROI on DSMM**



#### 4.1.3.14 Effectiveness of Digital Marketing channels on sales

According to the survey findings, most of the SMEs do not use DM channels like Pinterest (56%), SEM (64%), Twitter (55%), YouTube (48%), Google+ (47%), Instagram (48%), SMS marketing (58%), Email marketing (32%) and company website (36%). The top three marketing channels that the SMEs find “moderately effective” or “very effective” are Facebook (61%), WhatsApp marketing (38%) and Email marketing (31%) (Figure 58).

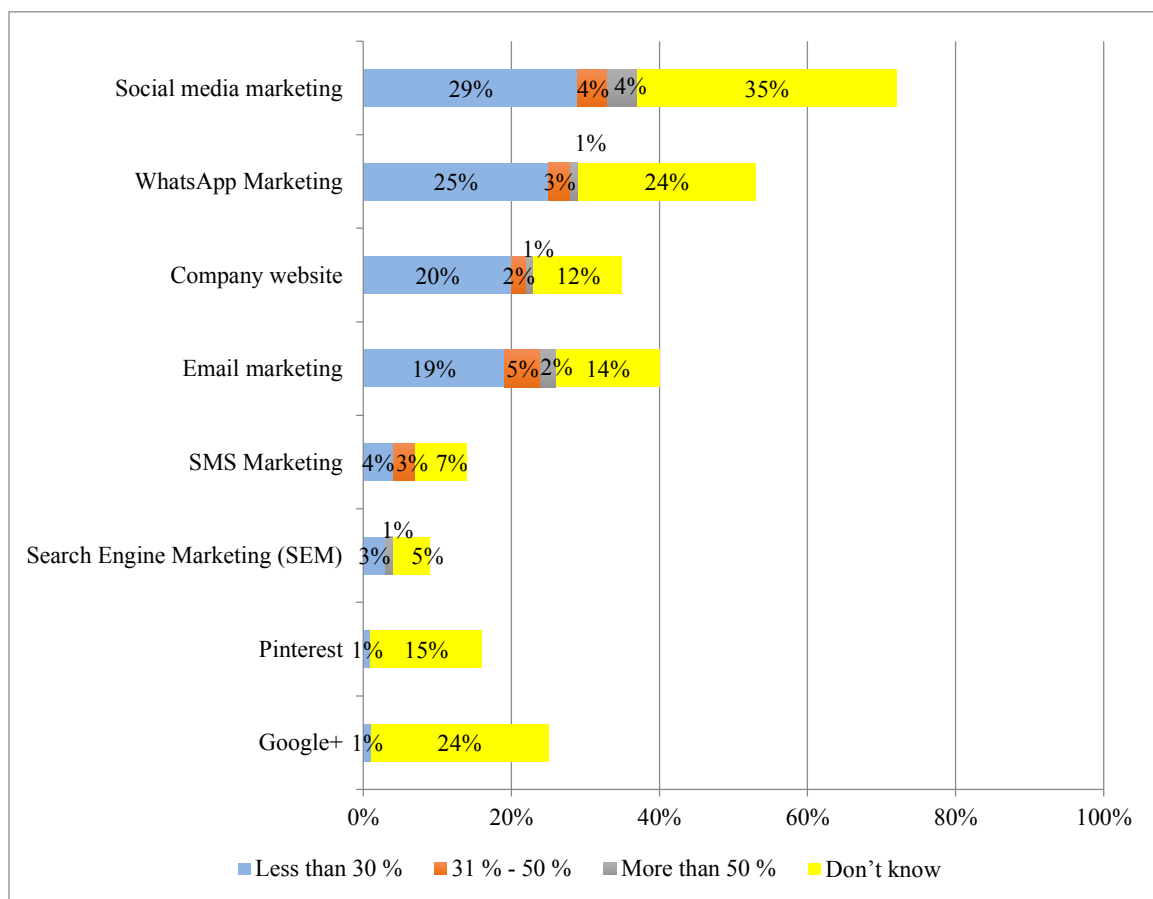
**Figure 58 – Effectiveness of DM channels on sales**



#### 4.1.3.15 Expenditure of Digital Marketing

Of the SMEs that use DSMM, almost three in 10 (29%) spend less than 30% of their total DM expenditure on SMM, two in 10 SMEs spend less than 30% of their total DM expenditure on WhatsApp marketing (25%), company website (20%) and email marketing (19%). A minority of SMEs spend more than 30% on DM and some of the SMEs simply have no idea regarding their DM expenditure (Figure 59).

**Figure 59 – Of your total expenditure of DM, what is the percentage represented by:**



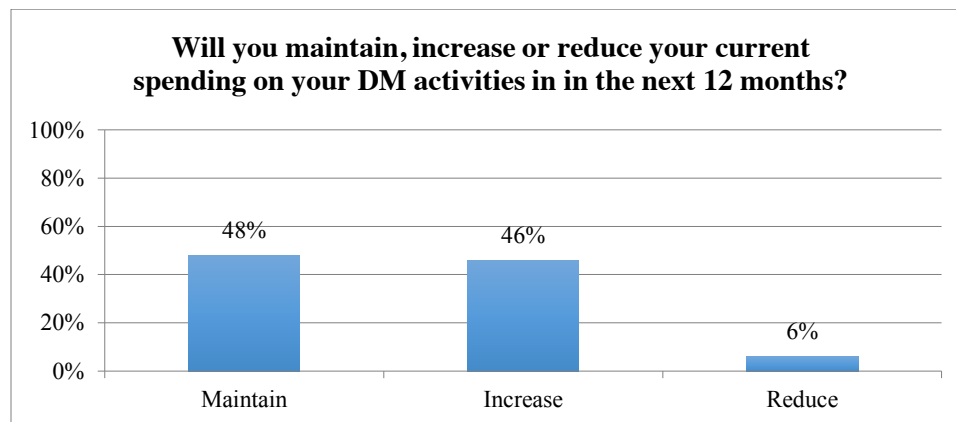
#### 4.1.3.16 Spending and focus for the coming 12 months

While almost half of the SMEs (48%) will maintain their current spending on their DM activities, 46% of them will increase their current spending. Only 6% of the SMEs say that they will reduce their spending on their DM activities (Figure 60).

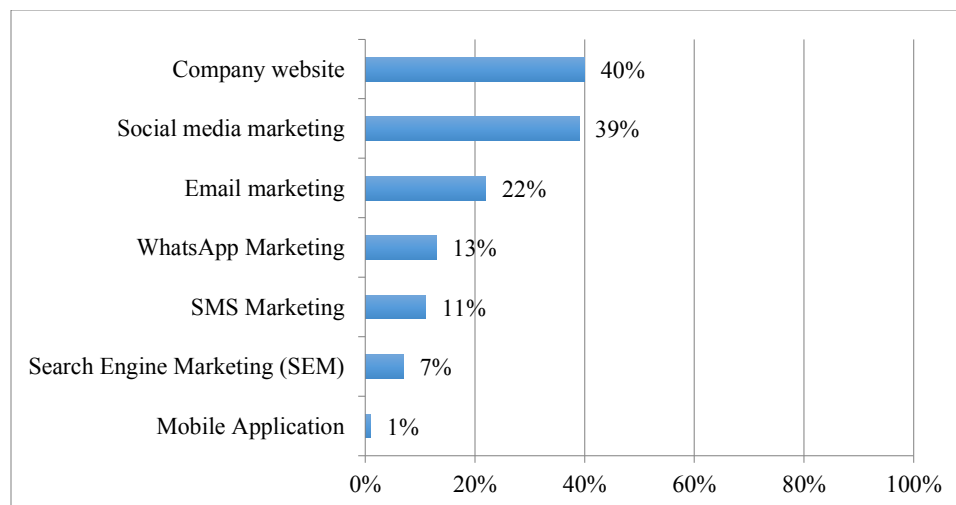


Moreover, four in 10 SMEs will focus or invest further in company website (40%) and SMM (39%) in the next 12 months. Two in 10 SMEs (22%) will invest further in email marketing. Only 1% of the SMEs say that they will invest in mobile application in the next 12 months (Figure 61).

**Figure 60 – Current spending on DM activities**



**Figure 61 – Investment in the coming 12 months**

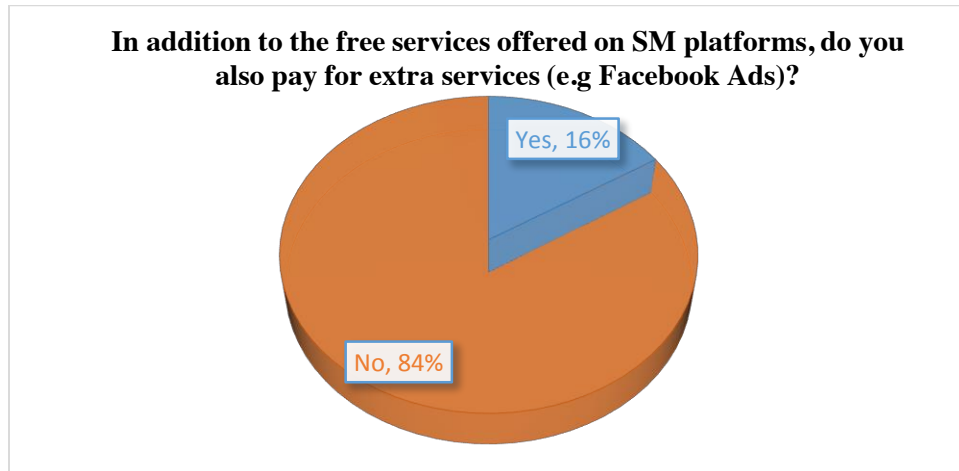


#### **4.1.3.17 Use of Extra services on Social Media platforms**

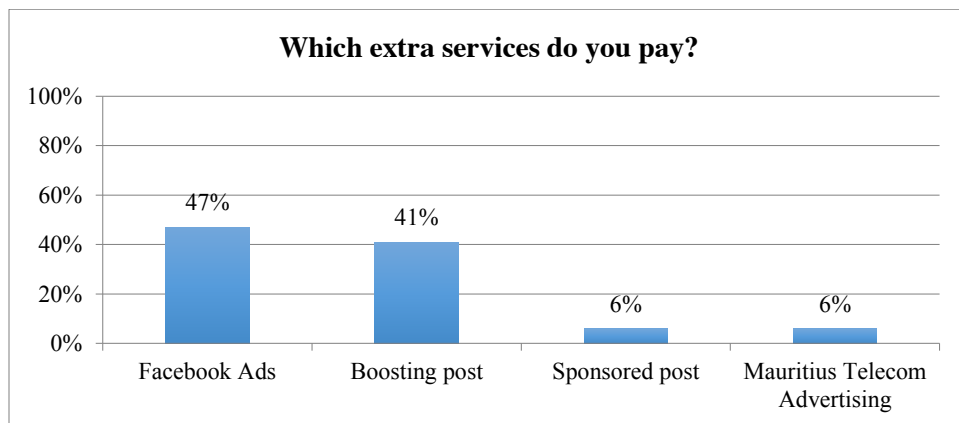
The majority of SMEs (84%) make use of only the free services offered on SM platforms, they do not pay for extra services (e.g Facebook Ads). Only 17 SMEs (16%) pay for these extra services (Figure 62). Out of these 17 SMEs who pay for extra services, 47% pay for Facebook

Ads, 41% of them pay for boosting posts, 6% pay for sponsored posts and 6% pay for Mauritius Telecom advertising (Figure 63).

**Figure 62 – Extra services**



**Figure 63 – Type of extra services**



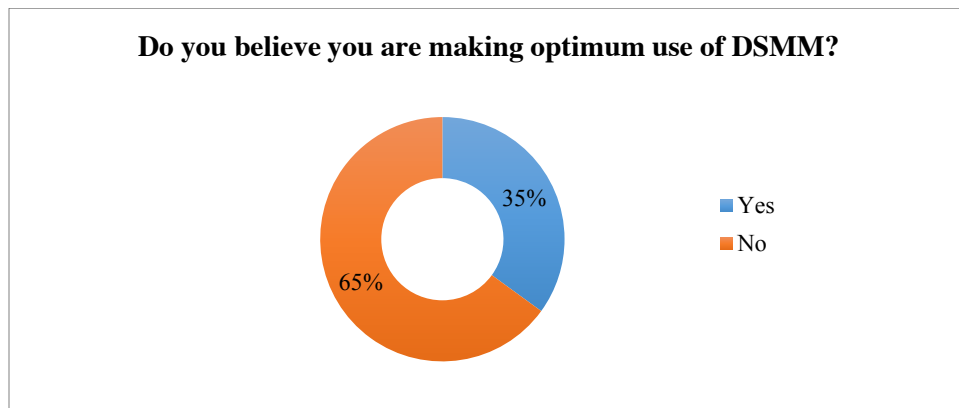
#### **4.1.3.18 Is optimum use being made of Digital and Social Media Marketing?**

Out of 108 SMEs that use DSMM, 70 of them (65%) do not believe that they are making optimum use of IT. Only one-third of them (35%) say that they are making optimum use of DSMM (Figure 64).

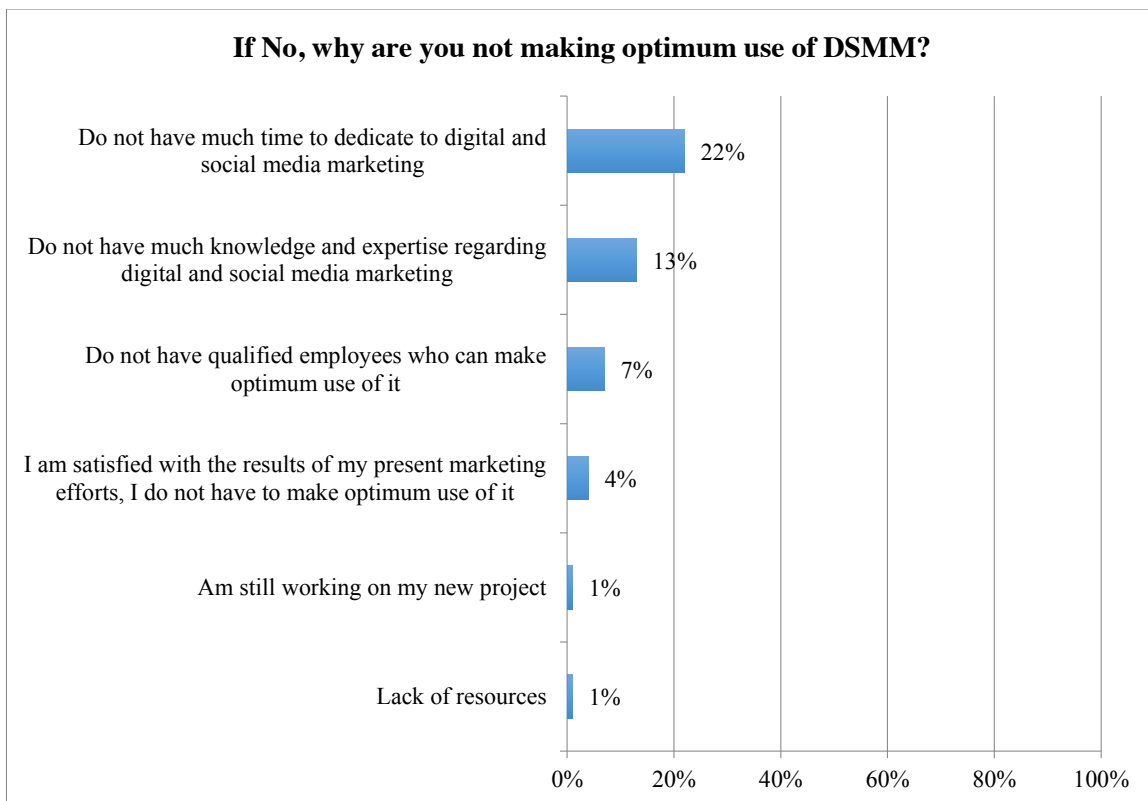
Furthermore, out of the 70 SMEs who feel that they are not making optimum use of DSMM, 22% of them say that this is because they do not have much time to dedicate to DSMM and 13%

of them say that they do not have much knowledge and expertise. 10 SMEs (7%) say that they do not have qualified employees who can make optimum use of it while 6 SMEs (4%) say that they are satisfied with the results of their present marketing efforts and do not have to make optimum use of DSMM. Only 1% of the SMEs say that lack of resources is the reason behind not making optimum use of DSMM (Figure 65).

**Figure 64 – Making optimum use of DSMM**



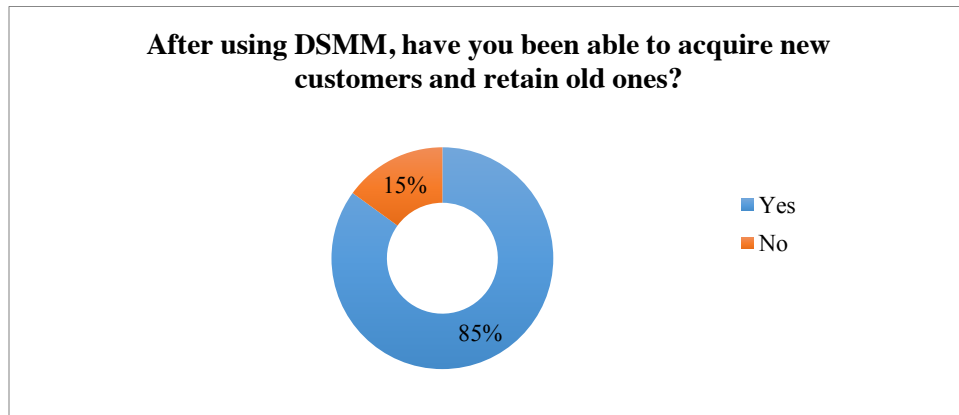
**Figure 65 – Reasons behind not making optimum use of DSMM**



#### 4.1.3.19 Acquisition and retention of customers

A large majority of DSMM using SMEs (85%) say that they have been able to acquire new customers and retain old ones by using DSMM. Only 15% of them say that they neither acquire new customers nor retain old ones (Figure 66).

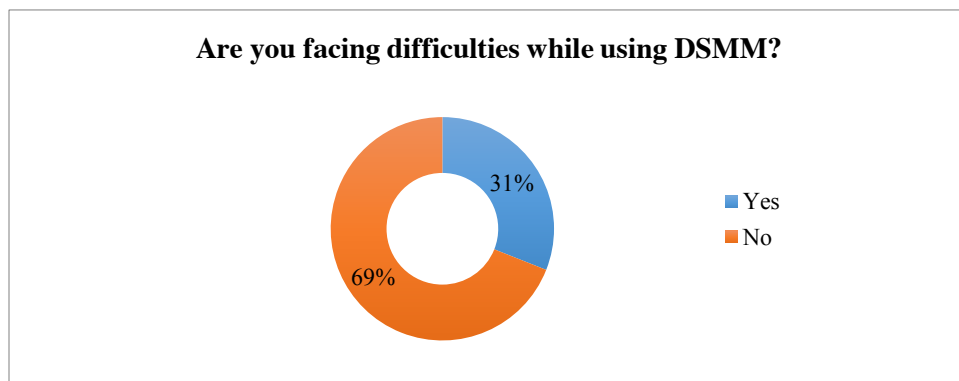
**Figure 66 – Acquisition and retention of customers**



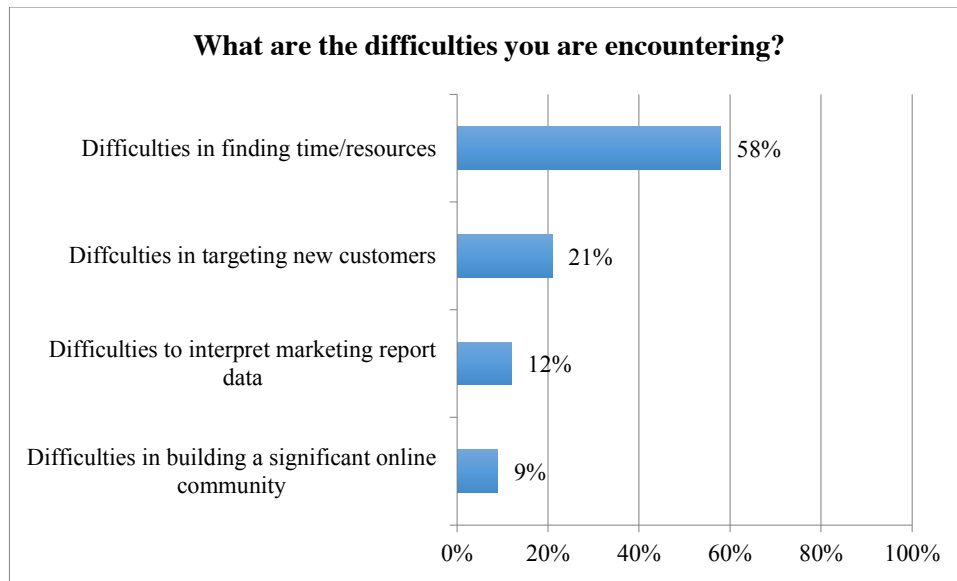
#### 4.1.3.20 Difficulties in using Digital and Social Media Marketing

While almost seven in 10 DSMM using SMEs (69%) say that they are not facing any difficulty while using DSMM, 33 SMEs (31%) are facing difficulties in using it (Figure 67). Out of those facing difficulties, 58% of them are having difficulties in finding time and resources, 21% are having difficulties in targeting new customers, 12% are encountering difficulties in interpreting marketing report data and 9% are facing difficulties in building a significant online community (Figure 68).

**Figure 67 – Facing difficulties in using DSMM?**



**Figure 68 – What difficulties are you facing?**

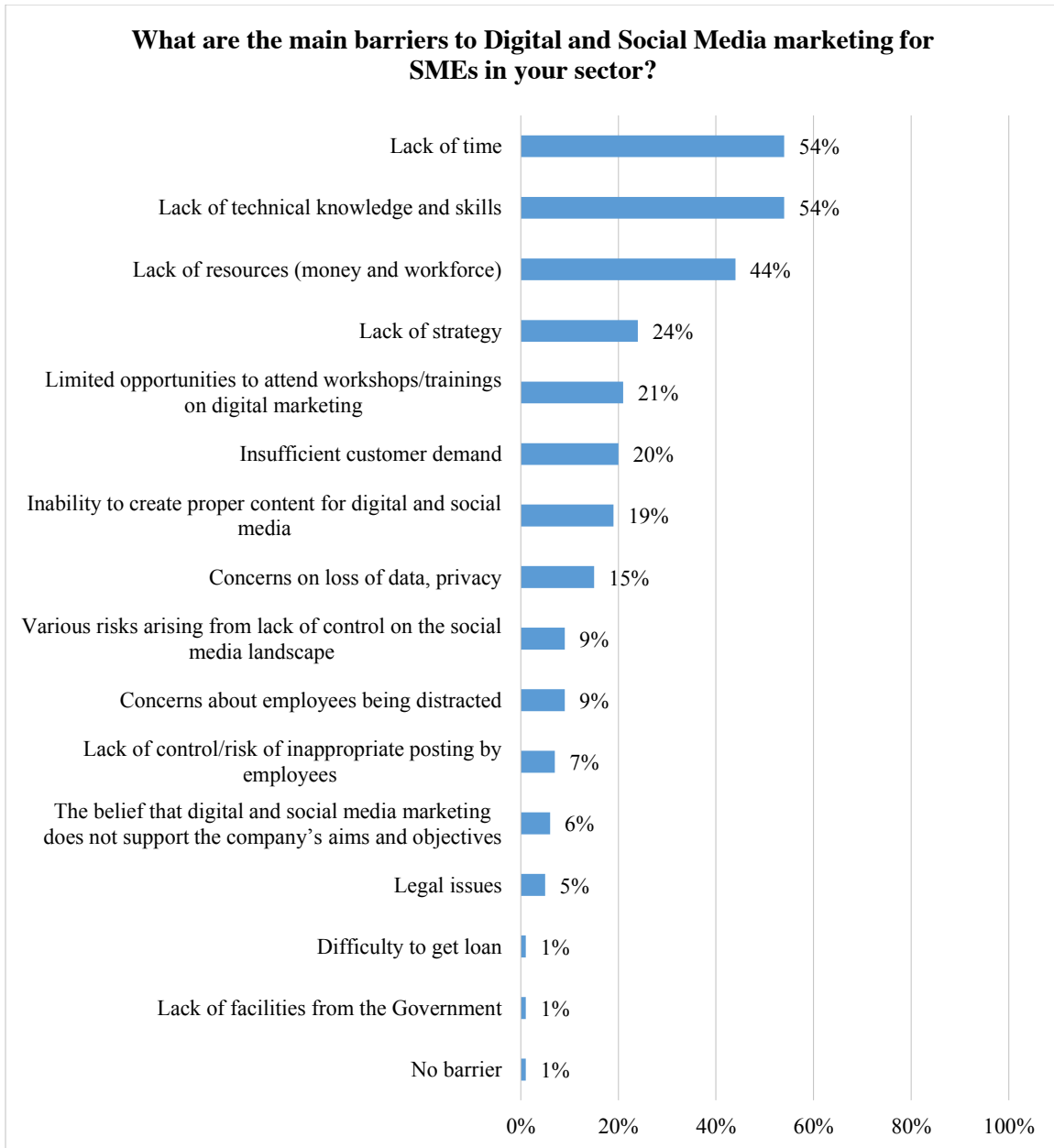


#### **4.1.3.21 Main barriers to effective Digital and Social Media Marketing**

More than half of the surveyed SMEs (54%) feel that the main barriers to DSMM in their sectors are lack of time and lack of technical knowledge and skills. Four in 10 SMEs (44%) say that lack of resources (money and workforce) is the main barrier to DM in their particular sector. Two in 10 SMEs feel that lack of strategy (24%), limited opportunities to attend trainings on DM (21%), insufficient customer demand and inability to create proper content for DSM (19%) are the main barriers to DSMM.

Concerns on loss of data, privacy is also considered to be a barrier by 15% of the SMEs, while 9% of the SMEs feel that various risks arising from lack of control on the SM landscape and concerns about employees being distracted from their work act as a barrier to DSMM. Lack of control/risk of inappropriate posting by employees is only a barrier for 7% of the SMEs. A minority of SMEs feel that the belief that DSMM do not support the company's aims and objectives (6%), legal issues (5%), difficulty to get a loan (1%) and lack of facilities from the government (1%) can act as a barrier to using DSMM. Only 1% of the SMEs feel that there is no barrier to DSMM for SMEs in their sector (Figure 69).

**Figure 69 – Barriers to DSMM**



## **4.2 Findings for SME Support Institutions**

The SME Support Institutions were surveyed with a view to determine:

- The various support (facilities) that they are offering to the SMEs
- How they are creating awareness of their services to SMEs
- What are the barriers they think are preventing SMEs from using DSMM

### **4.2.1 Support available to SME Sector**

Out of the 7 SME Support Institutions interviewed, only two of them provide marketing assistance and trainings to SMEs and only one of them provide financial support to SMEs for the computerization of their business.

Moreover, the two SME Support Institutions that provide marketing trainings, have qualified training officers, both in-house and freelancers. While one of these two institutions provide free training to SMEs, the other one charge a fee for its training programmes.

In addition, out of the surveyed SME Support Institutions, only two of them have carried out an evaluation of the success of their schemes and supports provided to SMEs. As per the findings, only two institutions say that less than half of their SMEs clients have started using DSMM.

### **4.2.2 Suggestion for improvements**

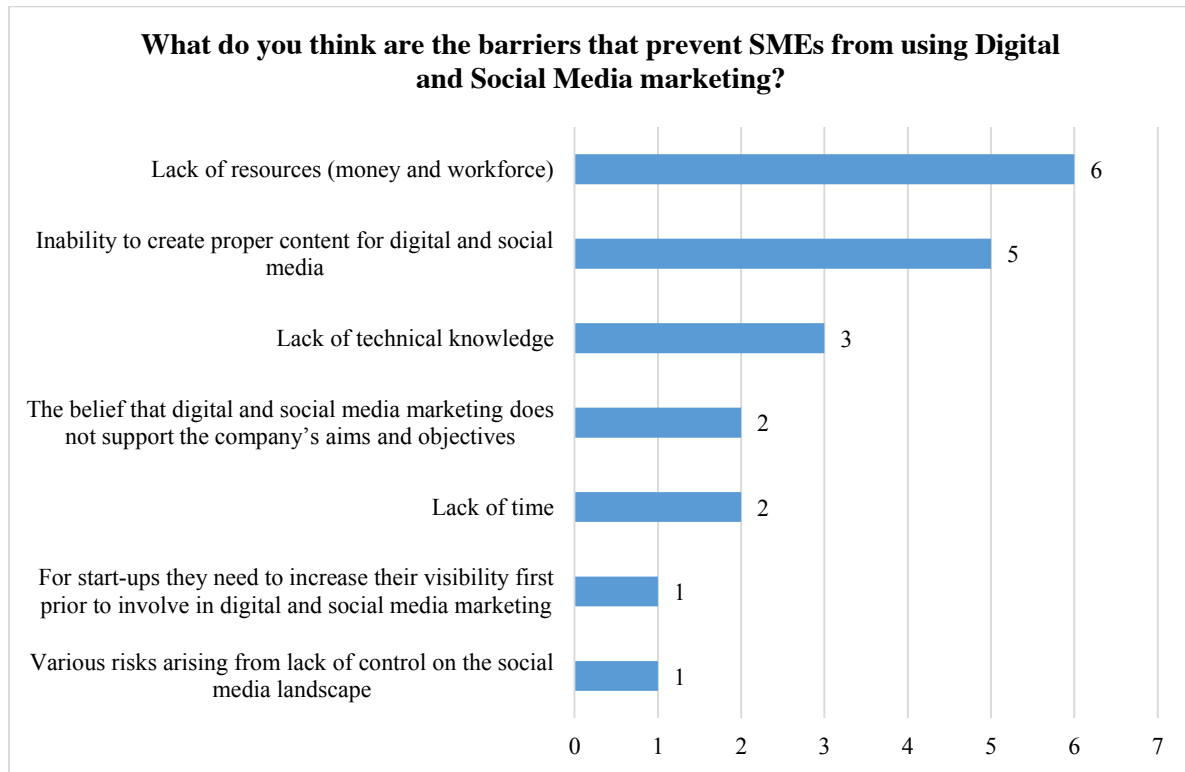
Two out of the 7 SME Support Institutions feel that the authorities should bring more support to SMEs in the following areas:

- Setting up of website for SMEs
- Acquisition of IT software
- Training in the field of Marketing, Accounting, Management and IT
- Financing for capacity building through specialized consultants
- Financing for Working Capital
- Financing for acquisition of equipment

Moreover, according to the SME Support Institutions, the three main barriers that prevent SMEs from using DSMM are as follows (Figure 70):

- Lack of resources (both financial and human resources)
- Inability to create proper content for digital and social media
- Lack of technical knowledge

**Figure 70 – Barriers preventing SMEs from using DSMM (Perspective of SME Support Institutions)**



One of the surveyed SME Support Institutions feels that in order to reach out to customers, SMEs have to create proper content on their SM platforms and proper trainings to be given to their employees in order for them to learn how to properly handle the various SM tools. Moreover, continuous training is very important to help SMEs in understanding DM better and the institution feels that this should be financed by the Government.

The institution further added that digital tools are powerful ones but only a minority of SMEs are making optimum use of these tools and that is because SMEs are not aware of the benefits of DSMM and they do not know how to use it to market their brands and sometimes they do not want to adopt new ways of marketing as they are satisfy with their current results. According to the institution, the adoption of DSMM requires the following:

- Technical skills and expertise
- Right marketing tools
- Good leader



Another SME Support Institution opined that in Mauritius, the SMEs that use DSMM are not making optimum use since they lack the required knowledge to manage the online system and they also lack resources. The institution also added that Mauritians do not trust online shopping and hence they do not really buy online despite companies advertising online. Moreover, SMEs do not have the required electronic infrastructure with regards to online security. So, the institution suggests that the following things should be done in order to make SMEs start using DSMM:

- Training of personnel
- Setting up of a secured electronic infrastructure
- New organigram
- More resources made available

However, according to the institution, despite doing the above mentioned things, online sales might not increase to a larger extent since companies in Mauritius work from 8 am to 5 pm and to be able to sell online to foreigners, the SMEs will have to work according to different time zones and the government and related authorities should work on creating a National SME Website and in order to make optimum use of DSMM, SMEs should adopt international practices.

## CONCLUSION

This study about the use of DSMM by SMEs in Mauritius will have the benefit of being an eye opener to all respondents who participated in the survey, the SME community in general and all SME Support Institutions as well as government.

It is an agreed perspective by all key concerned stakeholders and by the Mauritian government that the SME sector is a vital element of the business environment in Mauritius and has great potential both for employment creation and contribution to the national economic growth.

The study reinforces the statement of The Ministry of Business, Enterprise and Cooperatives in its 10-Year Masterplan for the SME Sector in Mauritius, namely that:

“SMEs have been slower than larger firms to adopt ICT strategies despite the potential benefits. In this digital era, an integrated communication strategy must be introduced to support SMEs to access information and encourage them to make extensive use of communication tools such as internet, social media, E- Platforms for online marketing and networking”.

There is a fertile ground since the majority of SMEs surveyed believe that there are benefits in using DSMM to market the products and services and point out that they understand that the three main benefits of using DSMM are: (a) creating customer awareness about their company/products, (b) acquiring new customers and (c) increasing sales.

The shift from traditional marketing to digital marketing in such a sector is not as easy as one can think, this process demands strong collaboration between stakeholders from both public and private sector.

In January 2018, the government launched the SME Grant for Web Design and Development. The stated main objectives of the SME GRANT are to provide the SMEs in developing and implementing the various tools and means for online presence and marketing. The areas of intervention would include: Domain name registration, Branded E-mail registration, Website design & development, Responsiveness to mobile devices, Photo gallery & online contact form,

Social Media presence and Digital Marketing. The scheme also proposes Digital marketing training where entrepreneurs would learn about updating of social media, setting up links for all social media networks /Blog and drive traffic through knowledge sharing, use of LinkedIn to promote company, use of social bookmarking tools to drive traffic to page and website as well as developing an online strategy keyword rich domain, content and viral/video marketing. The scheme provides for a grant for acquiring the technical assistance of service providers for the above mentioned areas of intervention representing 80% of cost of project up to a maximum amount of Rs 40,000. The enterprise should accommodate for a minimum of 20 % of cost of project.

This scheme if properly implemented by the responsible institution can go a long way in empowering SMEs to become more DSMM engaged since it brings solutions to the difficulties enunciated by respondents, namely that they do not have enough knowledge and expertise to start using it, lack of time, and lack of financial and human resources.

However if the scheme is to be made a real success and fast upgrade SMEs into the DSMM mode, SME Mauritius need to resolve two problems. The first is a contradiction between access to the scheme and the criteria for registration with SME Mauritius. While the access to the scheme appears to be open to all SMEs, registration with SME Mauritius excludes retail activities and certain service business such as consultancy. The second problem is revealed by the present study, namely that a large majority of SMEs is not aware of any facility or trainings provided by any SME Support Institution, and as many as one-third of the SMEs did not approach any of the institutions because they feel that the procedures are time-consuming.

This research has delved only to a limited extent into the subject. It is not enough to know *how much* small enterprises use social media, but it is necessary to understand *how* small enterprises use them. This also mean that qualitative analyses should be encouraged. It is recommended that SME Mauritius also considers deploying resources to get service providers to carry out Flash Diagnosis of State of Use of DSMM in SMEs from a qualitative and management perspective. This would allow for more efficient application of the grants to the real needs of SMEs for effective results.

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## APPENDIX 1 – Questionnaire for SMEs

Dear Sir/Madam,

PRG Ltd (c/o StraConsult) is carrying out a study on **‘The use of digital and social media marketing by Small and Medium Enterprises (SMEs) in Mauritius’** financed by the Mauritius Research Council.

The purpose of this study, as its title implies, is to investigate to what extent small businesses are aware of the digital and social media marketing, whether they are aware of the benefits that it can bring to their businesses and what are the barriers that prevent these SMEs from using Digital and Social Media Marketing. The focus of the study is mainly on Small and Medium Enterprises.

Please note that your response will be kept private and confidential and will be used only for the purpose of this study.

Kindly fill in the questionnaire annexed.

Mr ..... or Miss/Mrs ..... will contact you to collect the questionnaire, to answer your queries and to ask for further details that we might require for our study. Please feel free to contact us on 2107033/2107571 or on 58088924 (Mrs Pamelah Gungaram) and on 54918287 (Miss Sadhiska Bhoojedhur).

Thanking you for your kind cooperation,

Best regards

L.A. Darga

# The use of digital and social media marketing by Small and Medium Enterprises (SMEs) in Mauritius

## Section A: Demographic Profile

1. Name of Company: .....

2. Where is your company located?

☐

Rural

☐

Urban

3(a). Are you:

☐

the owner

☐

the owner - manager

☐

the manager only

3 (b). Gender of Respondent:

☐

Male

☐

Female

3 (c). Age of Respondent:

☐

18 – 30

☐

31 – 40

☐

41 – 50

☐

Above 50

4. Educational Level of Respondent:

☐

CPE

☐

SC

☐

HSC

☐

Diploma

☐

Bachelor Degree

☐

Master Degree

☐

PhD

☐

Professional Qualification

☐

Others; Please specify .....

**5. In which sector does your company operate?**

<input type="checkbox"/>	Manufacturing
<input type="checkbox"/>	Retail
<input type="checkbox"/>	Arts, entertainment & recreation
<input type="checkbox"/>	Accommodation & food service
<input type="checkbox"/>	Construction
<input type="checkbox"/>	Education
<input type="checkbox"/>	Information & Communication (IT)
<input type="checkbox"/>	Financial service
<input type="checkbox"/>	Others; Please specify .....

**6. Who are your customers?**

<input type="checkbox"/>	General public	<input type="checkbox"/>	Other businesses	<input type="checkbox"/>	Both general public and other businesses
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**As per the SMEDA Act 2009, small enterprises are defined as those enterprises having an annual turnover of ≤ Rs 10 million and medium enterprises are defined as those whose annual turnover is more than Rs 10 million but less than Rs 50 million.**

**7. Hence, which type of company are you operating?**

<input type="checkbox"/>	Small enterprise	<input type="checkbox"/>	Medium enterprise
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**8. Annual Turnover:**

<input type="checkbox"/>	0 < Turnover < Rs 1 M
<input type="checkbox"/>	Rs 1 M < Turnover < Rs 2 M
<input type="checkbox"/>	Rs 2 M < Turnover < Rs 5 M
<input type="checkbox"/>	Rs 5 M < Turnover < Rs 10 M
<input type="checkbox"/>	Rs 10 M < Turnover < Rs 20 M
<input type="checkbox"/>	Rs 20 M < Turnover < Rs 40 M
<input type="checkbox"/>	Rs 40 M < Turnover < Rs 50 M

## **Section B: Awareness of Digital and Social Media Marketing**

### **9. What do you understand by Digital Marketing?**

- ☐ marketing and promotion using social media only
- ☐ marketing and promotion over the company's website
- ☐ marketing and promotion using SMS, email, social media, website, mobile phones, and other digital medium.

### **10. Social Media Marketing is a form of online marketing that uses social networking platforms such as Facebook, YouTube, Twitter as a marketing tool.**

- ☐ True ☐ False ☐ Don't know

### **11. How do you perceive marketing by Digital and Social Media?**

- ☐ Useful ☐ Can do without ☐ Irrelevant to my particular business

### **12. Do you find Digital and Social Media marketing?**

- ☐ Easy ☐ Complicated ☐ I don't understand

### **13. Do you have a company website?**

- ☐ Yes ☐ No

### **14 (a). Do you utilise these social media platforms for personal use? (Tick as appropriate)**

<b>Social Media Platform</b>	<b>Daily Frequency – (Less than 1 hr)</b>	<b>Daily Frequency – (1 – 3 hrs)</b>	<b>Daily Frequency (More than 3 hrs)</b>
<b>Facebook</b>			
<b>Twitter</b>			
<b>Instagram</b>			
<b>YouTube</b>			
<b>LinkedIn</b>			
<b>WhatsApp</b>			
<b>Skype</b>			
<b>Others; Please specify .....</b>			

**14 (b). Do you utilise these social media platforms for business use? (Tick as appropriate)**

Social Media Platform	Daily Frequency – (Less than 1 hr)	Daily Frequency – (1 – 3 hrs)	Daily Frequency (More than 3 hrs)
Facebook			
Twitter			
Instagram			
YouTube			
LinkedIn			
WhatsApp			
Skype			
Others; Please specify .....			
Others; Please specify .....			

**14 (c). How would you describe your level of knowledge and use of social media?**

Statements	Strongly disagree	Disagree	Neither agree nor disagree	Strongly agree	Agree
I rarely sign-in on my social media platforms					
I am very active on my social media platforms					
I can use only common tools on social media platforms					
I can use all tools on social media platforms					
I am well-versed with digital marketing tools					

**14 (d). Who manages your Digital and Social Media Marketing?**

- ☐ Myself
- ☐ Son / Daughter / Another relative
- ☐ A qualified marketing staff
- ☐ My secretary
- ☐ Others; Please specify .....

**Instruction to Interviewer:** *If Respondent has answered 'A qualified marketing staff' to Qu 14(d), then you ask the following question, else skip to Qu 15.*

**14 (e). How would you describe the level of knowledge and use of digital and social media by your marketing staff?**

Statements	Strongly disagree	Disagree	Neither agree nor disagree	Strongly agree	Agree
They can only use common tools on social media platforms					
They can use all tools on social media platforms					
They have high knowledge of social media					
They are well-versed with digital marketing tools					

**15 (a). Do you believe there are benefits in using Digital and Social Media tools for marketing?**

☐ Yes
 ☐ No
 ☐ Not sure
 ☐ Don't know

**Instruction to Interviewer:** *If Respondent has answered 'Yes' to Qu 15(a), then you ask the following question.  
If the respondent has answered 'No', 'Not Sure', 'Don't know', then skip Qu 15 (b)*

**15 (b). If Yes, what according to you are the benefits of Digital and Social Media Marketing? (You can select maximum 5 answers)**

- ☐ Creating awareness about my company/products
- ☐ Enhancing brand image
- ☐ Acquiring new customers
- ☐ Increasing sales
- ☐ Improving customer service and satisfaction
- ☐ Enhancing customer loyalty
- ☐ Reducing costs
- ☐ Fast and easily accessible
- ☐ More information about customers and competitors
- ☐ Enhanced Public Relations

☐

Getting feedback from customers

☐

Others; Please specify .....

**16 (a). Are you aware that the following institutions offer financial and other forms of support to SMEs?**

SME Support Institutions	Yes	No
SMEDA / MyBiz		
Maubank		
National Women Entrepreneurs Council		
Development Bank of Mauritius (DBM)		
Any bank		
Mauritius Chamber of Commerce and Industry (MCCI)		
National Computer Board		
Association of Mauritian Manufacturers (AMM)		
Enterprise Mauritius		
SME Federation		
SME Partnership Fund Ltd		

**16 (b). Have you approached any of the following institutions?**

SME Support Institutions	Tick as appropriate
SMEDA / MyBiz	
Maubank	
National Women Entrepreneurs Council	
Development Bank of Mauritius (DBM)	
Any bank	
Mauritius Chamber of Commerce and Industry (MCCI)	
National Computer Board	
Association of Mauritian Manufacturers (AMM)	
Enterprise Mauritius	
SME Federation	
SME Partnership Fund Ltd	
None of the above	



**Instruction to Interviewer:** *If Respondent has answered 'None of the above' to Qu 16(b), then skip to Qu 16 (d).*

**16 (c). If you have approached any of the above institutions, what type of support have you benefitted from? (You can tick multiple answers)**

- ☐ Counseling – pre registration/incorporation stage
- ☐ Training
- ☐ Mentoring
- ☐ Financial support
- ☐ Others; Please specify .....

**16 (d). Why have you not approached the other institutions?**

- ☐ I don't think they are relevant to my business
- ☐ I did not know how to approach them
- ☐ I don't think they would have helped me
- ☐ The procedures are time-consuming
- ☐ Others; Please specify .....

**16 (e). Are you aware of any facility provided by any institutions to SMEs regarding Digital and Social Media marketing?**

- ☐ Yes      ☐ No

**16 (f). If yes, please specify .....**

**16 (g). How often do you attend workshops/trainings organized by these SME Support Institutions?**

- ☐ Anytime, I get to know about the workshops/trainings
- ☐ Once a month
- ☐ Once every 3 months
- ☐ Never, please specify reasons .....

**16 (h). What type of trainings/workshops do you prefer?**

- ☐ Online trainings
- ☐ Large classroom-type trainings/workshops
- ☐ Personal trainings/workshops in small groups
- ☐ On-the-job/on-site trainings in my company
- ☐ Others, please specify .....

**16 (i). From which SME Support Institution/s do you attend trainings/workshops?**

- ☐ SMEDA / MyBiz
- ☐ National Women Entrepreneurs Council
- ☐ Development Bank of Mauritius (DBM)
- ☐ Mauritius Chamber of Commerce and Industry (MCCI)
- ☐ National Computer Board
- ☐ Enterprise Mauritius
- ☐ Association of Mauritian Manufacturers (AMM)
- ☐ None
- ☐ Others, please specify .....

**Section C: Current Marketing Practice**

**17 (a). Which of the following marketing tools do you use to promote your products?**

Traditional marketing channels	Tick as appropriate	Digital marketing channels	Tick as appropriate
Billboards		Email marketing	
Flyers		Company website	
Newspaper ads		Search Engine Marketing (SEM) / Search Engine Optimization (SEO)	
Newsletters		Facebook	
Magazines / brochures		Twitter	
Other printed material		Instagram	
Radio and television commercials		YouTube	
On-screen movie theater advertising		Linkedin	
Telephone advertising		SMS Marketing	
Word of mouth		Whatsapp marketing	
Others; Please specify .....		Viber	
Others; Please specify .....		Skype	
		Google+	
		Pinterest	
		Others; Please specify .....	

**17 (b). Of the above, what are the Top 3 marketing tools that you use the most?**

.....

.....

.....

**17 (c). Why do you consider the channels you are using to be the most efficient ones?**

☐ Enable me to generate maximum profits

☐ Enable me to achieve maximum sales

☐ Enable me to reach my target customers

☐ Not time consuming

☐ Easy to understand and use

☐ Others; Please specify .....

**Instruction to Interviewer:** If respondent is **NOT** using digital and social media marketing, then you ask Qu 18 (a - c). If the respondent **is using** digital and social media marketing, then skip to Qu 19.

**18 (a). If you are currently NOT using digital and social media marketing, do you plan to use it in the near future?**

☐ Yes, currently in process of development    ☐ Yes, soon    ☐ No    ☐ Maybe

**18 (b). If your answer to Qu 18(a) is No or Maybe, say why?**

- ☐ It is more costly than traditional marketing
- ☐ It is more risky and not secured (e.g e-commerce frauds)
- ☐ It is uncertain (not sure if it will help me achieve my aims)
- ☐ I don't have enough knowledge and expertise to start using it
- ☐ Lack of qualified staff to develop, support, maintain and manage the digital and social media marketing
- ☐ I am skeptical about return on investment of digital and social media marketing
- ☐ I am not convinced of its benefits
- ☐ I am simply not interested in digital marketing and pleased with my current marketing practices
- ☐ I do not find it necessary for my business
- ☐ Lack of data privacy
- ☐ Poor services being provided by Internet service providers
- ☐ Suppliers and customers are not IT savvy and will not use my online service
- ☐ Others; Please specify .....

**18 (c). If you would implement Digital and Social Media marketing in the near future, what is it you want to achieve?**

- ☐ Generate more profits
- ☐ Have access to a wider customer audience
- ☐ Have more visibility for my products/services
- ☐ Have greater market share
- ☐ Get clients from other countries
- ☐ Be in a better position to compete with competitors
- ☐ Others; Please specify .....

**Instruction to Interviewer:** If the respondent **IS USING** Digital and Social Media marketing, **ONLY THEN** you ask the following questions (Qu 19 to 33), else skip to Qu 34.

**19. Since how many years have you been using Digital and Social Media marketing within your business?**

☐ Less than a year   ☐ 1 year   ☐ 2 – 3 years   ☐ More than 3 years

**20. What made you start using Digital and Social Media marketing?**

☐ I heard about its benefits and decided to use it  
☐ I wanted to try something new  
☐ I wanted to gain new customers for my products/services  
☐ My competitors were using it and to keep up with them, I had to use it  
☐ My son/daughter convinced me to start using it  
☐ Others; Please specify .....

**21. How often do you use Social media as part of your business activities?**

☐ Daily   ☐ Every alternate day   ☐ Once a week   ☐ Rarely

**22. On a normal working day, how many updates and/or posts do you create on Social media networks?**

☐ 0   ☐ 1 – 3   ☐ 4 – 8   ☐ 8+

**23 (a). Do you create tailored content for your digital and social media marketing?**

☐ Yes   ☐ No   ☐ Don't know what this means

**23 (b). Does your digital and social media-related content incorporate your search optimization keywords?**

☐ Yes   ☐ No   ☐ Don't know what this means

**24 (a). Have you developed your digital and social media marketing strategies?**

☐ Yes   ☐ No

**24 (b). Are these digital and social media marketing strategies incorporated with your marketing plans?**

☐ Yes   ☐ No

**24 (c). Have you created specific digital and social media marketing tactics related to your strategies?**

☐ Yes ☐ No

**25. What benefits have you derived from using Digital and Social Media marketing?**

- ☐ Generate more profits
- ☐ Cheaper than traditional marketing
- ☐ Have access to a wider customer audience
- ☐ Have more visibility for my products/services
- ☐ Have greater market share
- ☐ Getting clients from other countries
- ☐ Be in a better position to compete with competitors
- ☐ Others; Please specify .....

**26 (a). Does your company sell products/services online?**

☐ Yes ☐ No

**26 (b). If yes, do you sell online to foreign customers?**

☐ Yes ☐ No

**26 (c). What is the percentage of your online sales to your total business sales? .....**

**27 (a). Do you have digital and social media monitoring analytics in place?**

☐ Yes ☐ No ☐ Don't know what this means

**27 (b). Is the digital and social media information collected being converted to effective data?**

☐ Yes ☐ No

**28 (a). How do you measure/evaluate the benefits derived from your use of Digital and Social Media marketing?**

- ☐ Financial measures (return on sales, return on digital marketing investment, profitability, etc)
- ☐ Consumer behavior measures (customer loyalty, retention, acquisition, etc)
- ☐ Digital marketing performance measures (digital marketing sales volume, retention rate, digital sales total sales, number of online customers, etc)
- ☐ Do not use any measurement
- ☐ Other measurements; Please specify .....

**28 (b). Are you tracking your digital and social media marketing ROI (Return on Investment)?**

- ☐ Yes      ☐ No      ☐ Don't know

**29 (a). Please rate the effectiveness of the following digital marketing channels on your sales. (Tick as appropriate)**

Digital marketing channels	Ineffective	Moderately effective	Very effective	Do not make use of it	Don't know
Email marketing					
Company website					
Search Engine Marketing (SEM) / Search Engine Optimization (SEO)					
Facebook					
Twitter					
Instagram					
Google+					
Pinterest					
YouTube					
SMS Marketing					
WhatsApp Marketing					
Others; Please specify.....					
Others; Please specify.....					

**29 (b). Of your total expenditure of digital marketing, what is the percentage represented by:**

Digital marketing activities	Less than 30 %	31 % - 50 %	More than 50 %	Don't know
Email marketing				
Company website				
Search Engine Marketing (SEM)				
Social media marketing				
SMS Marketing				
WhatsApp Marketing				
Others; Please specify.....				
Others; Please specify.....				

**29 (c). Will you maintain, increase or reduce your current spending on your digital marketing activities in in the next 12 months?**

☐ Maintain      ☐ Increase      ☐ Reduce

**29 (d). Which digital marketing activities will you focus on or invest further in the next 12 months?**

☐ Email marketing  
☐ Company website  
☐ Search Engine Marketing (SEM)  
☐ Social media marketing  
☐ SMS Marketing  
☐ WhatsApp Marketing  
☐ Others; Please specify .....

**30 (a). In addition to the free services offered on social media platforms, do you also pay for extra services (e.g Facebook Ads)?**

☐ Yes      ☐ No

**30 (b). If yes, please specify .....**

**31 (a). Do you believe you are making optimum use of digital and social media marketing?**

☐ Yes      ☐ No



**31 (b). If No, why are you not making optimum use of digital and social media marketing?**

- ☐ Do not have much time to dedicate to digital and social media marketing
- ☐ Do not have much knowledge and expertise regarding digital and social media marketing
- ☐ Do not have qualified employees who can make optimum use of it
- ☐ I am satisfied with the results of my present marketing efforts, I do not have to make optimum use of it
- ☐ Others; Please specify .....

**32. After using Digital and Social Media marketing, have you been able to acquire new customers and retain old ones?**

- ☐ Yes      ☐ No

**33 (a). Are you facing difficulties while using Digital and Social Media marketing?**

- ☐ Yes      ☐ No

**33 (b). If Yes, what are the difficulties you are encountering?**

- ☐ Difficulties to interpret marketing report data
- ☐ Difficulties in building a significant online community
- ☐ Difficulties in targeting new customers
- ☐ Difficulties in finding time/resources
- ☐ Others; Please specify .....

**34. What are the main barriers to Digital and Social Media marketing for SMEs in your sector? (You can select maximum 5 answers)**

- ☐ Lack of technical knowledge and skills
- ☐ Insufficient customer demand
- ☐ Concerns about employees being distracted
- ☐ Concerns on loss of data, privacy
- ☐ Limited opportunities to attend workshops/trainings on digital marketing
- ☐ Lack of time
- ☐ Lack of strategy
- ☐ Lack of control/risk of inappropriate posting by employees
- ☐ Legal issues
- ☐ Various risks arising from lack of control on the social media landscape
- ☐ Inability to create proper content for digital and social media
- ☐ Lack of resources (money and workforce)
- ☐ The belief that digital and social media marketing does not support the company's aims and objectives
- ☐ Others; Please specify .....

.....End of Questionnaire.....

## **APPENDIX 2 – Questionnaire for SME Support Institutions**

POLICY RESEARCH GROUP

Date:

Dear Sir/Madam,

My very warm greetings to you.

PRG Ltd (c/o StraConsult) is carrying out a study on **‘The use of digital and social media marketing by Small and Medium Enterprises (SMEs) in Mauritius’** financed by the Mauritius Research Council.

The purpose of this study, as its title implies, is to investigate to what extent small businesses are aware of the digital and social media marketing, whether they are aware of the benefits that it can bring to their businesses and what are the barriers that prevent these SMEs from using Digital and Social Media Marketing. The focus of the study is mainly on Small and Medium Enterprises.

In this context we are carrying out a survey of institutions providing services to SMEs. Knowing your involvement to promote the development of SMEs, we would highly appreciate to have more information concerning the services you offer and your views about the SME sector.

Kindly fill in the questionnaire annexed.

Mrs Pamelah Gungaram or Miss Sadhiska Bhoojedhur will contact you to collect the questionnaire, to answer your queries and to ask for further details that we might require for our study. Please feel free to contact them on 58088924 (Pamelah) and on 54918287 (Sadhiska).

Thanking you for your kind cooperation,

Best regards

L.A. Darga

## A. GENERAL INFORMATION

1. Name of SME Support Institution: .....

2. Your Name and Designation: .....

## B. SUPPORT AVAILABLE TO SME SECTOR

3. What are the support (facilities) offered to SMEs by your organisation?

	Previously provided	Completed date/end date	Presently provided	Future provision
1				
2				
3				
4				
5				
6				
7				
8				

4. Number of SME members/clients registered with your organisation

Presently: .....

Year 2016: .....

Year 2015: .....

5 (a). What are the areas in which your institution provides support to SMEs?

☐

Financing for acquisition of equipment

☐

Financing for working capital

☐

Financing for capacity building through specialized consultants

☐

Acquisition of IT hardware

☐

Acquisition of IT software

☐

Setting up of website

☐ Training  
☐ Others, Please specify .....

**5 (b). Do you give loans or grants to SMEs for the computerization of their business?**

☐ Yes ☐ No

**5 (c). If yes, what is the maximum amount of loan that you give and what are the Terms and Conditions?**

.....  
.....  
.....  
.....  
.....

**5 (d). Do you give preferential rate to SMEs to encourage them to computerise their businesses?**

☐ Yes ☐ No

**5 (e). If yes, please give the preferential range of interest .....**

**5 (f). Do you give loans or grants to SMEs to encourage them to make use of Digital marketing?**

☐ Loans ☐ Grants

**5 (g). If loans, what are the Terms and Conditions?**

.....  
.....  
.....  
.....  
.....

**5 (h). In which field do you provide training?**

☐

Management

☐

Accounting

☐

IT

☐

Marketing

☐

Others, Please specify .....

**5 (i). If Yes, please provide the following details**

No.	Training Programmes	Duration	When was the last session conducted	Level		
				Basic	Intermediate	Advanced
1						
2						
3						
4						
5						

**5 (j). Are the Training Officers registered with the MQA?**

☐

Yes

☐

No

**5 (k) Are they in-house trainers or freelancers?**

☐

In-house

☐

Freelancer

**5 (l). How do you assess the level of proficiency of the trainee at the end of the training?**

.....

.....

.....

**5 (m). What is the process for the next level registration?**

.....  
.....  
.....

**5 (n). Do the SMEs have to pay for these training programmes?**

☐ Yes, how much? ..... ☐ No

**5 (o). Do you have site visits to evaluate the progress on the implementation of the training programme?**

☐ Yes ☐ No

**Please specify**

.....  
.....

**5 (p). In case that the SMEs need help on the implementation of the training programme, what type of support is provided? Ex: dedicated officer/hotline/site visits, etc...**

.....  
.....  
.....  
.....  
.....

**6. What is the pre-requisite level of IT literacy to be able to enroll for the training programme?**

☐ Low ☐ Average ☐ High ☐ None

**7 (a). How many SMEs have applied for assistance during the last 5 years?**

.....  
.....

**7 (b). What is the percentage of application approved?**

.....



**8. How does your organization create awareness of its services to SMEs?**

.....

.....

.....

.....

.....

**9 (a). Have you carried out a survey to determine how far SMEs are aware of the services that you provide?**

☐ Yes      ☐ No

**9 (b). Have you carried out an evaluation of the success of your scheme?**

☐ Yes      ☐ No

**9 (c). If yes, in what form and when?**

.....

.....

**10. Indicate age profiles of those attending the training programmes?**

.....

.....

**11. What percentage of your SME clients who have started to use IT and digital as a marketing tool to promote their business?**

.....

.....

**12 (a). Do you have evidence that there is a tendency for SMEs to move away from traditional marketing (e.g marketing in newspapers, billboards, etc) to Digital and Social Media marketing?**

☐ Yes      ☐ No

**12 (b). Is it empirical evidence or have you measured it?**

☐ Empirical evidence      ☐ Have measured, please specify .....

## C. SUPPORT AND SUGGESTION FOR IMPROVEMENT

### 13. In which areas do you think authorities should bring more support to SMEs?

Types of support Structure	Tick as appropriate
Counseling – pre-registration/incorporation stage	
Training – Management	
Training – Accounting	
Training – IT	
Training – Marketing	
Training – Others, please specify .....	
Mentoring	
Financing for acquisition of equipment	
Financing for working capital	
Financing for capacity building through specialized consultants	
Acquisition of IT hardware	
Acquisition of IT software	
Setting up of website	
Others, Please specify .....	

### 14. What do you think are the barriers that prevent SMEs from using digital and social media marketing?

- ☐ Lack of technical knowledge
- ☐ Lack of time
- ☐ Various risks arising from lack of control on the social media landscape
- ☐ Inability to create proper content for digital and social media
- ☐ Lack of resources (money and workforce)
- ☐ The belief that digital and social media marketing does not support the company's aims and objectives
- ☐ Others; Please specify .....

**15. Do you feel that Digital and Social Media Marketing will positively increase market penetration of SMEs?**

☐

Yes

☐

No

☐

Not in Mauritius

☐

Others; Please specify .....

THANK YOU FOR YOUR KIND COOPERATION

DATE: .....

SIGNATURE: .....

## APPENDIX 3 – List of SME Support Institutions contacted

No.	Name of institutions	Status
1	National Computer Board (NCB)	Surveyed
2	SME Mauritius (previously known as SMEDA / MyBiz)	Surveyed
3	National Women Entrepreneur Council (NWECC)	Surveyed
4	Maubank	Surveyed
5	Mauritius Commercial Bank (MCB)	No response
6	Mauritius Chamber of Commerce and Industry (MCCI)	No response
7	Economic Development Board (previously known as Enterprise Mauritius)	Surveyed
8	SME Partnership Fund Ltd	No response
9	Association of Mauritian Manufacturers (AMM)	Surveyed
10	Development Bank of Mauritius (DBM)	No response
11	SME Federation	Surveyed
12	Board of Investment (BOI)	No response
13	National Productivity and Competitiveness Council (NPCC)	No response
14	Ministry of Business, Enterprise and Cooperatives	No response

## APPENDIX 4 – List of SMEs surveyed

No.	Name of Company	Sector of activity
1	Casa Villa Ltd	Accommodation & food service
2	Pingouin Villa	Accommodation & food service
3	Mahe Holiday Resort	Accommodation & food service
4	Melken Foods Ltd (Ken's)	Accommodation & food service
5	Restaurant Langouste Grille	Accommodation & food service
6	The Pirate Spot Grill House	Accommodation & food service
7	Chateau Mon Desir	Accommodation & food service
8	Riyad Kebab	Accommodation & food service
9	MS Five Guest House	Accommodation & food service
10	Try My Kitchen	Accommodation & food service
11	THALI EXPRESS	Accommodation & food service
12	Mountview Tourist Residence	Accommodation & food service
13	Royal Elite Services Co Ltd	Accommodation & food service
14	Les Filaos Restaurant	Accommodation & food service
15	CAUNHYE MARQUISES LTD	Arts, entertainment & recreation
16	JN Digital Media Studio Services	Arts, entertainment & recreation
17	JB chic et Glamour Beauty Lounge	Arts, entertainment & recreation
18	Mauritiusarts.com	Arts, entertainment & recreation
19	MILLENNIUM PHOTOGRAPHY & EVENTS	Arts, entertainment & recreation
20	Favela Events Ltd	Arts, entertainment & recreation

21	KP Landscaping	Arts, entertainment & recreation
22	Turquoise Ocean Events	Arts, entertainment & recreation
23	Gravier Sur Bois	Arts, entertainment & recreation
24	Studio Express Photo Digital Lab	Arts, entertainment & recreation
25	Outprod ltd	Arts, entertainment & recreation
26	S.S Royal Tente & Decor LTD	Arts, entertainment & recreation
27	SIMPLY ADVERTISING LTD	Arts, entertainment & recreation
28	DYNARCH CONSTRUCTION LTD	Construction
29	ECOBUILDERS LTD	Construction
30	Accession Construction Company LTD	Construction
31	T. Kissoon & Sons Construction Ltd	Construction
32	MONESH ENTERPRISES LTD	Construction
33	PA CONTRACTING LTD	Construction
34	TRIWORLD DEVELOPMENT LTD	Construction
35	MLO Constrution Co Ltd	Construction
36	Travaux Chic ltd	Construction
37	Silver Touch ltd	Construction
38	MYYG Co Ltd (George Brasse Construction)	Construction
39	Bhavna Construction co ltd	Construction
40	J. Annauth Constraction ltd	Construction
41	We Swim Ltd	Construction
42	Cirusco	Construction
43	Avanta Ltd	Construction
44	New Horizon Builders Ltd	Construction
45	Jonathan Ramsamy	Construction
46	Jack Rolando Laurent	Construction
47	Mohun Construction Ltd	Construction
48	C.C Construction Ltd	Construction
49	NGM Enterprises Ltd	Construction
50	Persil Lemaime	Construction

51	Gerard Uckoor Co Ltd	Construction
52	NNN Construction Ltd	Construction
53	Eshan Peertum	Construction
54	Active Décor	Construction
55	Unique Construct	Construction
56	Thomas & Sons Ltd	Construction
57	System Creation	Construction
58	Patrick Veckranges	Construction
59	SOCRATES SCHOOL OF HEALTH SCIENCES,BUSINESS & TECHNOLOGY LTD	Education
60	Desarokev Multi Purpose	Education
61	IES	Education
62	OLIVIER CULINARY SCHOOL COMPANY LIMITED	Education
63	Venyleos CompuSpace Ltd	Education
64	Carefree ltd	Finance
65	Sahara Consulting Ltd	Finance
66	PineApps Digital Solutions Limited	IT
67	EL GIBOR CONSULTANCY LTD	IT
68	Netsupport & Services Ltd	IT
69	Cozy Bag Ltd	Manufacturing
70	Litezone Co Ltd	Manufacturing
71	Agreenergy Ltd	Manufacturing
72	Gavik Co Ltd	Manufacturing
73	H. Rault Co. Ltd	Manufacturing
74	EDL Furniture Ltd	Manufacturing
75	STANDARD SAFE ALUMINIUM CO LTD	Manufacturing
76	Latelier Novateur Ltee	Manufacturing
77	SLK GOLD TASTE LTD	Manufacturing
78	Ocean Paints Ltd	Manufacturing
79	ENN TI REV	Manufacturing
80	HAMID ALUMINIUM LTD	Manufacturing
81	Fairy Women Entrepreneurs Cooperative Society Limited	Manufacturing
82	Casting World Limited	Manufacturing

83	SSS FURNITURE CO LTD	Manufacturing
84	Santokhee Jewellers	Manufacturing
85	STEULET MECANIQUE LTEE	Manufacturing
86	Atelier Linda Chery	Manufacturing
87	Patrick Calou Industrial Food Processing Ltd	Manufacturing
88	Persand royal company limited	Manufacturing
89	METAPRO LTD	Manufacturing
90	Baie Du Cap Estates Ltd	Manufacturing
91	Shobha Jewels Co Ltd	Manufacturing
92	Bijouterie Kailash Dawooram co ltd	Manufacturing
93	KODGOLD LTD	Manufacturing
94	Bijouterie Stylor	Manufacturing
95	Jenna Jewels	Manufacturing
96	SSS Bakery Pastry Co Ltd	Manufacturing
97	Giga Power Control Systems Ltd	Others
98	Maucare Medical Centre Ltd	Others
99	AVI & ABHI FARMING LTD	Others
100	Magnum Cargo Pvt Ltd	Others
101	Eden bliss ltd	Retail
102	VIVALO LTEE	Retail
103	HABIT Co LTD	Retail
104	Studio 44 Ltd	Retail
105	Officestore Ltd	Retail
106	Quincaillerie Nowbuth	Retail
107	IME Distributors Ltd	Retail
108	Cash & Repairs	Retail
109	Kabloo Flowers Company Ltd	Retail
110	Skynet Computers Ltd	Retail
111	ACRP CELEBRATION CO. LTD	Retail
112	KONISH CO LTD	Retail
113	Purple Bloom Co Ltd	Retail
114	Mon Desir	Retail
115	R&S cold storage ltd	Retail



116	AJ CLOTHING LTD	Retail
117	Inshirah Ltd	Retail
118	Island Kidz Ltd	Retail
119	Clinic Des Auto Moto Co Ltd	Retail
120	Great Britain Spare Parts	Retail
121	Bilaal Collection	Retail
122	Saanvi Sajavate Shop	Retail
123	Aurea Ltd	Retail
124	Syllabus A Library	Retail
125	S.S Khan Ltd	Retail
126	Blue Lithium	Retail
127	Quincaillerie Gian & Sons	Retail
128	Pride Boutique	Retail
129	ShaFashion	Retail
130	Synx House	Retail
131	Zeid Telephone Shop	Retail
132	Hibiscus Creation	Retail
133	Mirado	Retail
134	Jets Fashion	Retail
135	Charlie Shop	Retail
136	Vinod Trading	Retail
137	Ken Shop & Studio	Retail
138	BODY SENSE LTD	Retail
139	MEKASIA VENTURES PVT LTD	Retail
140	BUFFALO DEVELOPMENT LTD	Retail
141	BULK FOODS LTD	Retail
142	Ajageer Saree Palace	Retail
143	Calodyne IOML	Retail
144	Trendist co ltd	Retail
145	Saza Marketing Co Ltd	Retail
146	Javcarz Trading Co ltd	Retail
147	The Nine Ltd	Retail
148	Way Fwd Ltd	Retail

149	Divine Flowers	Retail
150	Wayward Co Ltd	Retail
151	The Organiser Ltd	Retail