



## **Business Model with the Application of Social Networks in Rural Msmes of the Chone Canton, the Year 2022**



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### **Abstract**

The objective of the research was to implement a business model, using social networks as a tool for the development of the Virgen de Guadalupe spa, whose problem focuses on developing a business model applying social networks in the Virgen de Guadalupe spa. The study refers to the fact that today business models in social networks are focused on making users spend as much time as possible on the screen, which is why one of the ideas raised in the research is to establish multiple tools that allow development, through the application of digital marketing within the spa. The applied methodology has a qualitative approach, being of a field type due to its variables, documentary and bibliographical consultation for its understanding and justification, the methods used are inductive-deductive and analytical. The results can be evidenced through the market study of the "La Virgen de Guadalupe" spa, where an analysis was carried out through internal and external methods, the five forces of Porter, the tourist attraction, weaknesses, and strengths.

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## 1 Introduction

Social networks are defined as a finite set of actors (individuals, groups, organizations, communities, societies, etc.) linked to each other through a relationship or set of indicated social relationships (Stanley & Katherine, 1994); In addition, they are the result of a process of evolution of the forms of social organization in which groups of individuals are linked to coordinate and act together. (RONFELDT, 2006).

Authors such as Watson (2007) consider that the most prominent and fastest-growing interest groups are generally politicians, entertainers or great causes that are taking advantage of the power of social networks to spread their ideas. On the other hand, customer-focused marketing strategies have grown rapidly in recent years and the number of users of social networks has increased, this situation has forced MiPymes to consider these technological systems as tools to attract, maintain and manage customers, as well as a resource for obtaining information on market and consumer behavior (Fernandez et al., 2009; Durmuşoğlu & Barczak, 2011).

The authors López et al. (2008), state that every day millions of interactions take place in the world through social networks, such as Facebook, Twitter, LinkedIn, and YouTube, among others. Thus, we are in the presence of a peculiar phenomenon that especially affects the relationship between companies and consumers (Mosa, 2022). And the reality is that the use of social networks in the country continues to grow constantly, which becomes a dependency on the acquisition of new consumer experiences, everything starts from online communication compared to traditional channels (newspapers, television, telephone or email); All this causes companies to change the way they think and start generating positioning strategies for their products, services and brand; to reach the minds of consumers, achieving an advantage over their competitors. The aforementioned authors indicate that one of the problems currently faced by Ecuadorian Small and Medium Enterprises (SMEs) is the lack of dissemination of their professional services at the level of technological platforms, considering them an inconvenience when generating new clients (Eggers, 2020; Saunila, 2020).

The business model consists of four independent but intertwined elements, the combination of which creates value: the value proposition, the resources, the processes, and the profit formula. The value proposition describes the product or service that helps the customer, in an effective, convenient and affordable way, to satisfy a manifest need. This proposal can cover three dimensions: functional, emotional and social (Casani et al., 2008). This is due to the lack of usability or ignorance of the importance of this type of business today, having a presence within social networks, and not allowing significant profits to be perceived, both economically and positioning within the context of the tourism market (Knight, 2001).

For this reason, the idea of establishing multiple tools that allow development, through the application of digital marketing within the spa, arises, where the problem is the ignorance of social networks as a tool for the promotion of products and services in the spa. Virgen de Guadalupe, which is located in the rural area of the Chone canton, these are one of the problems currently faced by Ecuadorian Small and Medium Enterprises (SMEs), such as the lack of dissemination in their professional services at the level of technological platforms, considering them an inconvenience when generating new customers (López et al., 2008). It is proposed to develop a business model applying social networks in the Virgen de Guadalupe spa, in addition to its implementation as a tool for the development of the Virgen de Guadalupe spa.

## 2 Materials and Methods

The investigation refers to the application of social networks within the Virgen de Guadalupe spa during the year 2022. To carry out this investigation, various methods were required for the collection of information, and to obtain knowledge of the current situation, a survey was carried out. fieldwork that allowed obtaining relevant information to know the study problem; In addition to the bibliographic review in various reliable sources, to obtain theoretical foundations, in comparison to other similar research problems. In this case, referring to the application of social networks in the Virgen de Guadalupe spa The deductive method helped to obtain relevant conclusions about the application of social networks in the Virgen de Guadalupe spa, the inductive method based on the measured analysis of the existing literature and of the research carried out; besides the analytical which helped to carry out a consistent analysis to obtain a concrete answer based on proven studies (Licoppe & Smoreda, 2005; Waters et al., 2009).

The project was carried out during the year 2022 and was focused on the study of the application of social networks within the Virgen de Guadalupe spa in the year 2022, which is in the rural area of the Chone canton. The social group object of this investigation will be those involved in the management of the spa.

### 3 Results and Discussions

#### *Strategic approach*

Vision: Development of the Virgen de Guadalupe spa, achieving its growth and recognition through different digital channels.

Mission: Allow development in the Virgen de Guadalupe spa, through the use of social networks in the implementation of business models.

#### *Business values*

Innovation. Each fact is based on the existing continuous changes so that the business models keep developing (Morris et al., 2005).

Integrity. Work ethically in each of the business models, to guarantee their development and recognition, guaranteeing respect for all stakeholders and total transparency (McGrath, 2010; Ibarra et al., 2018).

Continuous improvement. Each model is based on existing resources, which require changes according to the demands presented. Decision making. The decisions presented must include those involved and beneficiaries, in order not to generate negative impacts on the community and to obtain the development of the Virgen de Guadalupe spa, Table 1 shows the internal analysis carried out.

Table 1  
Internal analysis

	In positive	In negative
Internal analysis	<i>Strength</i> It has natural flora resources and favorable biodiversity to promote community tourism, cultural tourism, and agrotourism activities. High power of attraction with nature. Easy access to tourist attractions.	<i>weaknesses</i> Lack of solid and liquid waste treatment Oversight of the tourist center by not updating their knowledge to provide this service. Lack of maintenance and cleanliness in the La Virgen de Guadalupe waterfall spa.

The marketing study/value proposition is shown in Table 2.

Table 2  
External analyzes

	In positive	In negative
External analysis	<i>Opportunities</i> Agreement with the Ministry of Tourism National and international recognition of the La Virgen de Guadalupe waterfall spa. Management and training by GAD Chone, for the benefit of tourism.	<i>threats</i> The high degree of competition among other tourist areas. Low penetration in marketing channels and the tourism market. Competitive cost

#### *Market segment*

Market segmentation is a marketing strategy that consists of dividing the public of a brand or company into smaller groups identified by certain characteristics that they share, this facilitates the force, sale and follow of the brand of the (Pursell, 2022). The segmentation of the market for the La Virgen de Guadalupe waterfall spa should be carried out mainly from the political and cultural point of view since it is sought that the authorities support by promoting tourism by making national and international tourists aware of its nature and culture.

### *Study of the variables of the marketing mix*

#### *Product*

The first aspect to consider is the adjustment of the product or service of the "La Virgen de Guadalupe" spa, to the needs or desires of the market segment to be satisfied. In the spa, you can do the following activities such as: Swimming in the river, riding buoys, visiting the 3 waterfalls that make up the spa (only in the winter season), food sales, and festivities on carnival dates.

#### *Price*

The entrance price is free, only what will be consumed has to be paid.

#### *Promotion*

Tourists who visit the resort with a family of more than five people and have a good consumption of food will receive a gift such as a shirt, key chain, a cap or a tomato, to publicize the tourist attraction.

#### *Plaza*

The tourist plaza of the spa aims to seek tourists from other places such as the province of Santo Domingo, Guayas, Santa Elena, and Esmeraldas, among other provinces of Ecuador.

Porter's five forces are related to a system to analyze the degree of competition in a certain industry, this method of analysis, not comes out only of the competitors (De Moraes, 2018). Instead, it is believed that the competitiveness of the industry is determined by the strengths shown in Figure 1.

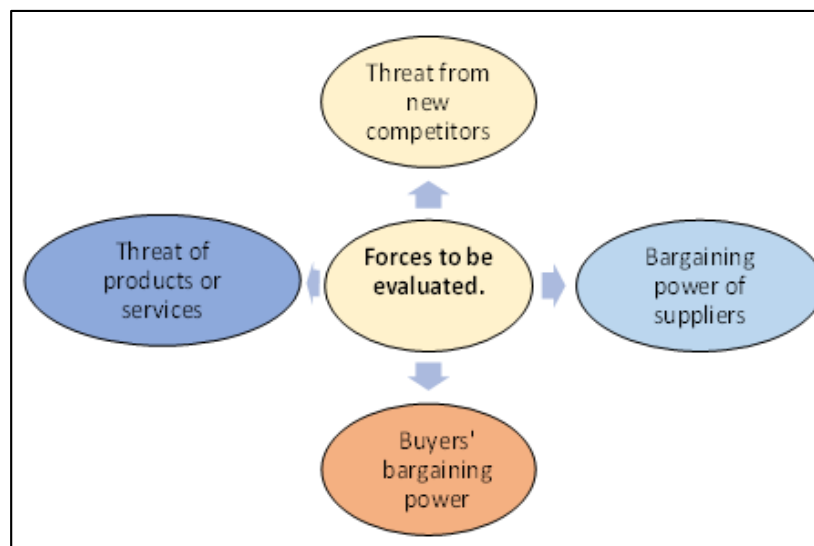


Figure 1. Industry competitiveness

Through Porter's five forces, the "La Virgen de Guadalupe" spa seeks to have good bargaining power with suppliers, and detect threats from new tourist attractions within the area or nearby places, that is, threats from product substitutes.  
*Bargaining power suppliers*

- Contract with the Ministry of Tourism and with the municipal GAD Chone
- Efficient service at the Virgen de Guadalupe spa
- Good positioning of other attractions in the place
- Relationships based on trust and experience at the Virgen de Guadalupe sp

*Threats from new entrants*

- Zero positioning in the tourism market
- Provider Information
- Capital requirement for infrastructure
- location

*The threat of substitute products*

- ecotourism
- Culture and Sports
- Assume that there are no substitutes for tourist attractions with nature

*Bargaining power buyers*

- Homogeneous tourist services
- Tourist attractions at low costs
- Loyal customer trend not "loyal"
- difficult backward integration

*Rivalry between competitors*

- A lot of competition in the rural area of the Chone canton
- Homogeneous resorts
- No publicity for the Virgen of Guadalupe spa

*Product description*

The services that the Virgen de Guadalupe spa offers are through the needs of the consumer, these can be: Swimming in the river, to relieve stress and relax muscles, you can visit 3 waterfalls that the spa consists of for distraction, spend beautiful moments with family, partner or friends, they also offer drinks, meals, sweets, juices, to share with family, partner or friends, festivities are also offered on carnival dates, wet t-shirt, contests, dances, foam baths, with totally free admission.

*Comparative analysis with similar products*

The Virgen de Guadalupe spa is intended to differentiate its products with the earth-coloured coffee waterfalls since they are like the services that the spa offers, shown in Table 3.

Table 3  
Comparative analysis

Earth-coloured brown waterfalls	They make and offer flavored liquors They charge tickets It has a pool It only consists of waterfalls, less with river Does not include buoys It has 13 waterfalls
Virgen of Guadalupe Spa	They make carnival festivities charging tickets Free pass consists with river It has buoys It has 3 waterfalls It does not have a pool They make carnival festivities free They don't make flavored liquors.

*Technical study*

Table 4 shows the description of the characteristics of the business location.

Table 4  
Description of the business location characteristic

Province:	Manabí
Canton:	Chone
Parish name:	Santa Rita
Creation date:	March 27, 2009
Population:	not established
Total expansion:	16 km from the city center.
Limits:	via Chone - Quito at the height of the San Andrés site on the right and head to the mosquito route.

The spa does not have a location record in Google Maps, but it can be directed to the location of the cascade caracol spa since the territories are united, and the only thing that separates them is a cane to know where each one begins or ends of them. Figure 2 shows some images of the snail waterfall near the Virgen de Guadalupe spa, as the landscapes suitable for tourism and rest for people who wish to visit it are observed.



Figure 2. Images of the Caracol waterfall, near the Virgen de Guadalupe spa

*Necessary equipment and infrastructure*

This infrastructure allows the development commercial of natural tourist destinations or artificial ones. Consequently, more and better tourist infrastructure can improve tourist services and increase the attractiveness of the region (Ledezma, 2019). The spa "La Virgen de Guadalupe" needs an accounting area to manage the income and expenses of the tourist center, on the part of the infrastructure it needs to implement what is a swimming pool, sports games, accommodation, widely of the place, infrastructure of the waterfalls, security, fence so that it has a better demand.

*Labour requirements*

Labour is part important of the market labour and generates costs in the process of production why workers must be paid if we want to include them in the process of production (Quiroa, 2019). For the requirement of labour in the spa "La Virgen de Guadalupe", an accounting engineer is needed to supervise the costs and expenses of the spa.

*Productive input requirements*

Productive input is an economic concept that allows the naming of the goods That use in the production of other goods. In certain contexts, productive input can be synonymous with "raw material" O "factor of production" (Perez, 2021). The requirements of productive inputs in the spa "La Virgen de Guadalupe", due to the implementation that was offered to the spa, maintenance, control and monitoring of these infrastructures are needed to avoid any risk.

*Industrial safety and environment*

Industrial and environmental safety in the spa is the avoidance of toxic, organic, general, and plastic waste, so as not to contaminate the environment of the tourist center. Calculation of materials and raw materials to be used in the production process.

The productive process of the spa involves goods such as the tourist heritage of the person who is going to consume and on what means it is going to be carried out, it is proposed to innovate the tourist place to have a better demand and so be a little better known since it does not have an exact location within Google maps, it does not have accommodation, a sports field, swimming pool, improvement in the fence, rest cabins, infrastructure in the waterfall, for this you will need tourist microcredit approximately of 25,000 for the respective innovation to the spa.

*List of suppliers*

In the case of not working with the innovation that is proposed, a key partner would be the "Caracol" waterfall since both tourist places are attached, it also has more diversity of waterfalls since the spa only has three and the waterfall is known and the spa does not, therefore, the "Caracol" waterfall, due to its recognition it can help the spa by offering tourist services since they do not have a swimming pool and accommodation in which they plan to innovate in the spa.

*Organizational study*

A structural and functional organization chart like the one shown in Figure 3, where the existing administrative structure of an organization based on the chain of command is observed (Arias, 2020).

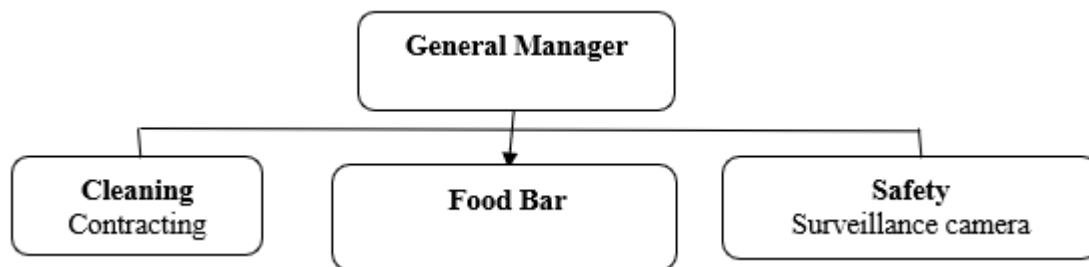


Figure 3. Structural and functional organization chart

Functions according to the responsibilities of each person:

The general manager is the legitimate owner of the spa, in which he is in charge of hiring the cleaning, in the purchase of groceries, and alcohol, carnival festivities, in the realization of poses in sunny seasons, the cleaning area must be hired is which is in charge of fumigating and cutting the mountains, food bar is the area in charge of cooking and providing the delicacies of food that it makes and the surveillance camera (security), the owner watches over the spa at night when the You are no longer physically present, on the other hand, it also serves to help your clientele in case of any inconvenience.

In the institution no person makes their income and expenses, since the owner does not have an accounting order, it is recommended to hire or train himself to manage his accounting so that he knows his monthly or annual earnings exactly; In addition, it is recommended to hire a marketing specialist since the owner does not appear as such in all social networks and due publicity.

The human resources process is concerned with the provision of people to the organization but defines these processes as responsible for the contribution of people and includes all activities related to market research, recruitment and the selection and integration into the organizations. tasks of the organization (Cardenas, 2021); In addition, you do not have the necessary personnel, especially administrative, since the owner has little knowledge about accounting within your business, you also need marketing personnel to help you with advertising on social networks and creating secure accounts.

In the Republic of Ecuador, there is a constitutional and legal tourism law, The spa has the RIMPE and legal registration. The requirements for their legitimacy are when they follow the rules of the law without using the monopoly of the law. The legitimacy of legal norms must meet three requirements: validity, justice, and efficiency. There are two types of legitimacy: formal legitimacy and substantive legitimacy.

By procedure formal means the own procedure of the state institution to all the procedures established in the legal system. Legitimacy no unis he consents (approval) resulting from the approval of the people of one law approved O government action (Molina, 2021).

#### *Social networks*

Social networks (Facebook, Instagram, WhatsApp) play an important role in the dissemination processes, allowing the disclosure of the facility, its recreation areas, the costs of accommodation in the cabins, the possibilities of using the sports areas and trips to the cascade of the site, hence its importance in the marketing and dissemination processes.

## **4 Conclusion**

Through the market study of the "La Virgen de Guadalupe" spa, an analysis was carried out through internal and external methods, the five forces of Porter, the tourist attraction time weaknesses and strengths, in addition, there is no information to promote the tourist attraction, the inhabitants of the sector do not have adequate training on tourism, making it difficult to develop with tourists who visit the Chone canton and therefore the spa.

The spa does not have an adequate infrastructure to meet the needs of the tourist, with the result of the investigation it is suggested to implement basic services and maintenance of tourist attractions, to encourage tourism based on sustainable and sustainable development for the Chone canton and the spa. To encourage tourism, promotional strategies have been established and the creation of a web page (Facebook, Instagram), which must be monitored by the manager, to make this attractive spa known to national and international tourists.

#### *Conflict of interest statement*

The authors declared that they have no competing interests.

#### *Statement of authorship*

The authors have a responsibility for the conception and design of the study. The authors have approved the final article.

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