

Effective Social Media Strategies for Enhancing E-Business Growth and Customer Engagement: Insights from Sri Lankan Business Leaders

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Abstract

Social media has emerged as a powerful business and marketing tool in the current technological era, enabling rapid growth for e-businesses and improved customer engagement. However, effectively leveraging social media requires specific knowledge and strategic application, which many business leaders lack. This study focuses on the unique context of Sri Lankan small and medium-sized enterprises (SMEs), highlighting how regional factors influence social media strategies. Primary data were collected through interviews with six Sri Lankan business leaders and supplemented by surveys conducted via WhatsApp and Viber, along with secondary data from existing studies. Five key strategies were identified: knowledge of audience, performance measurement, sales and marketing calibration, customer journey mapping, and customer relationship management. These strategies, tailored for the Sri Lankan business environment, can help local business leaders enhance sales, brand awareness, and customer relations. Additionally, successful implementation may foster job creation and contribute positively to local and national economic development. This research fills a gap by contextualizing established social media practices within Sri Lanka, providing valuable insights for regional e-business growth.

Keywords: social media marketing, e-business strategies, customer engagement, digital marketing, performance measurement

I. INTRODUCTION

In the current digital age, social media has become an indispensable tool with the ability to impact people and businesses positively or

negatively depending on its use. To leverage social media for business advantage, a proper and strategic approach is essential. This includes expanding the target audience, building brand awareness, and conveying information effectively to the right customers. Business leaders must be knowledgeable about how to creatively and innovatively use social media, as it serves as a crucial bridge between companies and consumers (Barai, 2021). Social media is a powerful marketing instrument, especially for small and medium-sized enterprises (SMEs), as it provides a low-cost yet highly efficient platform for gaining brand recognition, enhancing customer relationships, and increasing sales (Nyamboli, 2021). Research highlights the importance of identifying the target audience since this dictates platform choice, content strategy, and customer engagement approaches (Gumede et al., 2024). Notably, social media serves as a low-cost, high-impact tool enabling SMEs in developing countries like Sri Lanka to bypass traditional market barriers and improve performance (Khan and Asif, 2018). For example, studies on the Sri Lankan market reveal that social media marketing significantly shapes consumer purchasing behavior in competitive sectors such as clothing, underscoring the need for companies operating locally to actively leverage these channels to connect with and persuade target audiences (Ameer and Weerathunga, 2020).

Effective social media marketing typically involves focusing on select platforms to ensure meaningful engagement. Facebook's "Meta Business Suite," for instance, offers comprehensive tools like in-depth analytics, content management, and ad control to help businesses strengthen their online presence (Kongar and Adebayo, 2021). Instagram fosters community and interaction through visual

storytelling, while TikTok offers potential virality among younger demographics via popular short-form videos (Kongar and Adebayo, 2021).

In developing countries, social media acts as an invaluable and affordable resource for SMEs to overcome traditional market constraints and enhance business performance. This phenomenon is particularly relevant in Sri Lanka due to its unique economic and technological contexts, which influence how social media strategies are adopted and succeed (Khan and Asif, 2018). Despite these opportunities, business leaders often lack sufficient knowledge to integrate social media applications (SMAs) effectively with intelligent content creation and marketing execution. Without such expertise, even the most innovative ideas may fail, making continuous competence and knowledge improvement essential (Kim, 2020).

With the right strategies, businesses can accelerate growth by fostering strong communication channels with customers, potentially stimulating broader social change (Chibuzor Gbandi and Osasere Iyamu, 2022). Recent research especially emphasizes that for small businesses, a customer-centric approach to social media is critical for improving overall firm performance, prioritizing engagement strategies around the customer journey and value creation (Cao and Weerawardena, 2023). The strategic use of social media marketing significantly enhances brand perception and financial outcomes, highlighting the necessity for firms to integrate these platforms into core marketing and sales strategies (Witek-Hajduk and Zaborek, 2022). Furthermore, customer engagement on social media is multidimensional, encompassing emotional, cognitive, and behavioral interactions, which drive long-term loyalty and repeat business (Kumar and Pansari, 2016). This study contributes to the existing literature by focusing explicitly on Sri Lankan SMEs and business leaders, exploring how global social media strategies can be adapted to local market realities and socio-economic conditions. Understanding this regional context is vital to help Sri Lankan businesses leverage social media effectively to achieve sustained growth and competitive advantage.

II. LITERATURE REVIEW

Getting involved into social media to broad the businesses in inevitable activity nowadays. Because people are start using social medias very much than earlier. So, adapt to change is must to maintain the business stable in between competitors. However, most of the companies using combination of traditional as well as social media to cover and find out new users. This paper specially focusses on the brief discussion on social media, features of social media and some success stories of how some companies achieve their goals through the social medias (Venkateswaran, Ugalde and T., 2019). The social media are used very well by B2B companies. Focusing and describing some aspects of social media and doing a weight analysis through that aspect and describe each aspect according to their weights. In the Discussion the authors saying that through the study they found social media gives a positive outcome such as customer satisfaction, intention to buy and sales, customer relationship, brand awareness and etc. those are looks like similar to B2C companies' outcomes. In the perspective of salesperson technical skill of salesperson, pressure from stakeholders, usefulness and usability are some key factors those affect the adaptation on social media (Dwivedi *et al.*, 2021).

Harcourt defining that the use of social media is getting higher nowadays. He defines that through an image and figure which shows that the usage percentage of social media comparatively. Afterwards describing the challenges face by social media. Then inside the spread of social media heading he is explaining the spread of social media. And in this final he came to the main topic called how social media promotes business success (Harcourt, 2017). Enabling connection between unknown or known individuals is the key functionality of social media. When we consider it based on business it links between businesses and customers to keep interested in their own goods. Social media is growing significantly; along with that the marketing strategies also changing because of the continues change in Fashion industry changes. So social media become unavoidable importance in today's world to prove it with an empirical research for supporting the effects of social media as a business tool and defining some strategies for

increasing the business and questionnaires' has been taken to support (Barai *et al.*, 2021).

The way of communicating with the customer has evolved with the aid of new technology concerns. So, it becomes a need for businesses to learn to use social media to sustain the competitive environment. Normally a social media research includes the definition of technology concepts, identify the impact of a company integration with social media (Krishnamurthy, 2018). The social media is the new business tool that is available to all the users in the current business environment. Which have the ability to develop a business in very short time period and create a good relationship with the customer in an effective way. But it doesn't require any sort of huge budget or time to work on it. Not only a huge business but also small businesses also have the chance to use the social medias to find out a huge number of customers for their business. Indirectly the social media opens up a huge backdoor for small medium enterprises and businesses to improve their business and make a brand awareness (Oxborrow, 2012).

Social media evaluate businesses to next level with effective communications, brand awareness, but some business leaders still have lack of knowledge in the field of social media applications and platforms. So, identifying social media marketing strategies to improve business can improve the businesses. Relationship marketing conceptual framework is used in this study. The study revealed how to increase the business leader's knowledge in social media strategies. Business sales, awareness of brands. The chance for business leaders to improve their business sales, arise of new job opportunities are some of the Implications of social change through this (Kim, 2020). Instagram, Facebook, Google plus, are some widely uses social media applications nowadays in businesses. Within a pool of social medias, Facebook is the dominator among them, because most of the people uses Facebook for promoting and brand awareness. Further, the social media is very popular in the century, so it is very common to use inside the society around the world. the reason behind social media become popular to businesses is it allow business to interact with the customers and make the customers updated all the time about the goods and services provided by the business. The

inbuild conversation, sharing ability are some of the key services behind the success of social media businesses (Abdullah *et al.*, 2020).

Social media significantly transforms Customer Relationship Management (CRM) strategies by facilitating real-time customer engagement, enhancing brand loyalty, and enabling personalized marketing, although challenges remain in data management and response strategies (Dhayalan and Professor, 2024). Small business managers who fail to engage consumers effectively through social media face greater risks of failure; effective content design, platform selection, and leadership engagement are key strategies for improving consumer involvement and promoting community growth (Nyamboli, 2021). Studies focusing on SMEs in emerging markets reveal that social media platforms like Facebook, Instagram, Twitter, and YouTube have a positive and significant influence on business growth, urging SMEs to maintain updated content that educates, informs, and persuades customers (Chibuzor Gbandi and Osasere Iyamu, 2022). Advanced analytical techniques combining machine learning and data envelopment analysis enable SMEs to assess the efficiency of social media marketing campaigns by analyzing messaging typologies and organizational metrics, supporting data-driven decision-making (Kongar and Adebayo, 2021).

III. PROBLEM STATEMENT

Social media has increasingly become an essential tool for business leaders in various contexts, including communication, interaction, and collaboration with customers. With the rising demand for social media engagement, nearly 60% of users now provide feedback or follow specific business profiles (Harcourt, 2017). Unlike traditional business methods where direct and frequent interaction with customers was limited, social media enables real-time communication and relationship building.

However, many small and medium-sized enterprises (SMEs) in Sri Lanka remain underutilized in social media applications and have yet to fully experience the benefits of these modern business approaches. A significant barrier is the lack of strategic knowledge among business leaders regarding effective social media

use for business growth. While some leaders understand how to operate social media tools, many do not have well-defined plans or strategies to navigate the highly competitive digital environment.

This knowledge gap prevents SMEs from maximizing the potential of social media to enhance their business performance. Therefore, the primary aim of this research is to identify and suggest effective social media business strategies tailored for Sri Lankan business leaders, enabling them to better engage customers, improve brand visibility, and drive sales growth in the local digital marketplace.

IV. OBJECTIVES

The main objective of this study is to identify effective social media strategies that can improve business performance for small and medium-sized enterprises (SMEs) in Sri Lanka. Specifically, this research aims to:

- Increase the contribution and integration of social media applications in business practices.
- Enhance the knowledge and capability of business leaders to apply creative and strategic ideas on social media platforms.
- Bridge the gap between expected and actual sales by leveraging targeted social media strategies.
- Provide actionable recommendations that can help business leaders optimize social media use to drive sales growth, customer engagement, and brand awareness.

V. METHODOLOGY

This study employs a qualitative research approach to explore strategies for improving e-businesses through social media. Qualitative methods are particularly suitable for deriving deep, contextual understanding from the experiences and insights of business leaders. The focus is on capturing rich, detailed data rather than quantitative measurement.



Figure 05: Picture of qualitative research

A. Sample selection and Participants

Six business leaders from various organizations, recognized for their successful use of social media in e-business, were purposefully selected as contributors to this study. Thirteen business leaders were initially invited via social media platforms Facebook, Instagram, LinkedIn, Twitter, and Pinterest resulting in eleven responses, including two rejections. Purposeful sampling was applied to choose the six most suitable participants based on crit.

B. Data collection Instruments and Procedures

Structured open-ended interview questions were developed to gather in-depth responses aligned with the research objectives. The interviews provided detailed, qualitative insights on social media strategies, challenges, competitor tactics, and perspectives on business growth via social media. Individual interviews lasted approximately fifteen minutes each, while group discussions extended to about one hour.

Interviews were conducted through Zoom meetings, recorded with contributors' consent, and transcribed using Google's Voice-to-Text tool to ensure accuracy. Additionally, surveys were distributed through WhatsApp and Viber groups using Google Forms and SurveyMonkey to supplement interview data with broader community perspectives. Relevant business documents such as social media posts, customer feedback, and marketing materials left by contributors were reviewed for triangulation.

C. Data management and Analysis

Interview recordings and survey responses were securely stored and organized for analysis. Manual qualitative content analysis was performed, identifying emerging themes and patterns related to effective social media strategies. The analysis was supplemented by reviewing secondary data from existing literature, prior surveys, and open-access databases to enhance validity.

Tools such as Google Calendar were used for scheduling interviews, and built-in Zoom recording features facilitated reliable data capture. Ethical considerations included obtaining informed consent from participants and ensuring confidentiality throughout the study.

VI. RESULTS

This qualitative study investigated how social media strategies can improve e-businesses in Sri Lanka. Data were collected through interviews with six carefully selected business leaders and supplemented by survey responses and business documents provided by the contributors.

Preliminary results indicate that Facebook is the primary social media platform used by all contributors for business purposes. Additionally, contributors maintained active and vibrant accounts on Instagram, LinkedIn, Twitter, and Pinterest to varying degrees, reflecting a strategic use of multiple platforms suited to their target audiences.

Table 01: Social Media Platform Activity of Contributors

Contributor	Facebook	Instagram	Twitter	LinkedIn	Pinterest
Contributor 1	Yes	Yes	No	No	No
Contributor 2	Yes	No	No	No	No
Contributor 3	Yes	Yes	No	No	No
Contributor 4	Yes	Yes	Yes	No	Yes
Contributor 5	Yes	No	Yes	No	No
Contributor 6	Yes	Yes	Yes	Yes	Yes

Yes → they are active in that social media application
No → they are not active / present in that social media application

The contributors bring a mix of expertise: Contributor 1 specializes in social selling with over five years of experience; Contributor 2 is a

digital marketing expert with six years of practice; Contributor 3 produces and distributes goods on social media platforms with seven years of experience. Contributors 4, 5, and 6 are founders and CEOs with varying tenures of less than two years.

Analysis of the interviews showed active engagement by contributors through frequent posts, customer feedback, shares, and likes. Observational data collected during interviews further supported these patterns.

Aligning with relationship marketing theory, the results demonstrate that effective social media use strengthens customer-business relationships and improves customer retention by delivering value consistently.

Through a combination of interview data and theory, five key strategic areas were identified as critical for business success on social media: knowledge of audience, performance measurement, sales and marketing calibration, customer journey mapping, and customer relationship management.

Table 02: Key Strategies Identified by Contributors

Contributor	Knowledge of audience	Performance measure	Sales and marketing calibration	Roadmap of customer	Customer relationship management
Contributor 1	✓	✗	✗	✓	✓
Contributor 2	✓	✓	✓	✓	✓
Contributor 3	✓	✓	✓	✗	✓
Contributor 4	✓	✓	✗	✓	✗
Contributor 5	✓	✗	✓	✓	✓
Contributor 6	✓	✓	✓	✗	✓

✓ → they Identified this strategy

✗ → they didn't identify this strategy

A. Knowledge of Audience

All the other partners of this paper underline that in the first step towards making the business better in social media is the knowledge of the audience is quite crucial. That is to get a grasp of which are the social media applications that the

customers are interacting with the most, to communicate to their customers better, more often, and request their feedback, comments and tips. The conclusion that one of the strategic approaches should be to have a deep Knowledge of audience is not a novelty, as all the existing literature proves that customer-centered strategy is one of the major contributors of positive business results in case of social media (Cao and Weerawardena, 2023).

B. Performance Measure

This is the point where most of the businesses are forgot to measure. Further, performance measure defines how much a social media platform make an impact in their business. This is a main key point for the success of a business effort they put into. Our results echo the findings of Witek-Hajduk and Zaborek (2022), who found that effectively measuring social media marketing activities and their impact on brand perception is directly correlated with enhanced firm performance.

C. Sales and Marketing Calibration

Sales and marketing calibration emphasize that the different between marketing and sales should not be a huge. In many businesses the marketing , sales are measures separately and differently, but a mixing of those two and make a calculation by collaborating them is a key activity to be consider to success in social media business. Because social media expose the difference between sales and marketing better than traditional businesses. So here a marketing team has to think like sales and sales have to think like marketing team.

D. Customer Journey Mapping

It defines that a explain a clear path for the customer from the start to end of a purchasing journey is very important to consider. Usually a customer start to experience a business from the initial first contact of them. So, from that initial point the company or business needs to guide the customer to how to achieve his goal.

E. Customer Relationship Management

Usually communication type is divided into two types one is Uni-directional , Bi-directional. This customer relationship management involves how messaging processes and interaction between a business and customer should be. It defines that

Bi-directional communication is always an ultimate key strategy for a success of a business with shorter reply time. Which indirectly improve the relationship, reputation of the business among customers also this behavior will differentiate the business uniquely among other competitors. Our interview data highlights the importance of bidirectional communication, which is a core tenet of customer engagement as defined by Kumar and Pansari (2016). This scholarly view supports the idea that true engagement goes beyond one-way messaging and builds a deeper relationship.

VII. DISCUSSIONS

The findings of this study suggest that the social media strategies identified can significantly benefit Sri Lankan businesses by enhancing their operational effectiveness and competitive positioning. Consistent with prior research, social media offers SMEs a promising avenue to attract and engage customers rapidly compared to traditional marketing methods (Oxborrow, 2012). Given that nearly 60% of consumers now utilize social media platforms for product research before purchase decisions (Venkateswaran, Ugalde and T., 2019), these strategies are especially relevant for Sri Lankan SMEs aiming to improve their market reach.

The study highlights a critical shift from conventional transactional selling toward comprehensive customer relationship management, enabling businesses to achieve key objectives, including increased sales and improved profits. Platforms such as Facebook, Instagram, Twitter, and LinkedIn provide cost-effective marketing and advertising solutions tailored to diverse customer segments (Harcourt, 2017). However, despite widespread social media presence, many Sri Lankan business leaders still lack a deep understanding of strategically leveraging these platforms to their full potential. As one contributor noted, while awareness of social media is common, clear strategic application remains limited.

Through applying the five strategic areas identified knowledge of audience, performance measurement, sales and marketing calibration, customer journey mapping, and customer relationship management businesses can convert customer engagement more effectively into sales and loyalty. Moreover, the successful adoption of

these strategies holds the potential for broader socio-economic benefits, including job creation in digital marketing, content creation, and social media management sectors, which may help address regional economic disparities within Sri Lanka.

It is important to consider several limitations of this study. First, the qualitative design focuses on conceptual insights rather than statistical generalizability. Second, the sample of six contributors, while carefully selected for their experience, represents a limited scope and may not reflect the full diversity of Sri Lankan SMEs. Third, subjective respondent opinions and experiences influenced the findings, underscoring the need for complementary quantitative studies to validate and expand on these insights.

Future research should explore larger-scale quantitative assessments of social media's impact on business performance in Sri Lanka, identify the most effective platform-specific strategies, and evaluate advertising techniques that can optimize customer acquisition and retention.

VIII. LIMITATIONS

This study is subject to several limitations. First, the qualitative research design prioritizes depth of understanding and contextual insights rather than statistical generalizability, which may limit the broader applicability of the findings. Second, the small sample size of six business leaders, although purposively selected for their expertise, restricts the diversity of perspectives and may not fully represent the wide range of SMEs operating in Sri Lanka. Third, the data rely heavily on the subjective experiences and opinions of the contributors, which could introduce bias and affect the objectivity of the results.

Additionally, secondary data sources and pre-existing surveys used for triangulation might differ in scope and relevance, potentially impacting the consistency of the findings. Future research involving larger, more diverse samples and quantitative methods would help to validate and extend these preliminary insights.

IX. CONCLUSION

Social media has become an indispensable tool in the modern technology-driven business environment, enabling companies especially

small and medium-sized enterprises (SMEs) to access a broad and diverse customer base beyond traditional geographical limits. This research aimed to identify effective social media strategies that add value to e-businesses in Sri Lanka.

The study's findings highlight five key strategic areas critical for growth: understanding the target audience, measuring performance, aligning sales and marketing efforts, mapping the customer journey, and managing customer relationships effectively. Implementation of these strategies enables business leaders to enhance brand awareness, increase sales, and foster deeper customer engagement.

To sustain high growth and remain competitive, Sri Lankan business executives are encouraged to prioritize social media marketing campaigns, focusing resources on customer-centric engagement and brand building. Beyond individual business success, the adoption of these strategies can generate employment opportunities in digital marketing fields and contribute positively to local communities and the national economy.

This study lays a foundation for future quantitative research aimed at validating and expanding on these findings, ultimately supporting evidence-based decision-making for social media use among Sri Lankan SMEs.

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