

Comprehensive Study on Social Media and Its Role In Marketing

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ABSTRACT:

Social Media, today, is among the 'best opportunities available' to a brand for connecting with prospective consumers. Social media is the medium to socialize. These new media win the trust of consumers by connecting with them at a deeper level. Social media marketing is the new mantra for several brands since early last year. Marketers are taking note of many different social media opportunities and beginning to implement new social initiatives at a higher rate than ever before. Social media marketing and the businesses that utilize it have become more sophisticated. One cannot afford to have no presence on the social channels if the competitor is making waves with its products and services. The explosion of social media phenomenon is as mind boggling as that and the pace at which it is growing is maddening. Global companies have recognized social media marketing as a potential marketing platform, utilized them with innovations to power their advertising campaign with social media marketing. This paper discusses about the concepts of social media and social media marketing and other aspects like the growth and benefits, role and relevance of social media in marketing, social media marketing strategies. It also presents an overview on social media marketing in India.

Keywords: *Social media, Social media marketing, Growth and benefits of social media, Social media marketing strategy.*

1.0 INTRODUCTION:

Social media is hot. Social Media is now the trend. And for businesses it represents a marketing opportunity that transcends the traditional middleman and connects companies directly with customers. This is why nearly every business on the planet—from giants like Starbucks and IBM to the local ice cream shop—are exploring social media marketing initiatives. A year ago, businesses were uncertain about social media. Now it's here to stay and companies are rapidly adopting social media marketing. Much like email and websites first empowered businesses, social media is the next marketing wave.

In the current modern societies, Social Media channels are commonly used in order to connect people together throughout the world using the Internet. Whether it is through social networks, forums, blogs or media sharing websites, people can now have a conversation online, also called interactive dialogue, with anybody and on any subject, permitting them to share their experiences and valuable information. Looking on a business perspective, it goes without saying that Social Media Marketing has offered a large variety of new opportunities

for companies to promote their brand, products and services. Thanks to the personal autonomy and freedom that Internet offers, people are actively connecting with each other and talking about their experiences, sharing their opinions about products and services they have tested or even just heard about. However, it seems still unclear which real benefits Social Media Marketing has brought to businesses and which particular techniques were used to achieve this success.

Social Media Marketing benefits for businesses:

Why and how should every business create and develop its Social Media Sites?

In order to provide understandings and answers to this issue, the report will start by presenting the notion and concepts of Social Media and its relation to Marketing, defining the terms and their features. Then, on the one hand, the theoretical analysis will use a wide literature review to discuss the main business benefits of Social Media Marketing, explaining why every business should create their Social Media sites and maintain their presence on them regularly. On the other hand, the empirical analysis will examine the main marketing techniques used by companies on the Social Media channels, analyzing how businesses should develop their Social Media Sites. Besides, the limitations and risks encountered by businesses implementing Social Media Marketing strategies will also be presented in order to show the negative aspects as well. Finally, the report will end with general conclusions and recommendations for businesses using Social Media Marketing

2.0 LITERATURE REVIEW:

Rajiv Kaushik, (2012) Growing popularity of social media compelled the marketers to think about this media along with traditional functional areas of marketing. Social media is based primarily on internet or cellular phone based applications and tools to share information among people. The number of social media user's is more than the population of some of the countries today. Impact of social media on marketing can be judged by comparing marketing before the social media and marketing after the introduction of social media and type of technologies used in social media

Rubathee Nadaraja, (2013) In recent years, social media has become ubiquitous and most important for social networking, content sharing and online accessing. Due to its reliability, consistency and instantaneous features, social media opens a wide place for businesses such as online marketing. Marketing which occurs via social media is known as social media marketing. Social media marketing has made possible for companies to reach targeted consumers easily, effectively and instantly.

Sajid S, (2016) Social media nowadays is among the 'best possibilities available' to an item to get in touch with potential customers. Community social networking websites are the method to interact socially. These new media win the believe in of customers by linking with them at a deeper level. Community online marketing is the new mantra for several manufacturers since early a season ago. Promoters are considering many different social media possibilities and beginning to apply new social projects at a higher rate than ever before. Community online marketing and the companies that utilize it have become more sophisticated. One cannot afford to have no existence on the social programs if the competitor is creating waves with its solutions and items. The blast of social media trend is as

amazing as that and the speed at which it is improving is frustrating. International companies have identified social media promotion as a potential promotion system, used them with enhancements to power their marketing with social media promotion.

3.0 ANALYSIS:

Research methods are used to determine, discover, interpret, and formulate facts. The concept of research represents a thorough investigation. Through investigation and discovery processes, research methods help to advance many different fields. In this methodology chapter, the action research methodology which intends to be used in this report will be presented, as well as the other forms of research that will be explored. The main sources of information used throughout this master thesis were issued from Internet articles and online blogs on Social Media Marketing, in order to always read up-to-dated information. Indeed, the main issue related to the use of books on Social Media Marketing was that they always needed to be the last editions, as the domain of Social Media Marketing is evolving so rapidly. Also, these approaches to knowledge acquisition were chosen because of the new aspect of the Social Media Marketing, still lacking many proven results of analysis. The creation and submission of a survey directly to businesses was considered as an alternative option, but it was decided that the results would have been complex to evaluate, and certainly less efficient than the surveys' results already implemented and published online.

Research philosophy is the decision of which method is best suitable to gather, analyze and use data on a particular concept. The two main research traditions are Positivism and Interpretivism, each having different vision on the objectives of research. Therefore, they also have different methods for collection of data.

Study design:

The general design of our study uses qualitative research based on market research, to uncover to the best of our resources. Qualitative assumptions have been made where quantitative methods would be unsuitable and undesired. The qualitative approaches are suitable for interpreting the reasons why Social Media Marketing offers these significant benefits for businesses, while quantitative research with facts and figures assists in relating the benefits with the use of the different Social Media channels. This report hopes to explore the main theories of Social Media Marketing in order to formulate some recommendations for a new qualitative opinion and analysis of how Red Bull and Slow Cow will proceed operations in the future with respect to their marketing strategies and positions.

Structure of the report:

Research Design explains how the problem statement can be turned into a project. It corresponds to the master plan of the research which will be dealing with at least four problems: what questions to study, what data are relevant, what data to collect, and how to analyze the results. The research needs a methodology, which is structured before the data is collected or analyzed. This methodology represents the basic structure of the report which can be described through the following Figure 1. The main research of this report is divided into two parts of theoretical and empirical considerations. The first part focusses on the different benefits of Social Media Marketing for businesses, explaining how they can be the

most beneficial. The second part presents the different types of Social Media channels, listing some examples and explaining their main characteristics.

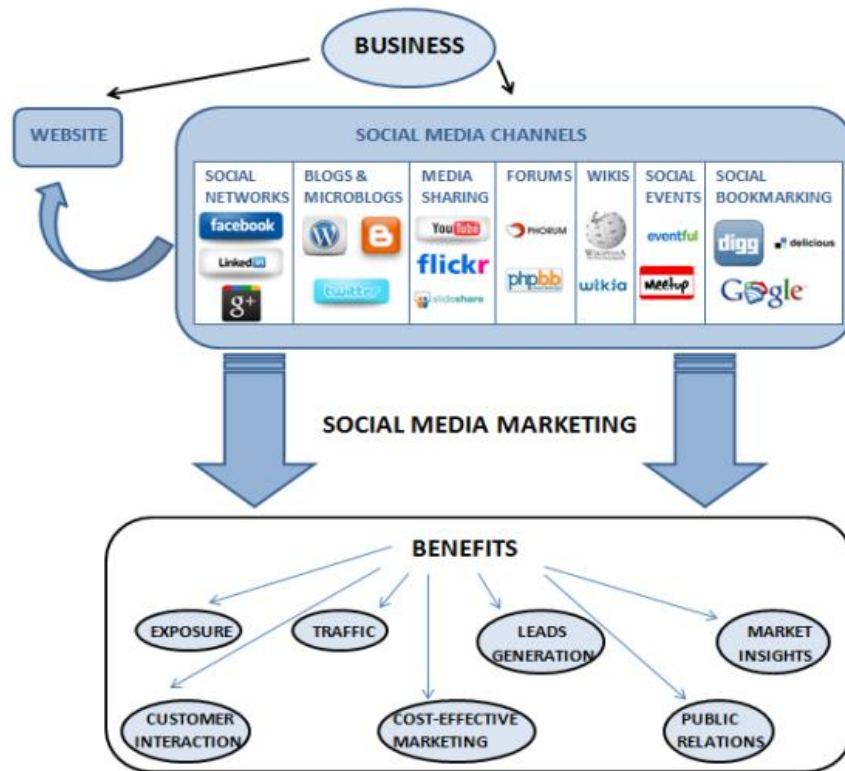


Figure 1: Structure of the report

Theoretical analysis: the Benefits of Social Media Marketing:

Nowadays, Social Media Marketing is widely used by businesses because it represents a cost-effective marketing solution. The Social Media Marketing weapons can be used largely for free and very easily, in comparison with other promotional tools (Levinson, J.C. & Gibson, S., 2010). The main purposes of using Social Media Marketing are the amplification of word-of-mouth marketing, market research, general marketing, idea generation and new product development, co-innovation, customer service, public relations, employee communications and reputation management. Indeed, social networks can increase product and brand awareness, web traffic, customer loyalty, but also improve the company’s Search Engine Optimization, and even increase the success of new product launches.

57% of SMBs say social media is beneficial to their business. Whether it is concerning large multinationals or small and medium-sized enterprises, Social Media Marketing presents many significant benefits for the companies’ success. Social Media platforms foster communication around brands and products, enhancing positive as well as negative word-of-mouth around a business and its products and services. Any message or piece of information shared on the Social Media channels can be seen by thousands of people in an extremely short period of time. Furthermore, 94% of marketers affirm that they are employing Social Media for marketing purposes (Stelzner, 2012). 83% of them said that Social Media is important to their businesses and 59% of marketers are using Social Media for 6 hours or more weekly, and 33% for 11 or more hours (Figure 2).

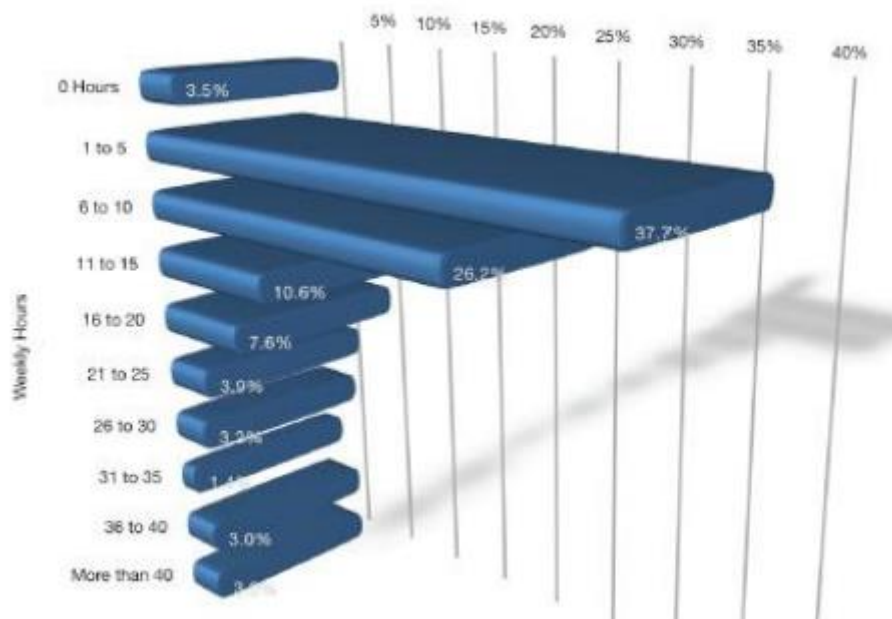


Figure 2: Weekly Time commitment for Social Media Marketing

Brand exposure and awareness The main benefit acquired by businesses implementing Social Media strategies represents the increase in brand exposure. Brand exposure occurs when the customer becomes aware of a product, service or advertisement through at least one of their five senses, whether or not they paid attention to it. Thanks to the Social Media platforms, new brands can establish themselves and foster awareness. For existing brands, Social Media platforms also raise awareness. Increased exposure is the major benefit from Social Media Marketing (Figure 3).

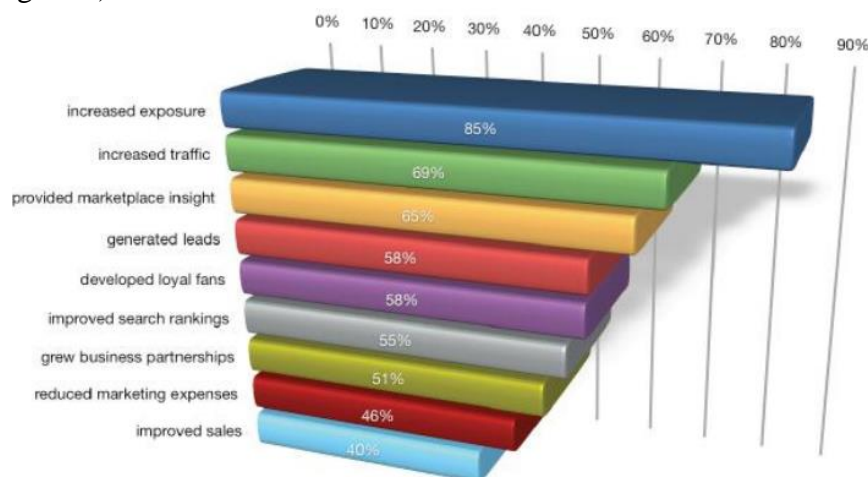


Figure 3: Benefits of Social Media Marketing

Indeed, setting up pages and profiles on Social Media channels offers many opportunities to the brand to be seen and reached by its audience. Exposure is the first step for new brands. Without any exposure, the company will just fail its launch. Moreover, the marketer can use Social Media channels to promote their products and services.

Cost-effective Marketing Technique Social Media Marketing is a promotional tool that does not need high advertising costs or an extremely high amount of time. It is a strategy of doing good and costless business marketing. If a company is aware of where its target audience is interaction in the Social Media landscape, a small investment is enough to get a Social Media

strategy started and the returns can be amazing. 63% of companies using social media say it has increased marketing effectiveness among other benefits (Figure 4).



Figure 4: Benefits of using Social Media for companies

Summary of the Social Media Marketing benefits for businesses:

As a brief summary of this section, Table 1 provides a structured summary of the main Social Media Marketing benefits for businesses organizing them into the main functional areas of businesses, which are marketing, customer support, research and development, finance, public relations and human resources.

Table 1: Summary of the benefits of Social Media Marketing for businesses

FUNCTIONAL AREA	BENEFITS
MARKETING	Increased brand exposure Build awareness Brand reputation management Increased targeted traffic Improved Search Engine Optimization Leads generation Reduced marketing costs
CUSTOMER SUPPORT	Customer interaction > Feedbacks Real-time and personalized support Improved customer experience Increased customer retention and loyalty Reduced support costs
RESEARCH & DEVELOPMENT	Market insights on target audience Competitor monitoring New ideas captured from community

FINANCE	Cost effective Reduce costs in marketing, customer service and recruitment
PUBLIC RELATIONS	Communication in real-time Increased brand exposure
HUMAN RESOURCES	Business networking Facilitated recruitment Reduce recruitment costs

Empirical analysis: Social Media Marketing channels

Social Media Marketing is not always easy, quick or cheap. As Evans L.L. underlines it in her book (2010), Social Media Marketing involves research, strategy, implementation, team’s implication, networking, conversing and measuring. For any type of business, it exist at least one or several appropriated Social Media channels to use. In general, Social Media networks and blogs are the Social Media channels the most effective at generating real customers (Figure 5).

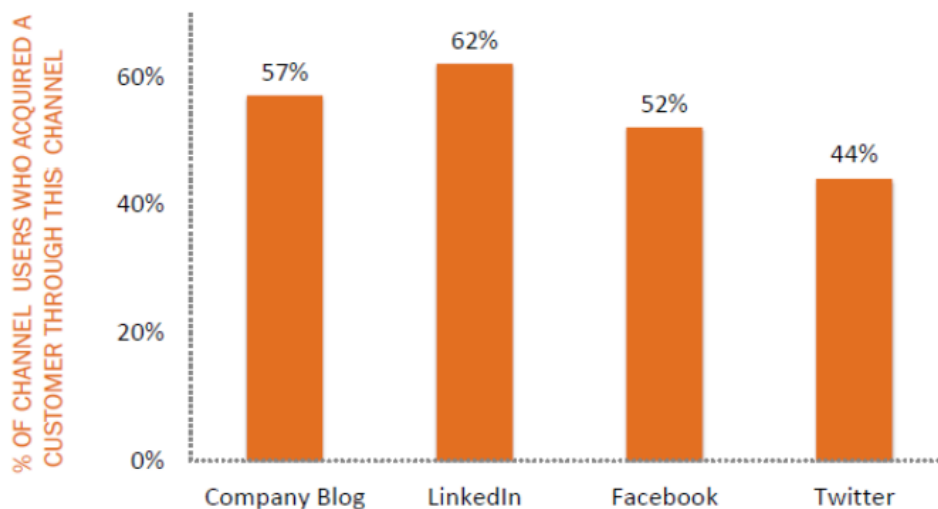


Figure 5: Percentage of channel users who acquired a customer through Social Media channels

4.0 OBJECTIVES

The aim of this study is to determine in which direction has new media changes of advertising and affected the companies and services. Beside this, the research tries to find out these factors:

- To identify how social media advertising can enhance dialogue between companies and customers by multi-way communication.

- To identify consumer perceptions towards social media advertising approach and relationship to developing a brand image for companies.
- To identify the actions consumers positive or negative take to advertise on social media.
- To examine how Facebook advertising impacts user likelihood of elaboration in regard to generate further messages from a brand.

5.0 CONCLUSION

Through this report, we have been closely analyzing the Social Media Marketing domain, detailing the main business benefits and defining the different types of Social Media channels and their role. Indeed, whether a business is developing its Social Media presence on every channel or only on a couple of them, the business benefits can vary in terms of value and volume. However, the main benefits encountered usually are increased brand exposure and reputation management, increased targeted traffic and Search Engine Optimization, word-of-mouth and leads generation, market insights related to target audience and competition, public relations facilities and recruiting. In addition, while Social Media Marketing is also an extremely cost-effective solution, it mostly depends on which type of Social Media channels is used. Social Networks, Blogs and Microblogs, Social Media Sharing sites, Wikis, Social Bookmarking sites, Forums, and Social Events sites are all considered as Social Media channels, and can all be significantly beneficial for businesses in their own way. Also, now that internet is available on all the smart phones, people can access their emails anytime, anywhere.

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