## **ABSTRACT**

# Purpose of the study

The previous researches are being conducted to study the impact of the online marketing over the consumer behavior have failed to provide a concrete result. The previous researches are mostly related with the accessibility of the customers. There are no effective researches that are done on the buying pattern behavior of the customer. It is also seen that certain researches are focused only on the impact of social media thus the point of online advertisement remain neglected. Thus in the present researcher, the researcher has tried to investigate that in spite of having huge infrastructure why Apple Inc has not been able to market their products effectively.

# Objectives of the study

The main objectives of undertaking the study is have a critical understanding of varied concepts of social media marketing and the online advertisement. Research even critically investigates the different customer behavior pattern. Further, this study tried to recognize the challenges that are faced by Apple Inc related to the improper social media and online advertisement marketing strategies. The study is also going to lay down recommendation solutions in order to tackle the challenges faced by Apple Inc

#### Research methodology

The research methodology that has been adopted for carrying out this study is based on quantitative technique. In order to undertake this study data has been collected from both primary and secondary source. In order to undertake the analysis of information collected from primary source SPSS software has been used by researcher. The analysis that has been undertaken for fulfilling the objectives of this research were frequency distribution, descriptive statistics, ANOVA test and cross tabulation.

#### **Conclusions**

Research identified that satisfaction level of consumer are seen to be high with respect to social media advertising undertaken by consumer, but still it could be seen that there are particular group of individuals who disagrees to this aspect. It has also been found that consumer has been undergoing online advertisement using social media marketing and this states that business must carry out appropriate advertisement using such media channels. It has also been

identified that in the present era if business needs to influence the behavior of consumer towards their product and services then they have to carry out their advertisement using social media channels.

## **CHAPTER 1: INTRODUCTION**

## 1.1 Overview

The consumers of internet in the present times are widely spread in all over the world and have taken a growth in many of the sectors. Digital media had provided new way of communication to engage the consumer in different business sector. Various Online tools are also increasing on rapid rate to reach new customers. According to recent marketing research, social media is getting involved in people's lives and making them more dependent. The marketing approaches are astounding with millions of customers. The whole world spends approximately110 billion minutes on accessing social networking sites like Face book, twitter and reading blogs (Tuten and Solomon, 2014). It has been also analysed that visitor of social media are increased up to 24% in last year. The above factor does not put a doubt about how business sector overlaps to people's life by social medium. Social media improve the interaction by providing contents publically and gain interest of visitors. Social sites are tools to spread the information among consumers. People are sharing their personnel content or public content inside and outside their professional life. Large groups of people are associated with blogs, social networking site, mutual project and implicit world.

The phenomenon is highly adapted by corporate world to share the information and present their latest product. This empowers the business. Subsequently social media provides inexpensive platform for their business and directly engage with their customer. Therefore, it emphasise on effective marketing which is better than traditional marketing schemes (Vatrapu, 2013). It has been observed by many companies who get more interactive and becomes famous on social media. This results on their business rapid growth. It has been reported in 2010, Face book have nearly about 400 millions of users. There are 1.5 million users who belong to the business sector. The organisation requires being well aware about the platforms from where they could approach large number of customers and spread their information among them. Some of the companies like- Dell, Samsung, Sony, etc. have experienced the increment of sales while using social media (Tuten and Solomon, 2014). In last year of February, Sony announced on a social site i.e. Twitter, that they had gain extra \$1.6 million. After in June month Dell Company also experienced the direct connection to the customer and it increases the overall growth of the

business. It generates a question that whether social media is best for highly reputed brand, or it is helpful for smaller brands.

In 2009, social media gave the answer by a so-called example of a very small shoe company situated at Canada. The company's name was John Fluevog Boots and Shoes which analysed their sales increment by 40 percent after starting advertisement on social media and becomes well known brand. Social media is new research for marketing but still some research is there. Social media offers various strategies to manage above explained phenomenon. The strategies offered by them are recommended in nature and lack experimental in support. According to previous findings, social media had investigated the user tempting fields. They are also trying to find facts of relevance interest (Vinerean.et.al, 2013). Larry Weber 2009 had mentioned in his book that Social media is a new marketing platform where judgment of public changes in every hour, minute and even each seconds but the attitude of customer for product are not changed in this rapid rate.

# 1.2 Research background

Many of the renowned researchers had worked hard in order to gain knowledge and understanding about the impact of social marketing on consumer behaviour. It has been found that there are no much researches being carried on the buying behaviours of the consumers. Most of them are done with the accessibility of the customers. It has been observed that some of the researchers had focused on the impacts of social marketing only and thus avoids the aspects of online advertising at large. The present research in the investigated and strived hard to examine each and every single aspect related to the social marketing and its impacts over the consumers of Apple Inc.

## 1.3 Company overview

Apple Inc is been listed among the world's top most information technology companies. It is an American multination company being headquartered in Cupertino, California, US. The organisation had initiated its operations in the year 1976 and acquires immense area of infrastructure. The company includes approximately 115,000 people in its workforce at different levels of functionalities. Apple offers wide range of products and services and deals mainly in the sales of consumer electronics, online services and computer software. It provide a range of hardware products such as ipad tablet computer, iphone Smartphone, Mac personal computers,

etc. The company also have an online Apple store along with approximately 475 retail stores which serves people at the large platforms with the ranges of the products and services in the entire world. With respect to the revenue records along with the total assets, Apple is the largest information technology company all over the world and the second largest mobile manufacturing company throughout the globe. It has been found that in the current 2016, there are more than billion actively used products and services of Apple in the whole world.

## 1.4 Research problem

Any of the research is been carried out with the occurrence of any of the issues with the purpose to overcome with the same and come up with new solutions. The primary issue being found was to evaluate the influences of the social media and the online advertisements on the consumer behaviours. It is very important aspect to be focused as being a multinational company Apple Inc got failed to promote itself towards the buying behaviours of the customers. The customers are not much aware and generally ignore the products and services of Apple, especially the new products which are launched by the company. It has been identified that it is very much essential to make an existence on the diverse sources of social media with the purpose to perform online advertising and approach maximum number of customers. It has been stated that the company must spread awareness among the customers about their products and services as neglecting this issue would cost the company at large. It has been observed that social media and internet in the present time covers almost 90% of the business activities and if the company avoids adopting these sources would lead to great concerns.

In addition to this, it has become a serious issue that the competitors of Apple had already emerged to the social media sources and had achieved success in influencing the customers to the great extent. The lack of online presence of Apple would lead towards the negative image in the consumer behaviours and would also result in the decline in the sales along with the market shares of the company. It has been identified that this issues had laid an impact on Apple to the large extent. It has been found that a drop of nearly about 6.3% in the profit had been recorded in the last financial year along with the 2.3% decline in the market share of the company in the industry. However, the amount looks very much minor but an organisation with revenue collection of approximately 233.715 billion acquires a great concerns. Evans (2012) had identified that this decline is mainly observed on the online stores which is due to its less existence on social media and poor online advertisement strategies. On the contrary to this, it

have been found that in the last financial years the competitor companies of Apple like Google, Dell, blackberry, etc had achieved great success with these sources and had performed very well.

## 1.5 Aims and objectives of the study

Aims and objectives are the most important aspects which provides with the set motive to move towards the success. These aims motivate an individual to make the best efforts and strive hard towards the accomplishment of them. The investigator has planned to carry out the research with the aim to identify the issues that are being faced by the company Apple Inc principally allied to the improper strategy of social media marketing and online advertisements that influences the behaviour of the customers. Followings are the objectives that are being prepared by the researcher and will be meeting through the process of completing the research.

- > To have a critical understanding of varied concepts of social media marketing and the online advertisement
- To critically investigate the different customer behaviour pattern
- > To recognise the challenges that are faced by Apple Inc related to the improper social media and online advertisement marketing strategies
- To recommend solutions in order to tackle the challenges faced by Apple Inc

#### 1.6 Research question

In order to address the issues related to social media marketing and online advertisement the researcher has prepared certain questions which will be answered through the completion of the research. Following are the set of question:

- Q1. What is the concept of social media marketing and online advertisement?
- Q2. How far the social media marketing and online advertisement is related to customer behaviour?
- Q3. What are the potential challenges to implement social media marketing and online advertisement strategies?
- Q4. What are the possible solutions for Apple Inc in order to overcome the identified problems?

#### 1.7 Rationale of the study

The present research will help the researcher to identify the prime factors and reasons that are affecting Apple Inc in terms of their social media marketing as well the online advertisement which to leads to affect the behaviour of the customers towards the company. It is only possible for the researcher to give proper solution for the problems after identifying the right issues. This particular research has been carried out with the intention to learn more knowledge about the impacts of the social media and online advertisements on the consumer behaviours. The research would focus on these aspects with respect of the functionalities of the Apple Company. The current study would assist in finding out the sources through which Apple would mitigate with its issues and establish its brand among the consumers. It would support in finding out the ways in which the customers could be approached at the large platforms.

In addition to this, the study would be leading towards the achievement of the objectives in an effective manner and would also enhance the brand awareness among the people. This study would support several scholars, students and researchers to collect knowledge and findings about the social media marketing and online advertisements. Furthermore, the research would also help in analysing the possible challenges to be faced by the company in implementing the online marketing strategies. It would also help Apple Inc in mitigating the issues effectively and enhancing its productivity and sustain the market share. In this study, the researcher has accumulated many of the aspects which could influence the buying behaviours of the customers and lead towards the profitability to the company. The study would also discuss the probable solution to the company which could be implemented by Apple and come up with the new effective strategies and gain higher revenues out of it.

## 1.8 Significance of the study

The present study acquires a special significance with respect to the subject matter of the social media marketing and online advertisements for a company. It is a widespread aspect which covers the crucial aspects of information technology industry. This provides with the way in which Apple Inc could move and could enhance its sales revenue and the success rates. The major significance of this particular study is to gain understanding about the impact of social media marketing and online advertisements on the behaviours of customers of Apple Inc particularly. The business activities or strategies affects the entire industry and would lead towards the decline of the organisation as well. The major intention behind this research is to

evaluate various impacts and find out the reasons as how to mitigate with those impacts while moving out the business. There is a vital significance to the researcher as to know the benefits and the drawbacks of the social media marketing could influence the customers and the business as well. The study would be beneficial to all those who are connected by one and the other ways from social media marketing and are willing to expand their businesses through online advertisements. This particular study would provide with new ideas to the scholars and the researchers with respect to the influences of the social media and the online advertisement strategies on the business. There is a primary importance of this study to increase the knowledge and awareness about the online marketing activities while influencing the consumer at large extent. This study would provide a wide range of learning and knowledge of the online marketing strategies and solutions to mitigate through the identified issues by Apple Inc respectively. The strategies of making the customers aware about the brand and influencing their buying behaviour with the help of social media marketing and online advertisements would be revealed through this study. Moreover, it would help out the researcher to draw an effective conclusion and the findings out of the whole study and would be able to recommend more to bring improvements in the functionalities of Apple Inc.

## 1.9 Research methodology

The research methodology is a major section for the study. The part has significant value for researcher to indentify techniques and appropriate tools to deliver the complete report. It provides an appropriate manner which is very helpful for carrying out a particular topic research. The aspect initiates an effective conclusion by the study. The researcher has undergone several tools to undertake the present research. According to this investigation, researcher builds positivity in philosophy to test various hypotheses (Scott, 2015). This investigation is used to test several different variables which are enhancing with retention of strategies. The researcher practises various approaches because it is needed to study and analyse theories anticipated by scholars as per recommended strategies. The theories are further optimized by comparison process where it has been compared by recent studies. These kinds of research are based on mixed finding and adapt two research methods i.e. qualitative and quantitative. The findings are necessary to undergone both the methods has got spontaneous and logical approach to bridge the gap between qualitative and quantitative research technique (Van Dijck, 2013). The methods are

helping out the researcher to draw complete study at each and every angle. The researchers have preferred descriptive research design. The technique is valuable for quantitative researches.

While undertaking the research, the data should be collected from primary and secondary resources. While collecting the data from primary resources the surveyor and interview techniques should be grasp by investigator. To collect secondary data, it is necessary to optimize it from public sources like journals, books, website and social media. Both the investigation are carried out by using a software tool i.e. SPSS (Maxwell, 2012). It simplifies the study of some approaches related to it. It analyses the techniques undergone investigation about variable by pie charts and bar graph, frequency distribution, cross tabulation and ANOVA test. The test is a practical approach to understand associated and non-associated variables. It is applied to influence the workers of Apple Inc and acquire their preferences with respect to the topic.

## 1.10 Structure of the study

In order to carry out a research in a systematic and effective manner it is very important to have a well build structure as well. While going through the study the investigator had segmented the entire research in five major sections. These sections would contribute in the achievement of the objectives and accomplish the study in the desired manner. The study would be commenced with the "Introduction" part which would include the overview of the entire study depicting its aims and objectives and the desired outcomes. It would also cover the background of the study and its significance to the subject matter. The first section of the study also discusses about the research problem, question, rationale and the methodology. The next section of this study is the "Literature Review" in which the investigator has undergone through the previous researches which have been carried out by the renowned researcher with respect to the same topic. It covers the aspects of various theories depicting the relevance of social media and online advertisements particularly. The literature review would also include the basic concepts and understanding related to the impacts of social media and online marketing on the consumers. This section would also assist the researcher in framing a string theoretical basis for the whole study. "Research Methodology" is the next section which is being carried out in the study. This part would discuss about the procedures and ways the research is to be carried out. Suitable tools and techniques for the evaluation of the study would be identified in the section with respect to the present subject matter. In this particular section, adequate amount of justification related to the adoption of specific methods of carrying out the study would be