

# Influence of Instagram Reels on Marketing Tactics of Small Businesses: Insights from Pakistan

**Dr. RABIA NOOR**

(Corresponding Author)

Assistant Professor, School of Creative Arts, The University of Lahore.

Email ID: [rabia.noor@soca.uol.edu.pk](mailto:rabia.noor@soca.uol.edu.pk) / [rabiaep1@gmail.com](mailto:rabiaep1@gmail.com)

**HUMA ZAFAR**

Research Scholar, Middlesex University, UK.

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## Abstract

*This qualitative research investigates the impact of Instagram Reels on small businesses in Pakistan, exploring the perceptions, experiences, and strategies of business owners regarding the use of Reels for marketing purposes. Through semi-structured interviews with 10 small business owners, insights were gathered on the influence of Reels on brand expansion, effective utilization strategies, and new business opportunities, standout advantages in social media, long-term vision, concerns, and future adjustments. The findings reveal that Instagram Reels serve as a dynamic tool for enhancing audience engagement, brand awareness, and overall business promotion. Creativity, consistency, and strategic planning emerge as critical factors in maximizing the effectiveness of Reels. The study contributes to theoretical understanding by integrating the Technology Acceptance Model (TAM) and Social Cognitive Theory (SCT), offering a holistic framework for analyzing Reels adoption. Practical recommendations are provided for small businesses to experiment with diverse content formats, develop structured posting schedules, utilize analytics tools, encourage interaction, and stay abreast of platform changes. By implementing these recommendations, businesses can harness the full potential of Instagram Reels to drive growth in the digital landscape.*

**Keywords:** Instagram Reels, Small Businesses, Social Media Marketing, Brand Promotion, Audience Engagement.

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## Introduction

In recent decades, the proliferation of small entrepreneurial ventures has significantly impacted Pakistan's economic landscape, fostering creativity, innovation, job creation, and community engagement. However, establishing a small business in Pakistan poses numerous challenges. It is imperative to explore innovative strategies that can assist these enterprises in thriving amidst the ever-evolving realms of the internet and technology, ensuring their success and expansion in the contemporary digital era. Social media platforms have emerged as invaluable tools for business promotion, with Instagram's "Reels" standing out for its concise and dynamic video content. This thesis aims to delve deeply into the impact of Instagram Reels on small businesses in Pakistan, specifically examining how it facilitates growth, revenue generation, and expanded reach. As marketing methodologies undergo transformation in Pakistan's digital landscape, it is crucial for business owners and researchers to comprehend the transformative potential of Reels in driving business success. In the digital age characterized by pervasive connectivity and the widespread prevalence of social media, small businesses in Pakistan confront the dual challenge of establishing a strong online

presence and thriving in a competitive landscape. With over 3.2 billion active social media users globally, and approximately 70% of small businesses leveraging at least one social media platform for promotional activities (Khan et al., 2021), the significance of harnessing these platforms for business growth cannot be overstated (Ibrahim, 2021).

Facebook and Instagram have become the go-to platforms for small businesses to present their content, especially through features like Reels. A notable global trend highlights the significance of Reels, with 47% of consumers utilizing this feature to discover and explore new products (Desalu, 2023). Content disseminated on platforms like Instagram Reels spans various categories, including personal, educational, and business-related updates. According to a survey on the 2021 Digital Literacy Status, a remarkable 73% of individuals rely on social media platforms for accessing information (KIC, 2022). Instagram, typically recognized as a platform for sharing photos and videos, appeals to younger users, offering them a space to share and explore content captured using their smartphones (Anuar, Zaid, & Zabidi, 2021). The prevalence of vertical video sharing aligns with the smartphone usage trend, making video consumption more convenient and engaging (Menon, 2022). The phenomenon of vertical video sharing has been noted to increase viewer engagement significantly (Tsai, Chu, & Kabori, 2017). Instagram Reels, which allow for vertical video creation, have gained popularity due to the widespread use of smartphones held vertically (Bahtar, 2023). As small businesses navigate this intricate landscape, understanding the dynamics of Instagram Reels and their potential impact becomes a critical undertaking. This research seeks to unravel the intricacies of Reels' influence on small businesses in Pakistan, providing actionable insights for entrepreneurs and contributing to the evolving discourse on digital marketing strategies. Tankovska (2021) noted that Instagram has experienced significant user growth in recent years, with a monthly user base reaching up to 1.22 billion, making it the leading social media platform. Beyond personal connections, Instagram has become a crucial channel for businesses to advertise their brands. Instagram Reels, particularly popular among today's youth, have enhanced brand visibility and product appeal. The advent of this feature has served as a turning point for startups seeking entrepreneurial achievements in the marketplace. According to Alkhowaiter (2016), small businesses, including individual proprietors and local shops, have also achieved success through Instagram. More than half of these businesses utilize Instagram for advertising and promoting their brands. Kumar and Tan (2015) conducted a study comparing the impact of using videos versus images to showcase clothing on an e-commerce website. They found that replacing static images with 360-degree videos of the clothing items led to an increase in sales on the online store. Entrepreneurs who effectively utilize social media as a marketing tactic to establish, nurture, and uphold connections with customers have the potential to enhance their business earnings.

In Jenkins' analysis from 2018, the focus was on marketers' capacity to utilize visual storytelling effectively. Given Instagram's visual nature, the emphasis lies on employing high-quality images and videos to narrate the brand's story and showcase its offerings. Incorporating Instagram features like Stories, Reels, and IGTV for sharing behind-the-scenes glimpses, product demonstrations, and other captivating visuals has revolutionized marketers' campaign strategies, underscoring the significance of prioritizing visual elements. Additionally, Jenkins highlights the importance of fostering a robust community on Instagram. This involves engaging with comments and messages, organizing contests and promotions, and encouraging audience interaction to attract potential followers and enhance visibility. Collaborating with influencers within the target demographic to endorse the brand or its products can also bolster brand recognition. Stsiampkouskaya et al. (2021) discuss Instagram as a social media platform where users share their lifestyle and life events primarily through visual content such as photos and videos, with text taking a secondary role. The platform's social aspect involves engagement, including commenting, liking, and tagging friends on relevant content. Users who post visually appealing and captivating content, depicting an aspirational lifestyle, often amass a following beyond their immediate circle, gaining the potential to influence Instagram users worldwide.

Ziyadin et al, (2019) conducted research on social media consumers, focusing on five key topics: consumer digital culture, responses to digital advertising, the impact of social media on consumer behavior, mobile

environments, and online rumors. While much remains to be understood, current knowledge disproportionately emphasizes word-of-mouth (WOM) phenomena, neglecting other aspects of the digital consumer experience. They suggested several directions for future research to encourage scholars to explore a wider range of phenomena. Li, Larimo, and Leonidou (2021) introduced a model aimed at addressing the lack of comprehensive research on social media marketing strategies (SMMSs). They emphasized the transformative impact of social media on business-customer interactions, leading to enhanced relationships, customer retention, behavioral analysis, and decision-making processes. To bridge this research gap, the authors proposed a conceptual framework for SMMS development, encompassing drivers, inputs, throughputs, and outputs. Additionally, they introduced a taxonomy categorizing SMMSs into four strategic maturity levels: social commerce strategy, social content strategy, social monitoring strategy, and social CRM strategy. The validation of this taxonomy was conducted through empirical studies, including interviews and surveys with social media marketing managers. The authors concluded by suggesting potential avenues for future research based on expert insights in the field. Jain et al. (2022) highlighted the significant impact of Instagram since its inception in 2010, initially designed for personal use but now serving as a crucial platform for brands. Instagram has evolved into a space where brands create content, recruit employees, showcase products, and engage with audiences. Instagram reels, particularly popular among today's youth, hold immense potential for attracting attention to brands and their offerings. Given that a considerable amount of time is spent on social media watching reels, they have become a pivotal factor in brand promotion. Notably, 25% of sponsored reels on Instagram pertain to fashion, indicating the platform's relevance in this industry. Influencer marketing commands a significant portion of marketers' budgets, with more than half allocated to this strategy by 17% of marketers.

This study is driven by the experiences of small business owners in Pakistan who utilize Instagram Reels as a means to enhance their businesses. Recognizing the significance of social media platforms for marketing purposes, especially for small enterprises facing unique challenges in reaching their target audience and establishing brand presence, the research aims to explore the impact of Instagram Reels. Small business owners are increasingly drawn to this feature due to its potential to engage a diverse audience and increase brand awareness. The research seeks to evaluate how Instagram Reels contribute to reaching a wider audience, capturing consumer interest, and ultimately enhancing consumer engagement for small businesses. By comprehensively assessing these aspects, the study aims to shed light on the efficacy of the platform and its potential benefits in addressing the challenges faced by small businesses.

## Objectives

- To evaluate the effectiveness of Instagram reels in facilitating the growth of small businesses in Pakistan.
- To analyze the role of Instagram reels in engaging audiences and enhancing brand awareness for small businesses.
- To assess the cost-effectiveness and feasibility of utilizing Instagram Reels as a digital marketing strategy for small businesses operating in Pakistan.

## Limitations

Understanding the complexities of utilizing reels as a marketing tool is crucial for the growth of small businesses, particularly in Pakistan where economic challenges are prevalent. Despite budget constraints, entrepreneurs must employ innovative strategies and tools to create compelling reels that resonate with their target audience and enhance analytics. It's essential to grasp Instagram's algorithm, which dictates content engagement and post visibility, and to adapt to the dynamic nature of social media platforms to safeguard the brand's relevance. Navigating these intricacies can pose significant challenges and potentially impact business success.

Even though these challenges exist, this study can help businesses understand the impactful effect Instagram Reels can have on small businesses.

### Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM) is a widely recognized theoretical framework developed to understand and predict individuals' acceptance and adoption of new information technologies. Originally proposed by Fred Davis in the late 1980s, TAM posits that an individual's intention to use a technology is primarily determined by two key factors: perceived usefulness and perceived ease of use. *Perceived usefulness* refers to the extent to which an individual believes that using a particular technology will enhance their job performance or productivity. In the context of small businesses in Pakistan using Instagram Reels for marketing purposes, perceived usefulness could manifest in various ways. Business owners may perceive Instagram Reels as a valuable tool for reaching a wider audience, increasing brand visibility, and ultimately driving sales. They may believe that incorporating Reels into their marketing strategy can lead to greater customer engagement, higher conversion rates, and improved business outcomes. *Perceived ease of use* refers to the degree to which an individual believes that using a technology will be free of effort or cognitive strain. For small business owners in Pakistan considering the adoption of Instagram Reels, perceived ease of use could influence their willingness to integrate this feature into their marketing efforts. Factors such as the user interface of the Instagram platform, the simplicity of creating and editing Reels, and the availability of tutorials or resources for learning how to use Reels effectively may impact perceived ease of use (Marikyan & Papagiannidis, 2023).

### Social Cognitive Theory (SCT)

Social Cognitive Theory (SCT), developed by Albert Bandura, emphasizes the role of observational learning, social influences, and self-efficacy in shaping individuals' behavior. In the context of small businesses using Instagram Reels, SCT provides insights into how business owners learn to use this technology, how they are influenced by their social environment, and how their beliefs about their own capabilities (self-efficacy) impact their use of Reels (Bandura, 2001). *Observational learning*, also known as modeling or vicarious learning, occurs when individuals acquire new behaviors or skills by observing others. In the case of small business owners in Pakistan, observational learning may play a significant role in their adoption of Instagram Reels. Business owners may observe how other businesses use Reels to showcase their products, engage with customers, and build brand identity. By observing successful examples within their industry or social network, business owners may be more inclined to experiment with Reels themselves. *Social influences* refer to the impact of social factors such as norms, expectations, and social support on individuals' behavior. For small business owners in Pakistan, social influences can affect their decision to use Instagram Reels and the strategies they employ. Peer pressure, industry trends, and recommendations from social connections may motivate business owners to incorporate Reels into their marketing activities. Additionally, social support from peers, employees, or online communities may provide encouragement, advice, or validation for using Reels. *Self-efficacy*, a key concept in SCT, refers to individuals' beliefs in their own capabilities to perform specific tasks or achieve desired outcomes. In the context of Instagram Reels, self-efficacy plays a crucial role in determining whether small business owners feel confident in their ability to create compelling Reels and effectively use them for marketing purposes. Business owners with high self-efficacy may be more willing to experiment with Reels, overcome challenges, and persist in their efforts to leverage this technology for business growth.

By integrating the Technology Acceptance Model (TAM) and Social Cognitive Theory (SCT), this study aims to provide a comprehensive understanding of how small businesses in Pakistan adopt and utilize Instagram Reels for marketing purposes. TAM offers insights into the factors influencing business owners' intentions to use Reels, focusing on perceived usefulness and perceived ease of use. SCT complements TAM by examining the social and cognitive processes underlying Reels adoption, including observational learning, social influences, and self-efficacy. Through this theoretical framework, the study seeks to

elucidate the motivations, challenges, and outcomes associated with small businesses' use of Instagram Reels, ultimately contributing to the literature on technology adoption, social media marketing, and small business management. The growth of Social Media has drastically increased in the past few decades and has resulted drastic changes in the Marketing realm this highlights that the traditional marketing methods are no longer adequate. Social media is claimed to be the new dominant marketing tool that has changed the way buyers and sellers interact (Marshall, et al., 2012).

## Research Questions

This research aims to explore the influence and effects of Instagram Reels on small businesses, focusing on growth, audience engagement, brand awareness and cost-effectiveness of Reels. The following questions guide the study to unravel the aspects of utilizing Instagram Reels as a digital marketing tool for small businesses in Pakistan.

- RQ1: How does the utilization of Instagram reels impact the growth trajectory of small businesses in Pakistan?
- RQ2: What is the influence of Instagram reels on audience engagement and the creation of brand awareness for small businesses?
- RQ3: How effective is the use of Instagram Reels as a cost-effective digital marketing strategy for small businesses in Pakistan?

## Methodology

This study adopts a qualitative research design to delve into the influence of Instagram Reels on small businesses in Pakistan. Qualitative methodology allows for an in-depth exploration of the perceptions, experiences, and strategies of small business owners regarding the utilization of Instagram Reels for marketing purposes. The population of this study comprises small business owners operating in various sectors across Pakistan. For the purpose of this research, a total of 10 small businesses are selected to participate, ensuring representation from diverse industries and geographical locations within Pakistan. Purposive sampling is employed to select participants for this study. This non-probability sampling technique enables researchers to deliberately select participants based on their relevance to the research objectives. The selection criteria include businesses actively utilizing Instagram Reels for promotional activities, ensuring that participants possess firsthand experience and insights regarding the impact of Reels on their business operations. Data collection is conducted through semi-structured interviews with the selected small business owners. Semi-structured interviews allow for flexibility, enabling researchers to probe deeper into specific themes and gather rich qualitative data. The interviews are conducted either in person or virtually, depending on the preference and convenience of the participants. Thematic analysis is employed to analyze the collected data. This approach involves systematically identifying patterns, themes, and insights within the qualitative data. The analysis process includes coding, categorizing, and interpreting the data to uncover recurring themes related to the influence of Instagram Reels on small businesses in Pakistan. Ethical considerations are paramount throughout the research process. Informed consent is obtained from all participants, ensuring voluntary participation and confidentiality of their responses. Participants are assured of anonymity, and their identities are protected throughout the study. To enhance the validity and reliability of the study findings, triangulation techniques are employed. Member checking is conducted, allowing participants to review and validate the interpretation of their responses, thus enhancing the trustworthiness of the research outcomes.

## Findings and Analysis

Through insightful interviews with small business owners and social media experts in Pakistan, this research uncovers the diverse perspectives, advantages, concerns, and future adjustments surrounding the utilization of Instagram Reels for brand promotion and audience engagement.

### a) Influence of Instagram Reels on Business Expansion

Instagram Reels are highlighted as a great tool for marketing, helping reach a broader audience and enhancing engagement. Emphasizes the importance of creativity in Reels, incorporating intriguing content. The planned posting schedule includes a mix of Reels, static posts, and interactive content. A female owner of a small business in Pakistan highlighted, "Incorporating Instagram Reels into my business marketing strategy has been immensely beneficial. It serves as a powerful tool to reach a broader audience and capture their attention effectively. By infusing creativity into my Reels, I aim to create content that intrigues and engages viewers, ultimately strengthening my brand's hook. I prioritize posting Reels on my Instagram page, strategically scheduling them alongside static posts and interactive content. This structured approach allows me to maintain consistency and maximize engagement. Through Reels, I seamlessly integrate calls to action, urging viewers to take desired actions such as purchasing products or visiting my website. The impact of Instagram Reels on my business has been profound. It has significantly contributed to the growth of my audience and boosted engagement levels. As the reach expands, I forge meaningful connections with my audience, effectively promoting my brand's values. These connections serve as catalysts for further growth and brand promotion." Another social media head added, "I've traditionally allocated a substantial budget of 50-70k per ad for brand promotion. However, leveraging Instagram Reels for advertising has proven to be remarkably cost-effective. With just 5-10k, I can create 10-15 Reels, which suffice for a month's worth of content. This significant reduction in advertising expenses has allowed me to reallocate funds towards product development, contributing significantly to the growth of my business." One of the interviewee responded, "In my opinion, Instagram's Reels feature is a remarkable marketing tool. This platform boasts a vast audience, and through Reels, we can unleash our creativity, offering viewers a comprehensive 360-degree view of our products. This immersive experience has a profound impact on the audience, captivating their attention and fostering engagement. The description option accompanying Reels serves as an invaluable tool for providing additional product details, enhancing the viewer's understanding and interest. Personally, I adhere to a consistent schedule of posting Reels approximately 4-5 times a week. This strategy ensures that we maintain an active presence, thereby maximizing our reach and connecting with a larger audience. Through Instagram Reels, we harness the power of visual storytelling to showcase our offerings effectively. The expansive reach facilitated by this feature enables us to attract potential customers and nurture meaningful connections with our audience."

### b) Effective Reels Utilization

The interview responses highlight the effective utilization of Instagram Reels as a dynamic tool for enhancing audience engagement, brand awareness, and overall business promotion. After introducing Reels, there was a noticeable shift in engagement. Reels received more saves, shares, and reposts compared to static posts. The increased engagement led to Instagram's algorithm promoting and boosting the Reels, resulting in additional promotion for the business profile. A respondent of the study believed, "In the beginning, the response to my static posts was positive, with likes, comments, and engagement flowing in. However, with the rise of Instagram Reels, I realized the need to adapt and evolve our marketing strategies to align with current trends. Introducing Reels on my business page brought about a significant shift in engagement dynamics. People began not only liking and commenting on the Reels but also saving and sharing them within their social circles. The resonance of the Reels prompted individuals to repost them on their stories, and some even took the extra step of sending them via direct message. This heightened level of engagement caught the attention of Instagram's algorithm, leading to the organic promotion and boost of my Reels. Consequently, the visibility of my business profile increased manifold, thanks to the amplified reach and engagement garnered through Reels. This shift from static posts to dynamic Reels has proven immensely beneficial, driving growth and visibility for my business in ways that static posts could not match." Another small business owner explained, "In my understanding, the process of how Instagram Reels reach the audience is quite straightforward. When a Reel is posted, it often appears on the explore or 'For You' page, exposing it to different feeds and audiences. The engagement journey that follows is fascinating and multifaceted. Initially, the Reel sparks interest in viewers, drawing them in with its

engaging content. Whether it's showcasing a business idea or promoting a product, Reels serve as homemade ads, capturing the attention of potential customers. However, mere interest is not enough; viewers seek authentication to validate the credibility of the content. They embark on a quest to verify the authenticity of the product or business idea through various sources. This process of authentication is pivotal as it instills trust and confidence in the viewer. Once satisfied with the authenticity, interested viewers can transition into buyers or customers. Moreover, some may even be persuaded to join the business, expanding the team and bolstering its growth. It's these individuals who become advocates for the brand, actively promoting it within their networks. Thus, the more engaged individuals we can convert, the merrier, as they play a crucial role in amplifying brand visibility and fostering further growth." The consensus among respondents suggests that consistent daily posting and active engagement with the audience play pivotal roles in cultivating a strong connection between the brand and its users. This connection, in turn, leads to tangible benefits such as increased sales and enhanced brand loyalty. They highlight that maintaining a specific schedule for posting reels can improve audience engagement and there's a high chance of it appearing on the explore page which results in an increase in brand and content discoverability by a wide audience. This helps in improving the analytics of the post and Instagram's algorithm tends to recognize it leading to promotion and boosting of the post.

### c) New Business Opportunities and Networking

Findings highlight that the algorithmic nature of the social media platform, increases the discoverability of reels reaching an international audience and enhancing global reach. Increased visibility improves networking and leads to collaboration and partnership opportunities for businesses. Using reels as a storytelling tool by businesses to display brand values and products improves engagement by targeting the target audience. A female business owner expounded, "Previously, I relied on a direct approach, reaching out to potential customers myself. However, with the advent of Instagram Reels and increased engagement on my business page, there has been a noticeable shift. Now, customers proactively reach out to me, including international clients from countries like Italy and Canada. This shift is attributed to the perception of me as an active and engaged business person, effectively utilizing Instagram Reels to showcase my brand and engage with the audience. This enhanced visibility has not only improved my networking but has also led to increased opportunities and collaborations. By leveraging my leadership position and forming partnerships, I have collaborated with renowned marketers, resulting in substantial financial growth for my business. Together, we conducted sessions that attracted audiences from Pakistan and Italy, expanding the reach of both our platforms. This interconnected network of collaborations and partnerships has proven invaluable, fostering innovation and presenting new opportunities for startups and businesses. As we join hands and collaborate, we tap into a wealth of diverse perspectives and ideas, driving growth and success collectively." For businesses with budget constraints, reels provide a cost-effective way to advertise internationally. The engaging content has led to orders from overseas Pakistanis, showcasing the global reach facilitated by Instagram reels. Another respondent added, "As a proprietor overseeing two businesses, I've embraced the opportunity to serve as my own marketing head. With a presence on Instagram and Facebook, I take charge of marketing my products, eliminating the need to hire external marketing personnel. Leveraging platforms like Instagram reels, I strategically utilize appropriate hashtags to promote my brand and showcase my products effectively. One significant advantage of managing my own marketing is the flexibility it affords me to allocate time to my offline business operations. Monitoring the analytics of my online ventures, including likes, shares, comments, and engagement, is seamlessly integrated into my routine. With this data readily accessible at the click of a button, I can track the performance of my online campaigns and make informed decisions to optimize their effectiveness." A clothing brand owner suggested, "As the owner of a clothing business, Instagram Reels has presented an array of exciting opportunities for my brand. Through the creation of fun and stylish Reels, I've effectively showcased my latest collection in a dynamic and engaging manner. This innovative approach has not only attracted a larger audience but has also heightened brand awareness significantly. Instagram reels serve as a powerful tool for connecting with my audience on a deeper level, fostering meaningful engagement, and ultimately driving growth for my clothing business. The creative possibilities offered by reels continue to

inspire me, allowing me to explore new avenues for showcasing my brand and captivating my audience.” So Instagram Reels provide businesses with new chances by improving discoverability through the platform's algorithm. This exposure enables businesses to reach potential customers who might not engage through traditional marketing channels.

#### **d) Standout Advantages in Social Media**

Instagram is considered a professional sector with a majority of goal-oriented and professional workers. The platform's popularity and constant upgrades make it the preferred choice for effective marketing. A social media team leader for an emerging business said, “Compared to other social media platforms like Snapchat, TikTok, and YouTube, Instagram offers a more cost-effective solution for marketing efforts. Establishing a presence on platforms like Snapchat, TikTok, and YouTube typically involves initial costs ranging from 10-15k, including expenses for purchasing accounts and boosting posts. In contrast, Instagram provides a more budget-friendly alternative. By simply creating a free account and converting it into a public or business profile, businesses can start posting content immediately, including pictures, videos, and Reels, without incurring significant upfront costs. The option to boost posts on Instagram offers a cost-effective way to enhance visibility and engagement. The effectiveness of Instagram Reels in driving engagement hinges on creativity. Leveraging this feature creatively has yielded significant benefits for my business, with an average of 40-50 orders generated monthly. This underscores the importance of utilizing Instagram's cost-effective features to maximize business growth and success.” Another interviewee responded, “Instagram offers a plethora of features, including user-friendly editing tools that are accessible even to beginners. The availability of auto-editing features further simplifies the process, making it effortless for users to enhance their content. With Instagram's commitment to staying current and continually updating its app, users benefit from the latest innovations, such as the recent introduction of threads. Integration with other apps, particularly Facebook, enhances the functionality of Instagram, enabling users to leverage its features more effectively. Small businesses can capitalize on these features to actively promote their brands and engage with their audience. One notable advantage of Instagram Reels is their ability to convey a message effectively to the audience. Unlike other platforms where intrusive ads disrupt the user experience, Instagram Reels seamlessly integrate into the user's feed, attracting and engaging audiences without external interference. This trendiness of Instagram Reels has captured the attention of users, who thoroughly enjoy and engage with this dynamic form of content.” Most of the respondents of the study emphasize the standout advantages of Instagram Reels in social media. Due to the platform's popularity and constant upgrades, it is considered an effective marketing app. The introduction of the reels and explore page is a budget-friendly option for advertising and its easy-to-edit features make it easier for beginners. The explore page helps businesses reach a wider and global audience that improves engagement and analytics on the posts boosting your business profile.

#### **e) Long-term Vision and Concerns**

Most of the respondents acknowledge the evolving nature of the social media landscape and express uncertainty about the long-term impact of reels, anticipating potential changes and new features that may benefit small business owners. One of the respondent said, “In terms of long-term impact, I view Instagram Reels as a valuable asset for businesses. Once uploaded, Reels have a lasting presence on the platform, allowing new visitors to engage with them over time. This continual exposure of my content on my brand's profile contributes to increased visibility and engagement. Visitors often explore the comment sections of Reels to seek reviews and additional information about the brand, further enhancing its promotion. The interactive nature of Reels fosters greater engagement, expanding reach and boosting brand awareness, consequently leading to an increase in followers. An additional benefit is the potential for Instagram itself to boost my posts based on Reel analytics. The algorithmic workings of Instagram prioritize content with higher engagement, thus providing an organic means of increasing visibility and promoting my brand over the long term.” Another interviewee added, “As I reflect on the impact of Instagram Reels on my clothing brand, I am struck by its positive and enduring influence on our growth trajectory. Reels possess the



inherent capability to reach a vast audience, thereby exposing my brand to potential customers who may not have otherwise discovered it. This expanded reach not only broadens our customer base but also fosters brand awareness and recognition. Reels serve as a unique opportunity for me to deepen my connection with existing followers. By offering glimpses behind the scenes and showcasing the sense of community and loyalty surrounding my brand, I am able to nurture relationships with customers. These connections often translate into repeat business and word-of-mouth recommendations, which are fundamental to sustained growth. Incorporating reels into my marketing strategy has the potential to yield lasting benefits for my clothing brand. Through consistent and creative use of this feature, I am eager to witness the continued growth and success of my business in the long term.” An owner of a small business based in Karachi added, “In considering the realistic impact of Instagram Reels on my business, I recognize both positive and negative aspects. Consistency in posting content is crucial for maintaining a positive impact and expanding my business. However, the risk of content becoming boring presents a potential challenge, as it could lead to decreased engagement and hinder business growth. To mitigate this risk, I acknowledge the importance of creativity in sustaining audience interest and maintaining long-term success. Balancing consistency with creativity is essential for maximizing the positive impact of Instagram Reels on my business.” Another social media manager for a Lahore-based small industry said, “Reels have proven instrumental in enhancing the reach of my business. While static images typically garner around 1k views, Reels consistently achieve significantly higher viewership, ranging from 12k to 13k views. This stark contrast in engagement highlights the effectiveness of Reels in capturing audience attention. Instagram's analytics demonstrate that Reels receive preferential treatment in terms of promotion and boosting. The interactive nature of Reels encourages viewers to rewatch, save, and share content, thereby amplifying its reach and impact. In contrast, static images often go unnoticed, offering limited benefits to the brand. By leveraging Reels, my business has experienced an exponential increase in audience reach and brand awareness, ultimately contributing to its growth and success.” So the findings show the vision and concerns of small businesses regarding Instagram Reels. Proprietors consider reels a long-term asset for the brand, it promotes continuous engagement and brand promotion that increases analytics, reach and followers. This helps build brand loyalty, an audience, a connection with followers, and a community sustaining long-term effects on the business. Adaption to changing trends due to the evolving nature of social media can be challenging so it is necessary to stay up to date and relevant.

#### **f) Future Adjustments and Strategies**

Most of the small business owners and social media team leader in Pakistan emphasize the shift from random posting to strategic planning and focus on implementing new strategies, techniques, and tactics, particularly in incorporating storytelling into reels, as one of the respondent said, “In the beginning, I posted Reels spontaneously, but now I approach them with strategic planning, employing storytelling techniques to engage and captivate my audience. By strategically incorporating storytelling into my reels, I aim to pique curiosity and foster a deeper connection with viewers, ultimately driving sales through enhanced relationships with customers. Reels have proven to be effective tools for increasing engagement, provided they are utilized creatively and consistently, leveraging the available features and trendy audio options. Embracing digital promotion and modernization is essential for business growth, as adapting to evolving trends allows for leveraging new skills and maximizing sales potential.” Another interviewee responded, “I am committed to leveraging Instagram Reels for my clothing brand, continually refining my approach and implementing new strategies to maximize effectiveness. Firstly, I aim to create content that deeply resonates with my target audience, understanding their preferences, interests, and needs to tailor Reels that provide value and capture attention. Secondly, I plan to diversify my Reels by experimenting with various formats and styles, from fashion hacks to collaborations, to maintain freshness and excitement. I will also harness the power of hashtags and captions, using relevant and trendy tags to amplify reach and convey my brand's message effectively. Lastly, I will remain adaptable, creative, and responsive to audience feedback, ensuring that I optimize my use of Reels for greater success in brand promotion. This journey is thrilling, and I am eager to witness the positive impacts these strategies will bring.” One of the small business owner responded, “I think I'm going to keep those strategies, adjustments, and

implementations to myself for now because, as I said, I want to focus on my creativity. I'm still refining my ideas and strategies, so I won't be able to answer your question yet. I believe my ideas and adjustments will work for me. Let's see what the future holds. I also plan to incorporate changes or practical advice based on the changing landscape to optimize the future use of Instagram Reels for my brand." Another respondent added, "We adjust our social media approach by refining content depending on audience preferences, employing data analytics for optimal distribution, investigating influencer collaborations, integrating e-commerce capabilities, and remaining current on platform changes for quick adaptation." The majority of the proprietors emphasizes on the importance of consistency, creativity and refining content based on changing trends. They have also highlighted the importance of strategic planning by posting Reels based on a specific schedule, understanding the target audience and experimenting with different formats, styles, hashtags, and captions to keep the analytics going.

## Conclusion and Recommendations

This study explores the impact of Instagram Reels on business expansion among small enterprises in Pakistan. Through interviews with business owners and social media team leaders, it uncovers valuable insights into their experiences and perspectives regarding the integration of Instagram Reels into their marketing strategies. The findings shed light on various aspects, including the effectiveness of Reels, new business opportunities, standout advantages in social media, long-term vision and concerns, and future adjustments and strategies. The theoretical implications of this study are significant, particularly in the application of the Technology Acceptance Model (TAM) and Social Cognitive Theory (SCT). The findings provide empirical evidence regarding the factors influencing the acceptance and utilization of Instagram Reels among small businesses. While TAM traditionally focuses on perceived usefulness and perceived ease of use, our study reveals additional factors such as the impact of creativity, consistency, and strategic planning on Reels adoption. This extension of TAM highlights the multifaceted nature of technology acceptance in the context of emerging social media features. Social Cognitive Theory emphasizes the role of observational learning, self-efficacy, and outcome expectations in shaping behavior. Findings of this study contribute to SCT by demonstrating how small business owners observe the success of others in utilizing Instagram Reels, leading to increased self-efficacy and motivation to adopt similar strategies. Also, the positive outcomes experienced by businesses through Reels utilization reinforce outcome expectations, further motivating continued engagement with the platform. This study integrates both TAM and SCT to provide a comprehensive understanding of the adoption and utilization of Instagram Reels. By examining both the individual perceptions of small business owners (TAM) and the social and environmental factors influencing their behavior (SCT), the findings offer a holistic framework for analyzing technology adoption in the context of social media marketing. This integration enhances the theoretical richness of the study and provides a nuanced understanding of the underlying mechanisms driving Reels adoption.

From a practical standpoint, our findings underscore the importance of Instagram Reels as a dynamic tool for enhancing audience engagement, brand awareness, and overall business promotion. The effective utilization of Reels, as demonstrated by the interview respondents, has led to tangible outcomes such as increased engagement, improved visibility, and boosted sales for their businesses. The study highlights the significance of creativity, consistency, and strategic planning in maximizing the effectiveness of Instagram Reels for business growth. Small business owners can leverage these insights to refine their marketing strategies, experiment with different content formats, and adapt to changing trends in the social media landscape.

Based on the findings, this research offers several recommendations for small businesses aiming to incorporate Instagram Reels into their marketing strategies:

Experiment with diverse content formats, storytelling techniques, and visual elements to create engaging and captivating Reels that resonate with your target audience. Develop a structured posting schedule for Reels and other content types, ensuring regular updates to keep your audience engaged and interested in

your brand. Utilize Instagram's analytics tools to track the performance of your Reels and other content, identify trends, and make data-driven decisions to optimize your marketing efforts. Encourage interaction and engagement with your audience by responding to comments, posing questions, and including calls to action in your Reels. Stay abreast of changes and updates to the Instagram platform, as well as evolving trends in social media marketing, and be prepared to adjust your strategies accordingly. By implementing these recommendations, small businesses can harness the full potential of Instagram Reels to expand their reach, enhance brand visibility, and drive business growth in the dynamic digital landscape. This comprehensive approach, informed by theoretical insights and practical considerations, can empower businesses to navigate the complexities of social media marketing effectively and achieve their growth objectives.

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