

Exploring the Impact of Social Media Marketing on Customer Acquisition for a Graphic Design Firm

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Abstract

In today's digitally dominated environment, customer acquisition is essential for business growth, particularly for graphic design firms. The utilization of social media platforms as essential instruments for business promotion has led to the widespread implementation of methods such as influencer marketing and paid promotions on platforms such as Instagram and Facebook, with the primary objective of acquiring customers. Despite their widespread use, there is a notable lack of literature examining the efficacy of these strategies for graphic design firms. This conceptual paper provides a comprehensive examination of the existing research pertaining to customer acquisition, with a specific emphasis on the features associated with social media marketing strategies in the graphic design firm. Additionally, this study highlights existing areas of research that have not been well addressed and proposes potential directions for future qualitative and quantitative investigations. The study seeks to provide a fundamental comprehension for graphic design firm aiming to improve their customer acquisition tactics through the implementation of successful social media marketing strategies by outlining these areas of prospective investigation.

Keywords: Customer Acquisition, Social Media Marketing Strategy, Graphic Design Firm, Paid Advertisement, Influencer Marketing, Small Businesses.

Introduction

In the context of the highly competitive field of graphic design, the acquisition of customers holds utmost significance for the expansion and sustainability of small enterprises. The concept of customer acquisition is the systematic approach of recognising, enticing, and maintaining clients who generate substantial profits. In the rapidly changing field of digital marketing, understanding the concept of customer acquisition through social media is paramount, particularly for graphic design firms. This conceptual paper delves into the theoretical underpinnings of social media marketing strategies and their important role in

shaping customer acquisition processes. The exploration is especially relevant for graphic design firms, where advertising and branding are key to business success.

According to Nasir (2015), a successful company strategy should place emphasis on two key factors: the growth of the client base through new acquisitions and the provision of exceptional customer experiences. This approach guarantees the maintenance of revenue from loyal customers. Despite the widely acknowledged importance of customer acquisition, there is a distinct theoretical gap regarding the application and impact of social media marketing strategies in the graphic design business. This paper aims to bridge this gap by conceptualizing how these strategies influence customer acquisition, therefore making a valuable contribution to the wider discussion in digital marketing concept.

Ang and Buttle (2010) assert that in the context of increasing marketplaces, it is crucial to focus on enlarging the total market rather than solely preserving specific consumer bases. Given that the long-term survival of a company is contingent upon its capacity to expand its client base, it is imperative for organisations to proactively pursue new customers. In many industries, the continual acquisition of clients is not merely a strategic approach, but rather a critical factor for the long-term viability and sustainability of businesses. This study seeks to expand the existing body of knowledge on digital marketing strategies within a specific industry context. By developing a conceptual framework, it offers fresh perspectives on how graphic design firms can navigate the complexities of social media marketing.

Due to its widespread availability and prevalent utilisation, social media has emerged as a crucial marketing channel for effectively engaging customers and fostering their active involvement with brands. The utilisation of social media platforms has provided marketers with a highly effective strategy due to its ability to reach a far broader audience compared to traditional advertising methods (Erlangga et al., 2021). This paper offers valuable insights for practitioners in the graphic design industry, strategists in digital marketing, and academics. It provides a structured theoretical approach to understanding and applying social media marketing strategies effectively within the business context. In the past decade, social media have exploded in prominence. About 78.5% of Malaysians were active on social media platforms as of January 2023, with Instagram alone recording 15 million users in 2022, an increase of one million from the previous year (Statista, 2023c). This shift has improved the reach and flexibility of advertising campaigns and changed the way firms communicate with their customers. (Rosário & Dias, 2023). Numerous businesses are establishing ties with customers through various digital mediums to take advantage of this rapid rise. According to Buttle and Ang (2004), for customer acquisition strategies to provide desired results, it is crucial for firms to determine the appropriate target audience, identify the most successful communication channels, and offer the most suitable products or services. Social media has emerged as a powerful tool in the field, allowing businesses to effectively connect with potential customers based on their specific demographics, interests, and behaviours (Tsiotsou, 2019). Social media platforms have become an integral part of the information exchange process, making it easier for both established and up-and-coming firms to contact their target audiences (Krishnamurthy et al., 2023). Through a comprehensive conceptual analysis, this paper aims to review effective social media strategies that can be theoretically linked to successful customer acquisition. This study establishes a basis for future empirical investigations and presents a strategic perspective for practitioners to analyse and enhance their marketing strategies in the digital domain.

In today's highly connected digital world, companies are increasingly turning to a wide variety of social media sites to promote their products or services. According to Krishnamurthy et al.,

(2023), in recent times, influencer marketing has emerged as a promising strategy that has demonstrated significant efficacy in boosting customer acquisition efforts. Social media influencers, who are regarded as reputable figures in their respective sectors, can significantly affect their audience's purchasing decisions and preferences (Krishnamurthy et al., 2023). In line with this trend, the worldwide influencer marketing sector's market value has more than doubled since 2019, reaching an astonishing 21.1 billion US dollars in 2023 (Statista, 2023a). The process, however, is not without difficulties. Identifying an appropriate influencer continues to be a critical concern for organisations; the process is complex, with many firms unable to make the best choice (Vyatkina, 2020). Influencers' strength lies in their perceived credibility and expertise, a sentiment shared by customers who show a willingness to adhere to influencers' recommendations (Belanche et al., 2021). Nonetheless, while influencers provide promising pathways for consumer acquisition and brand engagement, identifying the ideal influencer one who connects deeply with a target demographic and expresses the proper message for the company remains a difficult task (Chopra et al., 2020).

According to Kumaradeepan (2020), online advertising plays a crucial role as a primary mechanism for firms and marketers to exhibit their products and services. Within this domain, social media advertising emerges as the dominant force, encompassing any creative content disseminated across platforms such as Facebook, Twitter, Instagram, and YouTube to attract and acquire consumers (Khaleeli, 2020). By leveraging these platforms, businesses are afforded a rare opportunity to forge deeper connections with their audience through the delivery of personalised and immersive promotional content (Lahuerte-Otero & Cordero-Gutiérrez, 2015). The significance of this advertising medium is demonstrated by its financial indicators. According to Statista (2023b), the global social media advertising industry was valued at 181.2 billion U.S. dollars in 2021, and it is projected to increase to 358 billion U.S. dollars by 2026. The major focus of these marketing initiatives is the desire to influence consumer behaviour by altering their perceptions and fostering brand loyalty, ultimately resulting in increased intents to make purchases (Mehta & Udita, 2020). One commonly acknowledged principle in this domain is the efficacy of frequent advertisement, which plays a crucial role in enhancing remembering a brand, a key determinant in converting a prospective lead into an acquisition that succeeds (Mehta & Udita, 2020).

Therefore, this paper aims to review the literature on social media marketing strategies for customer acquisition and effectiveness of influencer marketing and paid promotion for enhancing customer acquisition.

Literature Review

Customer Acquisition

According to Nasir (2015), customer acquisition is the process of identifying and enticing prospective customers to a company. This process incorporates all marketing and sales activities designed to generate leads, convert them into paying customers, and establish a lasting relationship with them. Customer acquisition strategies include advertising, social media marketing, and referral programs. Customer acquisition's primary objective is to increase the business's customer base and revenue. It is one of the most important performance indicators of business growth and success, given the significance of expanding the customer base to increase revenues and profitability (Ang & Buttle, 2010).

In addition, Schendzielarz et al. (2022) confirmed that social media adoption by salespeople or companies can improve customer acquisition performance, demonstrating the value of direct interaction with potential customers on social media platforms. Liu et al. (2021)

demonstrated that innovative and carefully designed social media strategies can substantially increase digital customer engagement, which helps with customer acquisition.

However, the strategy for acquiring customers through social media varies by context and industry. Kazienko et al. (2013), for instance, highlighted the successful use of social networking sites in acquiring new business clients; however, research focusing specifically on the effectiveness of various social media marketing strategies for customer acquisition in small graphic design companies remains limited. This study seeks to address this gap by investigating the effect of social media marketing strategies, specifically influencer marketing and paid promotions, on customer acquisition in the context of small graphic design firms.

Influencer Marketing

A growing body of research demonstrates that influencer marketing has a positive effect on customer acquisition. Consistently, research demonstrates that influencers, with their extensive reach and trustworthy relationships with followers, can significantly increase brand awareness and customer engagement, resulting in greater purchase intent and customer acquisition numbers (Ao et al., 2023). Various studies (Belanche et al., 2021; Baig & Shahzad, 2022; Atiq et al., 2022) indicate that the effectiveness of influencer marketing is dependent upon several factors.

For instance, Belanche et al. (2021) emphasized the importance of influencer-audience fit, finding that the demographic alignment of the influencer's audience with the target consumer base can maximize the promotion's impact. Despite their large sample size and thorough statistical analysis, their research was mainly focused on fashion influencers, thereby limiting the broader applicability of their findings.

Baig and Shahzad (2022), in their study of influencer credibility, discovered that trustworthy and knowledgeable influencers may significantly boost consumer trust in a brand, thereby increasing purchase likelihood. Although based on a comparatively small sample size, this study offers valuable perspectives into the role of trust in influencer marketing.

In addition, Atiq et al. (2022) demonstrated that the content strategy is crucial to the effectiveness of influencer marketing. Their research revealed that story-based or value-driven content, as well as content that features influencers' personal experiences with the product, can increase audience engagement and increase conversions.

These studies provide important insights into the effectiveness of influencer marketing. However, they also disclose gaps in the literature, particularly regarding the applicability of these findings to the social media marketing strategies of graphic design firms.

Paid Social Media Promotions

According to Ahmad & Guerrero, (2020), paid promotions on social media platforms have proven effective for increasing brand visibility and attracting new consumers. These promotions, which require paying the platform for displaying the brand's content to a broader or more targeted audience, can substantially increase the reach and engagement of a brand. The significance of visual appeal, message clarity, and the perception of the promotion's authenticity has been emphasized by research on the design elements of effective paid promotions. For instance, Ahmed (2020) conducted a study examining the influence of visual elements in social media promotions and found that visually appealing and distinctive promotions tend to attract user attention and encourage higher levels of engagement.

Aitken et al. (2015) emphasize the importance of clarity in advertising messages, particularly within the context of paid social media promotions. They assert that a clear, well-presented

message is essential for guiding consumers through cognitive, emotional, and conative stages and ultimately persuading them to act. Despite the given insights, Aitken et al.'s research was conducted in 2015; the rapid evolution of digital marketing trends might require additional research to validate these findings in the present context.

Social Media Marketing Strategy

In the modern marketing landscape, social media has emerged as a crucial platform. Small businesses, including those in creative industries such as graphic design, are utilizing social media to engage with their target audiences, develop brand awareness, and establish a robust online presence (Dwivedi et al., 2020). Studies demonstrate that carefully designed social media marketing strategies can substantially increase a small business's reach and customer engagement (M A R & R S, 2016). This increase in visibility has the potential to increase website traffic and customer acquisition (Kietzmann et al., 2011).

Various strategies, such as paid promotions, organic content creation, and influencer marketing, can be utilized in social media marketing (Taiminen & Karjaluoto, 2015). Paid promotions and influencer marketing may require an investment, but they can substantially broaden a company's reach and visibility (Djafarova & Rushworth, 2016). In contrast, organic content creation, despite being more time-consuming, is a cost-effective strategy for establishing long-term relationships with genuine customers (Brodie et al., 2011). Despite the fact that no specific studies have investigated the combined impact of these strategies, the existing literature reveals valuable insights into their individual effectiveness.

Discussion

The objective of this study is to review the literature on the impact of social media marketing strategies and customer acquisition for graphic design firms. First, there has been a significant rise in the adoption of influencer marketing due to the substantial impact exerted by prominent individuals on social media platforms. The extensive reach and reputation of influencers can greatly enhance brand recognition and audience interaction, perhaps resulting in higher customer acquisition rates. Numerous studies have demonstrated that the efficacy of influencer marketing is based upon several key elements, including influencer-audience fit, influencer credibility, and content strategy. Furthermore, paid social media advertising provides brands with the benefit of heightened visibility. When implemented with aesthetically pleasing designs and concise messaging, these promotional efforts have the capacity to attract substantial customer attention and foster engagement with the company. It is worth noting that although both tactics offer distinct advantages, their effectiveness in the specific setting of small graphic design companies has not been thoroughly investigated.

Conceptual Framework

The conceptual framework employed in this study as illustrated in Figure 1 outlines the proposed connections between customer acquisition and social media marketing strategies. It suggests that Influencer Marketing and Paid Social Media Promotion are the two main social media strategies to increase consumer acquisition.

Influencer Marketing decomposed into three fundamental elements. First, Influencer-audience fit refers to how closely an influencer's follower demographics align with the brand's target market. A good fit can result in higher engagement and conversion rates (Belanche et al., 2021). Secondly, Influencer credibility is the level of trust and authority an influencer has can affect their ability to sway their followers' purchasing decisions (Baig & Shahzad, 2022).

Third, effective content strategy is the creation of content that resonates with the audience can drive engagement and lead to conversions (Atiq et al., 2022).

Paid Social Media Promotion split into three elements. The first visual appeal refers to the aesthetic design of social media advertisements that catch the user's eye and can improve the likelihood of customer acquisition (Ahmed, 2020). Second, message clarity refers to the clear and understandable advertisement message can guide consumers through the decision-making process (Aitken et al., 2015). Third promotional authenticity refers to authentic and genuine promotions can increase consumer trust, which is pivotal for converting interest into purchases (Ahmad & Guerrero, 2020).

These methods are theorized to play a role in facilitating effective social media marketing strategies that have the potential to result in successful consumer acquisition. Customer Acquisition is the ultimate goal of these strategies is to acquire new customers. This involves identifying potential customers and nurturing them through the sales funnel until they make a purchase (Nasir, 2015; Ang & Buttle, 2010). The effectiveness of social media marketing in this regard is supported by the increase in digital customer engagement, which plays a pivotal role in acquiring customers (Schendzielarz et al., 2022; Liu et al., 2021).

The framework in figure 1 demonstrates that a strategic combination of influencer marketing and paid promotions, guided by the underlying principles of fit, credibility, content strategy, visual appeal, message clarity, and authenticity, can effectively contribute to customer acquisition. It emphasizes the importance of each element and their interdependence in achieving the desired result of expanding a business's customer base.

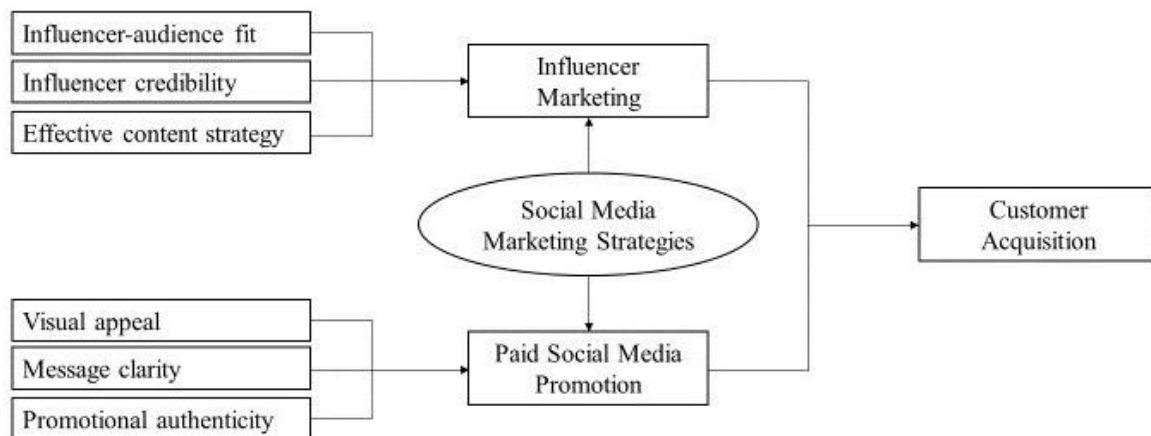


Figure 1: Conceptual Framework of Social Media Marketing Strategies Influencing Customer Acquisition

(Source: Ahmad & Guerrero 2020; Ahmed 2020; Aitken et al. 2015; Ang & Buttle 2010; Ao et al. 2023; Baig and Shahzad 2022; Belanche et al. 2021; Nasir 2015)

Conclusion and Future Studies

Due to the rapid advancement of the digital age, social media platforms have established a significant niche for businesses. This paper has reviewed existing literature to understand the impact of social media marketing strategies on customer acquisition, with a focus on graphic design firms. It has identified that, while social media marketing is widely studied in general, its application in graphic design firms, particularly with respect to influencer marketing and paid promotions, requires more attention. The review has highlighted the prospective advantages of employing these tactics within graphic design firms, while also emphasizing the necessity for further study that is relevant to the industry. A qualitative approach is critical in

terms of future study. Semi-structured interviews with these companies can provide thorough insights because lead entrepreneurs and marketers discuss their first-hand experiences and tactics. This will not only provide a more complete contextual knowledge but will also highlight specific obstacles and success stories in the field of social media customer acquisition. Similarly, quantitative analyses are also essential. By attentively monitoring and evaluating social media metrics such as follower count, reach, conversion rates, and engagement levels, it is possible to provide concrete evidence of the effectiveness of different strategies. Not only do these metrics quantify the success of influencer marketing and paid promotions, but they also guide businesses in refining their strategies based on measurable results. In summary, the objective is to provide a comprehensive integration of qualitative and quantitative perspectives, with the aim of enabling graphic design firms to effectively use contemporary social media marketing methods. The outlined roadmap for future study holds the potential to enhance comprehension and offer more customized recommendations for these firms in their pursuit of sustainable expansion and market leadership.

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