

ADAPTATION OF CONTENT STRATEGIES TO SOCIAL MEDIA ALGORITHMS AMONG RETAIL MSMEs – A CHECK

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Abstract—Retail micro, small and medium enterprises (MSMEs) increasingly depend on social media for product discovery, customer engagement and sales, yet platform algorithms now act as gatekeepers that determine what content becomes visible. This study examines how retail MSMEs adapt content strategies in response to evolving algorithmic priorities across major platforms (e.g., Instagram, TikTok, Facebook and YouTube) and how such adaptations relate to visibility, engagement and perceived business outcomes. Using a qualitative, systematic review of secondary sources (academic studies and industry evidence), the paper synthesizes recurring themes on algorithm-driven visibility and MSME responses. The review suggests that many retail MSMEs remain misaligned with platform preferences when relying heavily on static or overtly promotional posts, while more adaptive firms shift toward algorithm-favoured formats such as short-form native video, interactive features and narrative-driven content. Adaptation is found to be uneven and strongly shaped by internal digital capabilities—especially analytics literacy and the ability to interpret engagement signals (reach, watch time, click-through and interaction patterns). Importantly, improved visibility does not automatically translate into sales; performance benefits appear stronger when algorithm-optimized content is integrated with structured customer engagement and follow-up mechanisms (including CRM-oriented practices). The study concludes that sustained competitiveness in algorithmic social media environments requires continuous learning, experimentation and data-informed content planning rather than one-time adjustments, and it highlights directions for future longitudinal and multi-platform research.

Keywords: Retail MSMEs; Social Media Algorithms; Content Strategy Adaptation; Digital Visibility; Engagement; Platform Analytics.

INTRODUCTION

The contemporary business environment is increasingly shaped by digitization, platform based competition and rapidly changing consumer behaviour. These shifts have significantly altered how firms create visibility, engage customers and generate value, particularly for Micro Small and Medium Enterprise (MSME) (**SMEs Going Digital, 2021**). As MSMEs often operate with limited financial resources, digital expertise and marketing capabilities their ability to compete depends heavily on accessible and cost effective digital channels (**Kraus et al., 2022**)

Retail MSMEs are especially affected by these changes due to their direct reliance on customer reach and engagement for sales performance. The growing dominance of online product discovery, social commerce and digitally mediated consumptions has made digital visibility a critical determinant of business success (**Bughin et al., n.d.**). In this context, social media platforms have emerged as key enablers allowing retail MSMEs to promote products, interact with customers and build brand presence with relatively low investment compared to traditional marketing channels (**Kaplan & Haenlein, 2010**)

However, social media platforms operate with algorithm driven environments that control the visibility and reach of business content. Social media algorithms evaluate multiple engagement signals such as relevance, likes, comments, shares, and watch time and click-through rates to determine which content is prioritised within user's feeds. Major platforms including Instagram, Facebook, TikTok and YouTube reward different forms of engagement requiring businesses to continuously adjust their content strategies to maintain visibility (**Covington et al., 2016**).

For retail MSMEs, the continuous evolution of social media algorithms presents both opportunities and challenges. Although algorithmic systems are designed to enhance user experience and overall platform engagement, frequent updates such as the less prioritisation of overtly promotional content, reduced visibility of external links and increased emphasis on short form video formats can lead to sudden and unpredictable declines in content reach and user engagement (**Tarleton Gillespie & Boczkowski, n.d.**). These fluctuations directly affect customer discovery, online sales and brand visibility which are critical for retail and e-commerce MSMEs that rely heavily on social media. (**Kaplan & Haenlein, 2010**).

Despite the increasing dependences of retail MSMEs on social media, existing research predominantly focuses on general social media marketing practices such as posting frequency, content types and engagement techniques (**Ashley & Tuten, 2015**) strategies in response to evolving platform logics across different social media environments. Consequently, there is insufficient insights into how algorithm responsive content practices shape visibility, engagement and perceived business outcomes for retail MSMEs

This study addresses the gap by exploring how retail MSMEs adapt their social media content strategies in response to evolving platform algorithms. Using a qualitative approach, it examines how MSME owners interpret algorithmic changes, adjust their content practices and perceive the resulting effects on visibility, customer engagement and business outcomes such as lead generation and customer retention. By foregrounding the lived experiences of retail MSME owners, this research contributes to a deeper understanding of the role of social media algorithms in shaping digital visibility and value creation within the retail MSME sector.

REVIEW OF LITERATURE

Algorithmic Control of Content Visibility on Social Media Platforms

Galeazzi et al. (2025)

Galeazzi et al. (2025) signifies that social media platforms no longer distributes content chronologically but rely on algorithmic systems that prioritise relevance, engagement signals and user behaviour. The study shows that these algorithms determine whether content is amplified or suppressed, directly shaping visibility. The authors further note that algorithmic penalties such as reduced reach for external links or repetitive promotional content can disproportionately affect MSMEs which often lack the digital resources and analytical capacity to respond effectively to such changes.

Platform Specific Content Alignment and Performance

Hapsari (2024)

Hapsari (2024) examines how content performance is influenced by alignment with platform specific algorithmic preferences. The study finds that content formats emphasising watch time, early engagement and native features particularly short form videos and interactive posts achieve higher visibility on platforms such as Tik-Tok and Instagram. While the study offers useful insights into effective content practices, it focuses largely on general content strategies and provide limited discussion on how MSMEs adapt their approaches in response to on going algorithmic change.

Social Media Adoption and MSME Performance

Macharia & Namusonge (2021)

Macharia and Namusonge (2021) looks into the relationship between social media adoption and MSME performance to find that social media uses enhanced communication, visibility and customer engagement. However, the authors also highlight that performance gains depend on strategic utilisation of platform features. Many MSMEs struggle to convert online engagement into tangible business outcomes due to limited technical skills inconsistent planning and weak content strategies.

Digital Capability and Adaptation to Algorithmic Change

Pranata et al. (2024)

Pranata et al. (2024) highlights the role of digital capability in enabling MSMEs to get used to the changes in digital platforms. Their study indicates that digital literacy, analytical skills and innovation capacity improves firm's ability to respond to algorithmic shifts and sustain visibility. However, the authors acknowledge a lack of qualitative evidence capturing the everyday adaptation practices of small retail businesses facing frequent and unpredictable algorithm updates

Digital Visibility and Business Outcomes

Giovanis et al. (2025)

Giovanis et al. (2025) investigate the link between online visibility and business performance, finding that increased visibility can positively influence sales, customer retention and brand engagement. At the same time, the study gives caution that visibility alone does not ensure improved outcomes, value creation depends on how effectively content strategies are integrated with customer interaction and sales processes. Limited insights are provided into whether algorithm driven visibility consistently leads to meaningful outcomes for retail MSMEs across multiple platforms

RESEARCH GAP

Although existing studies recognise the influence of social media algorithms on content visibility and business performance, limited research examines how retail MSMEs adapt their content strategies in response to evolving algorithmic systems. Prior literature largely focuses on general marketing practices or platform adoption rather than algorithm driven adaptation. Most studies also examine individual platforms in isolation offering little understanding of how MSMEs navigate differing algorithmic logics across multiple platforms. Furthermore, qualitative evidence capturing the lived experiences of MSME owners facing sudden declines in reach and frequent algorithm changes remains scarce. Finally, while visibility is widely discussed few studies explore whether algorithm optimised content translates into meaningful business outcomes such adaptations shape their digital visibility and perceived business performance.

RESEARCH METHODOLOGY

This study investigates how retail MSMEs adapt their content strategies in response to evolving social media algorithms. To achieve this the research relied entirely on **secondary data**, drawing from published literature, empirical studies, industry report and academic databases that discuss algorithmic visibility content strategy MSME digital behaviour and online engagement patterns. A **qualitative research approach** was adopted focusing on interpretation and thematic understanding rather than primary data collection. A **systematic review method** was used to identify analyse and synthesise relevant studies across multiple platforms such as Instagram TikTok Facebook and YouTube. The selected materials were examined qualitatively to understand how these adaptation relate to business outcomes. This methodology allows the study to address gaps in existing research particularly the limited qualitative exploration of MSME adaptation digital capability and visibility driven performance among retail MSMEs.

OBJECTIVES:

- To explore how retail MSMEs adapt their content strategies in response to social media algorithm changes
- To examine how these algorithm responsive content strategies influence content visibility and engagement
- To understand how improved visibility contributes to business outcomes such as leads, conversions and customer retention for retail MSMEs

DISCUSSION

Retail MSMEs increasingly operate in digital environments where social media algorithms largely determine whether business content gains visibility or remain unseen. These algorithmic systems continuously evaluate engagement signals such as likes, shares, comments, watch time, relevance and content format before prioritising content for user feeds. As (**Metzler & Garcia, 2024**) explains algorithmic systems create feedback loops in which content exposure is shaped by prior engagement patterns rather than content quality alone. Consequently algorithms function as hidden gatekeepers of digital visibility. For retail MSMEs whose customer acquisition and brand discovery depend heavily on social media awareness of algorithmic dynamics becomes essential for sustaining online presence. When platform priorities shift such as increased emphasis on short form video or reduced visibility of external links MSMEs often experience sudden declines in reach underscoring the evolving nature of algorithmic systems

In response to these changes, retail MSMEs attempt to adjust their content strategies although adaptation remains uneven. Prior empirical research examining MSMEs social media usage suggest that many small businesses continue to rely on static images text based promotions or external link posts despite the growing preference of platform algorithms for native and interactive formats (**Hapsari et al., n.d.**) This misalignment frequently results in reduced visibility even when products or services are competitive. Some retail MSMEs respond by adopting to algorithm responsive practices which includes increased use of short form videos simplified storytelling and greater reliance on platform native features. However the effectiveness of such adaptation varies significantly depending on the firm's understanding of platform signals and its capacity to respond to engagement trends.

The extent of adaptation is closely linked to MSME's internal digital capabilities. Prior studies indicate that MSMEs with limited digital literacy and weak analytical skills often adopt reactive strategies when algorithmic changes occur such as increasing posting frequency or imitating competitor content rather than making informed adjustments based on performance insights (Huang et al., 2023). In contrast, MSMEs with stronger digital capabilities actively interpret metrics such as reach, watch time, click through rates and product tag performance to refine their content strategies. Nevertheless, capability gaps remain a persistent barrier particularly for small retail firms operating without dedicated marketing personnel.

While algorithm responsive adaptation can help restore visibility, visibility alone does not ensure improved business outcomes. Prior research highlights that MSMEs achieve stronger performance when content visibility is integrated with customer engagement mechanisms, such as follow up communication feedback loops and targeted interaction strategies. From a retail point of view, MSMEs that combine trending content formats with platform-native interaction and timely customer follow-ups are better positioned to convert engagement into purchases and repeat business. Conversely, firms that focus solely on reach without strengthening customer interaction pathways often experience short-lived visibility gains.

IMPLICATIONS

IMPLICATION FOR RETAIL AND E-COMMERCE MSMEs

The findings indicate that retail MSMEs need to develop, **continues algorithmic awareness** as frequent changes in platform signals directly influence content visibility to remain competitive. MSME should adapt **data driven monitoring practices**. The track engagement matrixes, such as reach, watch, time, interaction patterns, across platforms greater emphasis should be placed on **algorithm preferred format**, including short form, native videos and interactive content rather than relying primarily on static promotional post.

Strengthening **digital literacy** emerges as a critical requirement, enabling MSME to interpret platform insights and adjust content strategies proactively rather than reactively, targeted training programs, pure learning, networks and practical exposure to analytics tools can support the development of adaptive capabilities. Additionally, integrating consumer relationship management CRM systems with social media insights can ensure that increased visibility translates to tangible outcomes such as lead conversion and repetitive purchases. Overall the study is that content adaptation should be viewed as an **ongoing strategic process** rather than a onetime response to algorithm change.

IMPLICATION FOR PRACTICE AND RESEARCH

Future research could explore how algorithm driven content adaptation varies across different industries as patterns observed in retail MSMEs may not be generalisable to other sectors. **Longitudinal studies** would provide deeper insights into how MSME adjust content practices overtime, particularly before, and after major algorithm updates, incorporating **consumer sided perspectives** may further clarify how algorithm, visibility, shapes, trust, engagement and purchase intentions.

Comparative multiplatform studies are also needed to examine how MSME simultaneously navigate different algorithm, logic on platforms such as TikTok, Instagram, Facebook, and YouTube. Further research should investigate **digital capability gaps**, identify which specific skill most strongly support effective adaptation with the increasing use of AI assistant content creation tools. Further studies could also assess how such tech technologies, influence MSME creativity, visibility and ethical considerations expanding qualitative research in this area would deepen understanding of real world adaptation, practices and support the development of practical guidance for MSMEs.

CONCLUSION

This study highlights the central role of social media algorithms in shaping the visibility and digital reach of retail MSME, demonstrating that algorithmic awareness and adaptability have become essential capabilities in contemporary digital markets. The findings show that MSME that actively adjust their content strategies by aligning content, formats, engagement, cues, and narrative approaches with platform specific algorithmic preferences are more likely to achieve consistent visibility.

However, visibility alone is insufficient to generate meaningful business outcomes. The study emphasises that performance benefit arise when adaptive content practices are supported by **digital skills, analytical interpretations and structured customer engagement mechanisms**, retail MSME that combine algorithm, insights with

experimentation platform, native creativity and data informed decision-making are better positioned to convert visibility into lead conversion and long-term customer retention .

Overall, the research reinforce the success in algorithm driven social media environments depends **on continuous learning and strategic adaptation** rather than static content planning as social media algorithm continue to evolve future research should further explore how MSME can strengthen adaptive capabilities to sustain visibility and competitiveness in an increasing platform, media, digital economy.

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