Small Businesses Communication Strategies on Instagram:

A Case Study in Hawai‘i

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This study analyzes the impact of viral content for small businesses on the island of O‘ahu. Nine local jewelry businesses were selected, and twenty percent of their Instagram posts over a six month time frame were collected and analyzed. The following social media strategies were found: displaying products, creating a product, location, news/updates, giveaways, and human interest. Moreover, public engagement of each Instagram post was analyzed with giveaways being the most popular communication strategy. Results of this research study suggested some important social media strategies for small businesses highlighting branding and relationship management practices.

Keywords: *Social media, small businesses, viral media, engagement, Instagram, communication strategies*

Introduction

Social media has continued to revolutionize the way people view companies and products. Regardless of the preferred platform, companies have been able to go “viral” off a single video that in return has tremendously boosted their sales (Martins, 2012). The question remains, how exactly do they go viral? Taking a deeper look into what types of content published can bring about higher success rates and increased brand recognition through interaction answers this question.

During the pandemic, companies struggled to make sales as people were indoors and many lost their primary source of income. Companies had to rely heavily on social media to promote their products. However, small businesses did not have the same brand recognition as major corporations, which left them at a disadvantage. Being able to see how much influence going viral actually has on sales and break down the factors to determine what might prompt the success allows a small business to direct their effort efficiently and optimize their profits.

Being located in a small metropolitan area means there are less potential people to reach. O‘ahu has a population of about one million people as of 2021 (U.S. Census, n.d.). With the added knowledge of how to have a higher chance of going viral within a smaller demographic area, small businesses would have the potential to bring in more consumers. If one video would be shared to the user’s social network it could gain exposure to all of their users. Understanding viral content will allow for future development on other platforms and continue to support the success of small businesses in reaching targeted audiences.

I am a senior graduating from the University of Hawai‘i at Mānoa with a B.A. in Communications with Honors and a minor in Business. Over the course of my senior year I wrote an undergraduate thesis focusing on what strategies small businesses utilize to promote their company. This work was completed to satisfy the requirement to graduate with honors and hopefully can be used to strengthen social media use by local small businesses to gain a stronger following and relationships with consumers.

Literature Review

New platforms and algorithms are being introduced to the technological world at a rapid pace. Analyzing the effects of going viral is vital as social media advances. Viral marketing can be defined as small businesses that have a great impact on newer generations through identity formation and the importance of strategy in order to have the most success.

Small Business

Small businesses are defined as "a business in which there is no public negotiability of common stock, and a business in which the owners must personally guarantee any existing or any planned financing" (Osteryoung & Newman, 1993, p. 227). Small businesses are supported by themselves and typically do not have a financial backing of a major corporation. Therefore, if a social media campaign requires a large financial need, it is harder to allocate the limited funds. It is important to note that in the current time period small businesses are still recovering from the Covid-19 pandemic.

Large businesses are often found in a position of greater flexibility when compared to small businesses. In a 1993 study, Shama evaluated businesses ranging from fortune 500 to small local businesses and found that company size had a direct impact on "promotional appeal" (p. 70). With these slight imbalances, small businesses are not able to get as much recognition, leaving them at a disadvantage. By studying small businesses, small businesses will have more information in order to shrink this gap and make more understood decisions going forward.

Social Media in Business

Viral content, due to how relatively new the topic is, is hard to define. Social transmissions are the interactions amongst platforms that are frequent and important (Berger, 2012). Anything has the potential to go viral, but it comes down to how much people are inclined to share or interact with the content. People share to entertain, so if a post is entertaining, they will then provide the free service of starting a viral video (Berger, 2012). Viral content has become the secret tactic, which has made social media an important part of bringing success to small businesses.

Instagram

For the purpose of this paper, the research will be centered around feed-based social media with an emphasis on Instagram. Instagram relies heavily on visuals to communicate communicate messages to users who value authentic posts compared to content created solely for views (Francisco et al., 2021). In a survey conducted by St. Peter's University School of Business, the authors found that people followed influencers to have a mood change or to be productive or motivated (Francisco et al., 2021). Once influencers post about a product or business, the same mentality is presented. It has been proven that visuals that communicate narrativity cause higher engagement amongst users (Dhanesh et al., 2022). When businesses are able to improve the engagement, then more users will see their content. Users utilize this to gain from a company and participate in silent sharing. When people are passively interacting with an account they are actually absorbing the information more (Dolan et al., 2019). A relationship of content and shares is important to notice for trends. When companies are posting giveaways, the idea is to spread information, but if nobody is interacting with the content it is not being successful.

Relationship Strategies on Social Media

As social media continues to expand, it is no longer simply about being on a platform but more about creating a relationship via social media. On Instagram, 71% of globally known brands are utilizing the platform to engage with consumers and aim to create a relationship (Delafrooz et al., 2019). With all the media that is accessible, it is important to create content that stands out and will make users want to come back to learn more about the product/service. Studies have shown that emotional and informative messaging relationships go hand in hand with invoking consumers' emotions (Rietveld et al., 2020). One major way companies have been able to grow is eWOM, electronic word of mouth (Delafrooz et al., 2019). Just like in real life, when people find something that they enjoy and think others would, they are fast to show. By building a relationship with consumers via interacting or showcasing a more emotional side, companies are able to produce more traffic on their platforms and see an increase in connection.

Research Questions

To discuss the communication strategies of Instagram for local businesses on O'ahu, the following research questions have been proposed:

RQ1: What Instagram audience engagement strategies do small local O'ahu businesses adopt?

RQ2: How do Instagram audience engagement strategies correlate with virality metrics?

Method

Content Analysis

To begin this thesis project, nine companies needed to be evaluated in order to research the effects of viral campaigns. Criteria for selecting companies included location on O'ahu and selling jewelry.

Twenty percent of the posts over the course of March 2023 until September 2023 were selected. These posts were selected at random and ranged from photo, video, or photo series. Screenshots and screen recordings of each post were documented. Each post was assigned a number to easily identify and compare the companies with their method of social media publications.

For each collected post, the following categories were logged: date, view amount (if applicable), comment amount, interaction amount, hashtag amount, type of content, general purpose, description of the media, description of the caption, and any extra information.

Selection of Businesses

It was important that all of the companies were as similar as possible in order for the data to be valid. An even playing field was established by including companies that had a common target audience, price point, and network (time on a social media platform and amount of followers).

Company Breakdown

Three tiers of companies had been determined for this research. After selecting nine small businesses, the following count determined what tier they were in. The first were companies that had between 1,000 and 10,000 followers. Kikinekrafts, Leighton Lam, and Kahakai Hi were the three businesses selected. Kikinekrafts is a company that has roughly 7,800 followers. The price point of their jewelry is roughly $45-180. Leighton Lam has 2,300 followers with a price range of $20-270. Lastly, Kahakai Hi has accumulated over 1,800 followers with products costing $40-180.

The second tier of small businesses must have between 10,000 and 20,000 followers. Kolohe Jewelry has 13,600 followers with pieces costing $100-400. Laine has a following of 10,300 with price ranges from $20-100. Sweet Okole Jewelry has 17,800 followers and is priced from $20-260.

Finally, the top tier is companies with over 20,000 followers. Aja Jewelry has 22,900 followers on Instagram with pieces ranging from $30-100. Treasure Hawaii has 58,800 followers and their price point is from $40-170. Lastly, Ocean Creations has a wide price range of $20-200. They have a following of 28,800.

Table 1. Tier, Follower Amount, and Price Point

Tier	Follower Amount	Price Point
1	1,000-10,000	$20-275
2	10,000-20,000	$20-400
3	20,000+	$20-200

Measurement

While analyzing social media posts, this study focused on the goal of the post, whether it mainly presented a product, tried to build a relationship, informed viewers, gave behind the scenes knowledge, or promoted engagement. Once the purpose was understood, the interaction amount was taken into consideration. How many people interacted with the post compared to other categories could mean the post had a more popular content.

In terms of measurement for this research, it was based on the popularity of each post. The amount of likes and comments obtained from each individual post was compared to the type of content and purpose to allow for a better understanding of whether viewers liked what they saw and if the post was successful. All data was logged in an excel spreadsheet.

Results

One hundred and twenty-two post samples were taken from the respective nine small jewelry businesses. Tier 1 had 31 posts, Tier 2 had 35 posts, and Tier 3 had 56 posts.

Hashtags beneath the posts ranged from 0-34, comments per post ranged from 0-970 and the average amount of views per video in each tier varied. Tier 1 would average 2,147 times, Tier 2 would average 6,290 times, and Tier 3 would average 25,883 times.

Relationship Communication Strategies

Research question one sought to determine the relationship strategies of small businesses in Hawai'i via their Instagram posts. Thematic analysis results show the following six main categories from the selected posts: Displaying Products, Creating a Product, Location, News/Updates, Giveaways, and Human Interest.

Displaying Products

Displaying products was the most prominent category of posts analyzed. These posts' main point was to showcase

what their products looked like and describe what they are. For example, on Post 18, the company captured a close up video of custom jewelry supply cases that they create. The caption underneath the post stated that the item is back in stock and can be found on their website. Having this seen and written promoted the product to be purchased by anyone who viewed the content.

Due to the fact that the companies were all based in Hawai'i, the majority of the posts were set on the beach. Captions of displaying product posts also alluded to a description of what is seen. In Post 92, a breakdown of each piece and who the person is was stated in the caption to allow the viewer to fully know what the products are.

Creating a Product

Taking a look behind the scenes for viewers to have insight on how the jewelry was actually made was the overall purpose of the content. Following along in a step-by-step fast motion video from the point of view of the designer was the most common form. Each of these posts alluded to the process in which a product was created and suggest that the viewer was gaining insider knowledge. These posts included a description of the product and had the main purpose of trying to captivate the viewer into wanting the product. Videos that were short and straight to the point were the common form of content.

Location

Physical location-based activities were primarily done via video and gave the viewers a look at what they would see in a location. For example, Post 80 aimed to familiarize viewers with their store layout. This type of content aimed to remind viewers and entice them to come in and see first-hand what they could buy.

Not only were these posts informational, but they were also helpful in promoting sales. Making it easier to locate and not having to guess or hope for a store, location posts allowed for more opportunities and outlets to make sales. On top of this, by highlighting the location, Hawai'i's beauty could be featured. This gave a niche scenic view that only small businesses on O'ahu could feature.

News/Updates

News/Updates posts were very straightforward content for viewers to see. These ranged from product announcements to local news, sales, and general updates on locations and features. Typically these posts were text-heavy pictures displaying new information and directly speaking to viewers as if they were having a conversation telling them exciting news. In Post 34, there was exciting news of a new magazine cover in Japan that featured the small business that created the post. The photo content was simply the cover of the magazine and the captions were straight to the point. The news/updates posts created a sense of community, which created a stronger relationship between consumer and company.

Giveaways

Anything that offered a prize or reward in exchange for an action classified as a giveaway. These interactions could range from commenting, sharing, tagging, or other interactions on a post. The content itself contained collages of items that could be won if the viewer was deemed a winner. Captions went more into detail on the rules, as seen in Post 7. Giveaway content also included the follow up on who won. This allowed for viewers to see that it was a real giveaway with winners, like in Post 40.

A minimum amount of cost is associated with giveaways as the prize was typically the company's own product. Once a person sent the content to someone else, they would be enticed to enter after sharing the content. Spreading news in this fashion is successful in creating social interaction and starting relationships with those who are sent the content.

Human Interest

Posts that were made with the intention of being relatable to various audiences were deemed a part of Human Interest. This had the most range in what qualified. Some posts were people sitting on their boards in the middle of the ocean reminding people to have a great weekend and the captions would encourage users to participate in beach cleanups (Posts 26 and 110). These photos and videos were also able to highlight the beautiful location. These are lighthearted posts to bring in a more human touch to the account.

Building a relationship between the consumer and the company was the goal. By sharing what is going on outside of the office, human interest is relatable and fun to see. Growing a relationship with consumers makes a company more than just a product and instead makes a connection that can be furthered.

Popularity of the Content Type

The second research question asked how these characteristics related to the popularity of the content in terms of views and comments. On average, showcasing a product (i.e. displaying products) received the highest number of views and comments followed by giveaways, news/alerts, human interest, location, and creating a product.

The displaying products category did not have as many posts and it was harder to determine a difference amongst the tiers. In Tier 3, the average number of views was the same, but the comments had a much higher interaction rate due to the

responses of the company. Viewers would comment and the jeweler account would respond to, or at least like, what the viewer had to say. In some instances the content received six comments; the company liked them all and answered two questions (e.g. Post 108).

Giveaways were the most rare content produced. However, they accumulated drastic amounts of comments. Both posts in Tier 3 accumulated over 770 comments. This brought attention to the company and allowed for users to leave information within the company account with which to build a relationship. These large amounts of comments represent the amount of people who not only saw the content, but took the time to participate in exactly what the companies wanted.

News alerts were all portrayed via photo on the feed and ranged from 0-7 comments. This was average. Within Tier 2 some content had zero comments and received the lowest amount of views at 2,972. Tier 1 & 3 followed this pattern.

Human interest across the companies had an average performance. Only one post in Tier 3 stands out as it surpassed 125,000 views. As Tier 3 also had the most human interest, it did receive a noticeable amount of comments per post. These were from some people excited about the content, but also some concerned for the ethicalness of collecting certain products (e.g. Post 120). Having higher interactions on certain posts allows viewers to feel connected.

Location content was hit-or-miss on interaction with the company and viewers. There were two posts that received a lot of traction as they highlighted new venues. In Tier 2, the post prompted a conversation within the comment section with two viewers growing a connection. This in turn brought more interaction on the post and was visible to all viewers. In Tier 3, every post about location received 2-32 comments. These numbers are drastically different and have a high form of communication/relationship building for the respective companies.

Finally, creating product videos did not do as well in interaction rates. This category received below average views and comments. Although there were minimal posts to go off of, the interaction amount did not support the generation of following desired.

Discussion

This study analyzed the different types of content posted by small businesses and what the most popular types of content are depending on the tiers specified. Overall, the study presented displaying products was the most popular type of content as it was the most frequent. Following data showed that, for both Tier 1 and Tier 2, the second most popular content types were news/updates and for Tier 3, human interest. Moreover, results show that showcasing a product earned the most popularity on social media having the highest number of views and comments followed by giveaways, news/alerts, or human interest.

Previously, scholars explored how certain types of social media content become viral and motivate people to interact (Berger, 2012). For example, when media content has a cue of relationship building, people may share the content more with others (Hughes et al., 2007). As mentioned by Gunawan and Huarng (2015), viral media is very dependent on social interaction. For example, when posts received a large amount of comments and users felt that a relationship was being built. In this study, this can especially be seen within giveaway posts. Giveaway is one of the types of content that received the most amount of comments; hence, creating a viral post. The more users who see content, the more opportunities they have to click on the company and either purchase products or learn more. This becomes an ideal strategy for small businesses because they do not have as much cash flow when they are starting out. If small businesses can focus on creating content that will easily be seen by potential consumers, they will in turn receive free publicity.

Showcasing products remained the most prominent topic. Despite the company, or which tier they fell in, the imagery was very consistent. Consistency is needed in order to create a brand and mission statement (Steyn & Niemann, 2014). By constantly being able to relate back to the core of promoting the company, each tier was able to excel in their respective areas. Even if companies posted a variety of content, it all tied back to their product and that is what allowed users to know what they were seeing. Creating their own brand was an aspect that could be expanded on. Due to the fact that each jewelry piece was on display, without knowing what the brand was or looking at who posted the content, it could be difficult to tell them apart from each other. Brand recognition cannot be forgotten.

Within the third tier human interest was very common and successful. As tiers are based on the amount of followers, this is a very important aspect to note. In previous studies, it has been deemed that emotional messages after previous exposure have a greater impact (Rietveld et al., 2020). For companies that already have a significant presence online, posting content around a family oriented perspective saw more posts doing well. Through this research it is apparent that people enjoy seeing what local jewelry companies have to offer by following the amount of posts and comments. By not only sharing news updates about the company, but also about important events in the area customers then feel connected as if the company wants them involved.

Social media is an asset that is continuing to expand and develop small businesses on Oʻahu. Within the communications field, information is being developed to help train and prepare the next generation in ways of optimizing the tools in their possession. Adding the knowledge of viral content

to improve a public relations campaign for small businesses will establish a foundation for a way to cost effectively generate brand recognition and sales. In general, the idea of viral marketing/content is only creating a bigger impact so understanding as much as possible now will allow for those in the field to take advantage of the current state of social media.

Limitations

Due to the fact that all of the data was collected months after original posting, older posts may have more chances to get more likes or comments. In order to combat this change, collecting this research in real time would be beneficial to chart growth over time in order to also allow for content to be seen as fast growing or small growth over time.

This research focused on one industry of small businesses in one location. Exploring other fields would also be beneficial to see the variations amongst small businesses. For example, looking into restaurants or clothing stores could yield different results as they are aimed to meet different audiences. Lastly, there are many different platforms of social media, each with different algorithms. Although this research analyzed Instagram, it can be applied to other platforms to see what their content reveals.

Conclusion

By analyzing the Instagram content of nine small jewelry businesses on O'ahu, the findings yielded insight to the success and areas of growth. Six categories were determined as the main types of content posted listed as displaying products, creating a product, location, news/updates, giveaways, and human interest. From these categories displaying a product was the most frequent. Despite the tier, all of the content revolving around displaying a product were very similar and hard to distinguish between, and giveaway content received the highest amount of interaction across the three tiers. Within Tier 3, human interest was very frequent and led to the findings of creating a relationship with consumers to be important for growing a number of followers. By using communication strategies to promote their product and build a relationship with their viewers, small businesses would make their content viral and receive a vast amount of consumer engagement.

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