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A STUDY ON THE EFFECTIVENESS OF SOCIAL MEDIA AS A MARKETING TOOL

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Abstract

In a world where we are online always on different social media platforms surfing, chatting, liking, commenting and sharing one or the other content we come across. This paper tries to make use of this opportunity to analyze the response of the prospects to get insights about what all are the parameters a customer considers while going through an advertisement on Social media platforms. These insights help not only in improving the products and services but also to come up with new design ideas using inputs from customers. Marketers need to focus upon the time, content, credibility and position their products aptly inorder to obtain the best result from the campaigns.

Key words: Social media, Infographics

Introduction

Social media marketing can be described as the ways and means through which various social media platforms are used by marketers to process the information of customer behaviour and gain insights about customer's likes and preferences. The programs focus basically on the content that attracts attention by providing required information and encourages readers to share in their networks. The resulting electronic word of mouth (eWoM) i.e. any statement consumers share via web sites, social networks, etc. about an event, product, service, brand or company to boost the customer brand awareness and marketing of products and services. The message spreads from user to user and resonates because it appears to come from a trusted, third-party source, as opposed to the brand or company itself and hence build up trust in the customers mind.

These platforms and websites were created for the individuals to interact with one another and build relationships. When companies joined the social channels, consumers started interacting with them. It feels personal to users because of their previous experiences with social networking site interactions. The options of "retweet" or "repost" on Social networking sites and blogs helps in reaching more people. These social networking sites act as a word of mouth tool because the information about the product put out gets repeated leading to more traffic brought to the product/company.

Scope of Study

The scope of the study is limited to social media marketing campaigns and websites only focusing on suggesting the areas of improvement in campaigns, focusing on customer's wishes and recommendations for improvement and influencing the buying decision making process of the customers.

Objective of Study

- a) To examine how much social media helps or influence consumers in making buying decision.
- b) To study the gap between expectation of customer from Social media and its actual performance.
- c) To suggest strategies and improve their effectiveness by bridging the gap between expectation and performance.

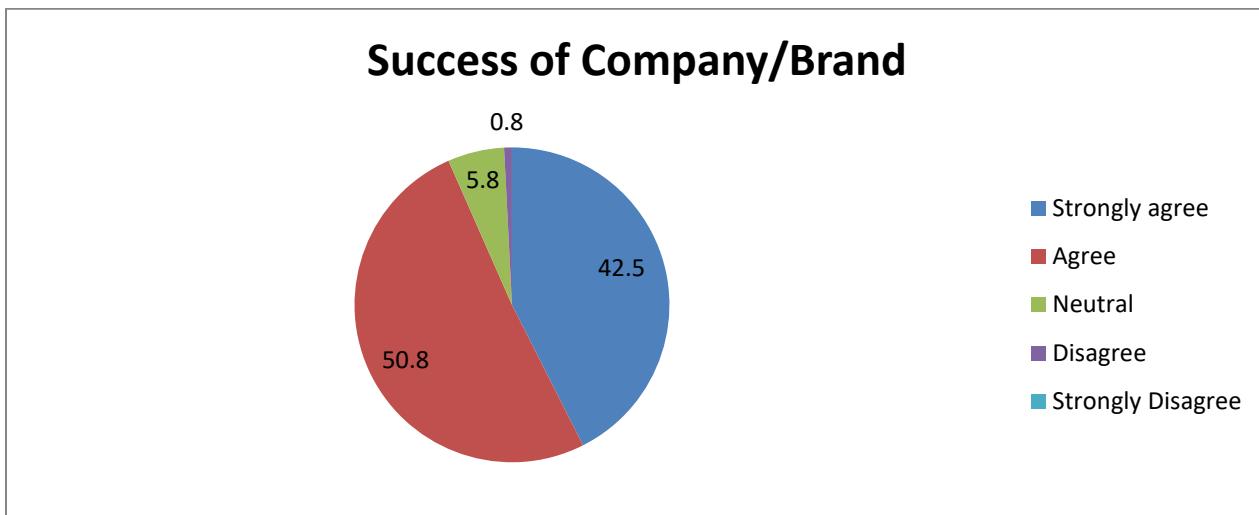
Research Methodology

The study is carried out using descriptive research techniques which includes surveys and facts finding and describing them as per the context of research as they exist. A questionnaire consisting of 15 close ended questions along with some demographic related questions like gender, age, education and employment status were used. The questionnaire was then further floated using different social media platforms like Whatsapp and Facebook to gather the response. Hence, convenience sampling technique has been used to obtain the responses from 120 respondents. Further multiple regression analysis has been carried out to analyze the impact of estimated factors on the buying decision of the customers using the SPSS tool. Percentage representation of data using bar graph and pie chart has been carried out diagrammatically for better understanding of the responses.

Table 1: Demographic Profile of Respondents

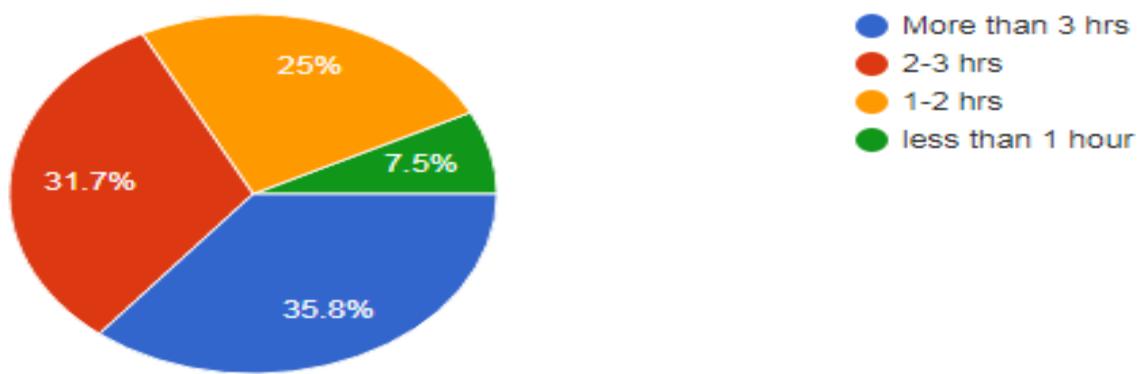
Variables	Classification	Percentage
Gender	Male	64.2
	Female	35.8
Age Group	Less than 20	2.5
	20-30 years	93.3
	30-40 years	2.5
	40-50 years	1.7
	More than 50 years	0
Education	Undergraduate	45.83
	Postgraduate	53.33
	Intermediate	0.83
Employment Status	Employed	51.67
	Unemployed	48.33

Fig 1: Social Media Marketing help in the success of a company/brand



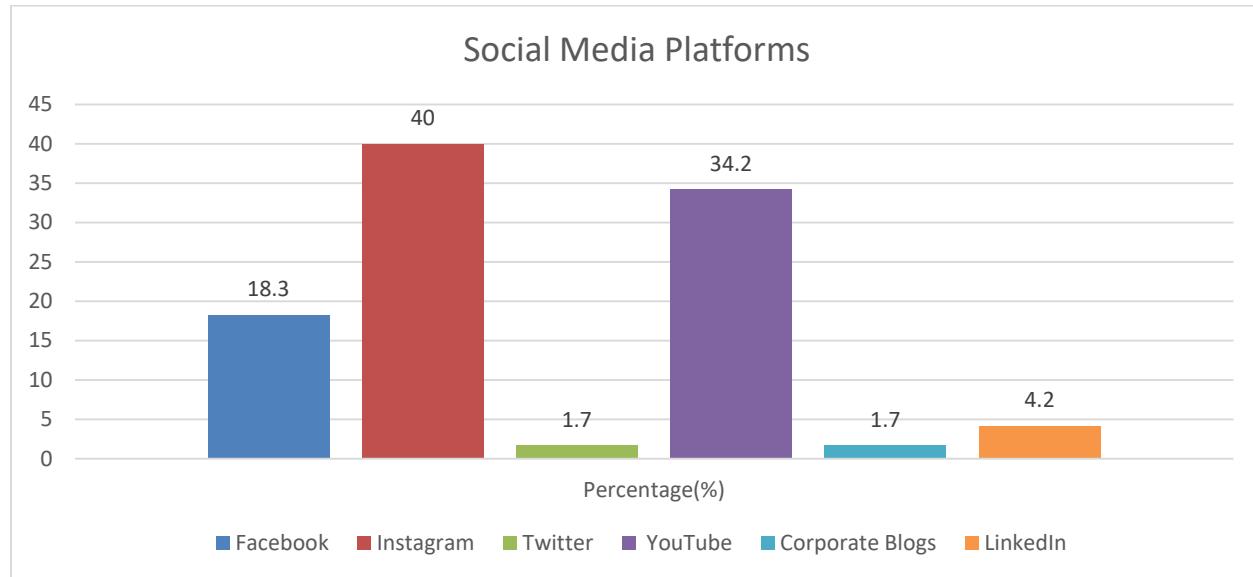
It can be concluded that about 50.8 percent of the people agree that Social Media Marketing contributes to the success of a company/brand and 42.5 percent strongly agree to the same. Hence, marketers have an opportunity that can be used effectively through these platforms.

Fig 2 : Time spent on social media



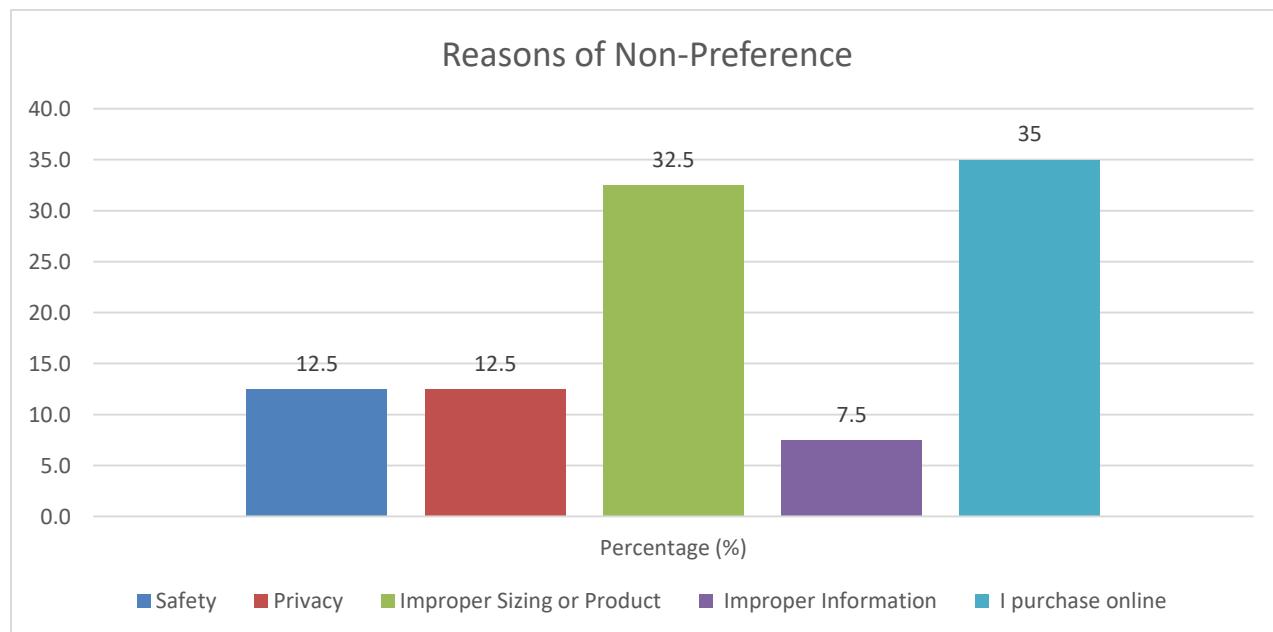
The above pie chart clearly shows that around 67.5 percent of the people spent more than 2 hours on the Social Media platforms hence it can be used beneficially to promote the products and services on these platforms by the marketers.

Fig 3:Instagram has been selected as the most effective Social Media platform



The data shows that the most popular social media platform among the respondents is Instagram with around 40 percent followed by YouTube with 34.2 percent. Thus, the marketers should focus on these platforms to boost their reach to the customers.

Table 2:Reasons for non- preference to purchase online vs. Online Buying



Most of the respondents around 35 percent stated that they purchase online their products and services. But 32.5 percent people have a non-preference to buying online due improper sizing and products available to them. The marketers should make sure that correct sizing and the products as stated during purchase must be made available to the customer so as to make them related with the brand or company for future purchase.

Regression Analysis

The remaining responses collected have been used to carry out the regression analysis and the factors effecting buying decision (Y) consideredare as follows:

- Frequency of responses received through Social Media platforms on inquiry-X1
- Watching and Buying goods based on Social Media Advertising-X2
- Believing in all the information shown over the Social Media Marketing campaigns-X3
- Providing review/recommendations over the Social Media platforms of company/brand-X4
- Comparison of products made easier by Social Media platforms-X5
- Finding of required set of products based upon the requirement-X6
- **H₀ : Social Media Buying decision making is not dependent on the factors considered**
- **H₁: Social Media Buying decision making is dependent on the factors considered**

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.540a	.291	.254	.56998

The value of R squared from the above table is 0.291 rounding it and converting it into percentage we can get it to be ~29%.Hence,it can be seen that the factors considered by us contribute to about 29% of the effect on the buying behavior of the customers.

ANOVA^b

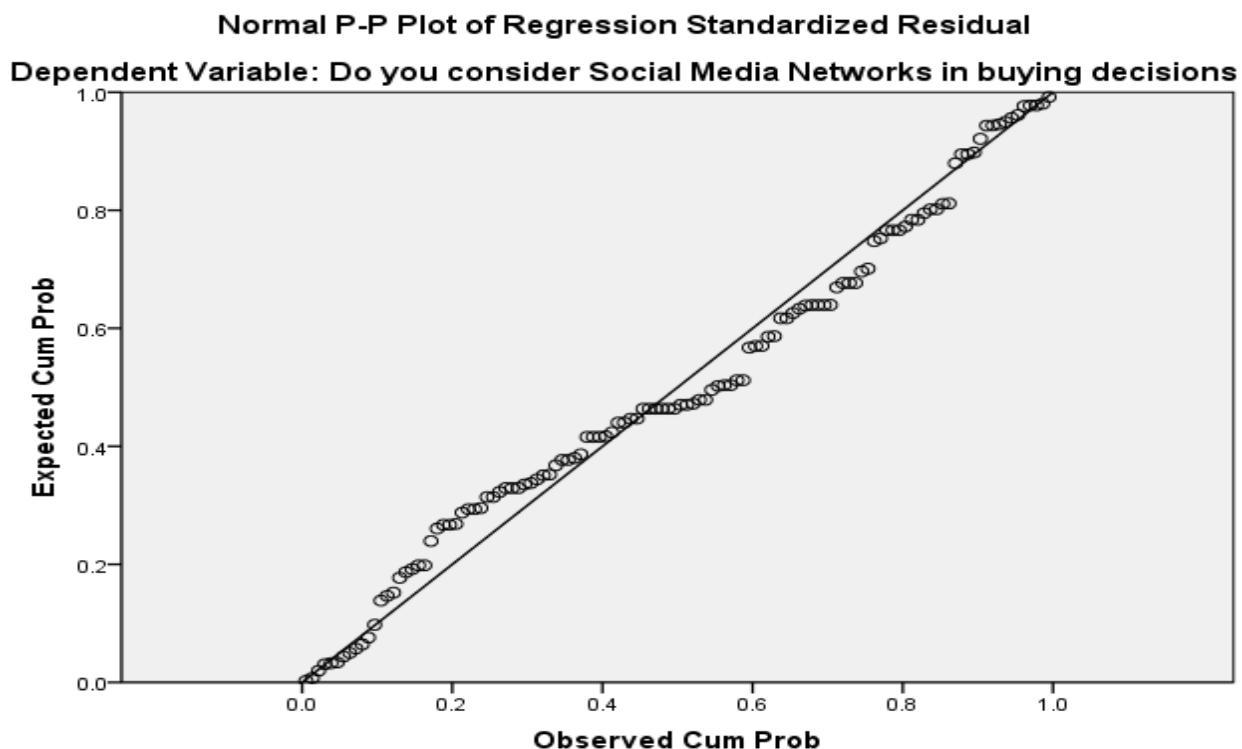
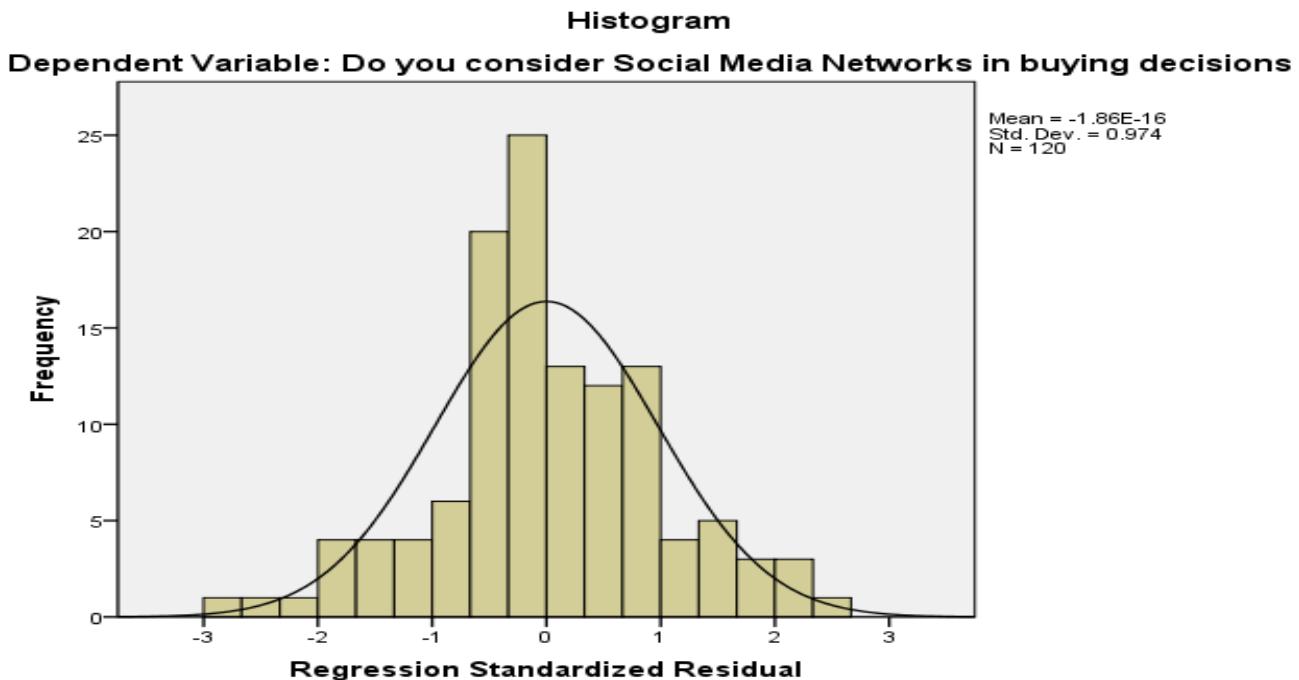
Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	15.081	6	2.513	7.737	.000a
Residual	36.711	113	.325		
Total	51.792	119			

The value of the Annova Table the Sig. (p-value) is less than 0.05.hence the test is significant. It can be seen that the overall regression model is significant.

$$F(6,113) = 7.737, p < 0.001, R^2 = 0.291$$

Correlations								
	Variables	Consider Social Media Networks in buying decisions	Frequency of response on enquiry	Watch and buy goods Social Media Advertising	Believe in information Shown campaigns	Reviews/recommendations	Comparing products	Finding the required set of products and services
Pearson Correlation	Consider Social Media Networks in buying decisions	1	0.145	0.433	0.383	0.268	0.239	0.365
	Frequency of response on enquiry	0.145	1	0.311	0.207	0.241	0.311	0.312
	Watch and buy goods Social Media Advertising	0.433	0.311	1	0.412	0.328	0.293	0.306
	Believe in information Shown campaigns	0.383	0.207	0.412	1	0.336	0.239	0.231
	Reviews/recommendations	0.268	0.241	0.328	0.336	1	0.369	0.343
	Comparing products	0.239	0.311	0.293	0.239	0.369	1	0.547
	Finding the required set of products and services	0.365	0.312	0.306	0.231	0.343	0.547	1
Sig. (1-tailed)	Consider Social Media Networks in buying decisions	.	0.057	0	0	0.002	0.004	0
	Frequency of response on enquiry	0.057	.	0	0.012	0.004	0	0
	Watch and buy goods Social Media Advertising	0	0	.	0	0	0.001	0
	Believe in information Shown campaigns	0	0.012	0	.	0	0.004	0.006
	Reviews/recommendations	0.002	0.004	0	0	.	0	0
	Comparing products	0.004	0	0.001	0.004	0	.	0
	Finding the required set of products and services	0	0	0	0.006	0	0	.
N	Consider Social Media Networks in buying decisions	120	120	120	120	120	120	120
	Frequency of response on enquiry	120	120	120	120	120	120	120
	Watch and buy goods Social Media Advertising	120	120	120	120	120	120	120
	Believe in information Shown campaigns	120	120	120	120	120	120	120
	Reviews/recommendations	120	120	120	120	120	120	120
	Comparing products	120	120	120	120	120	120	120
	Finding the required set of products and services	120	120	120	120	120	120	120

- The above correlation table shows the following:
 - Direction is positive i.e. there exist a positive relationship between the factors
 - Strength of relationship between the factors identified are as follows
 - Values smaller than 0.3 have weak relationship among them
 - Values greater than 0.3 have strong relationship among them
 - Sig.(1-tailed) values suggest that if the p value > 0.05, we fail to reject Ho(Null Hypothesis). Hence, in our case the values suggest that **we reject the Null Hypothesis Ho and accept the Alternative Hypothesis, H1**. So, the factors have a positive effect on the buying decision of customers
 - The graph shows the relationship between the factors and how they are closely related to influence the buying decision of customers.



Coefficients a							
	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B
		B	Std. Error	Beta			Lower Bound
1	(Constant)	0.679	0.259		2.622	0.01	0.166
	What is the frequency of response received by you through social media platforms of firms on enquiry?	-0.069	0.089	-0.067	-0.775	0.44	-0.245
	Do you watch and buy goods based on Social Media Advertising?	0.3	0.098	0.283	3.058	0.003	0.106
	Do you believe in all the information Shown over Social Media Marketing campaigns?	0.2	0.083	0.215	2.395	0.018	0.035
	Do you provide reviews/recommendations on Social Media Networks about products?	0.034	0.07	0.043	0.479	0.633	-0.106
	Do Social Media Networks help you in comparing products?	-0.024	0.091	-0.026	-0.265	0.792	-0.204
	Does Social Media Networks help you in finding the required set of products and services?	0.246	0.097	0.249	2.538	0.013	0.054
	a. Dependent Variable: Do you consider Social Media Networks in buying decisions						

The coefficient table shows the significant factors among the five factors considered. It is seen that the below mentioned factors are significant in making Social Media Marketing more effective:

- Watching advertisement and Buying goods(0.003)
- Believing in the information shown in advertisements(0.018)
- Finding the right set of products(0.013)

The regression equation for the analysis can be written as follows

$$Y=0.679-0.069X_1+0.3X_2+0.2X_3+0.034X_4-0.024X_5+0.246X_6$$

Findings

In the study of the responses, it was found that

- Out of the 120 respondents, it was found that around 67.5% people spent more than 2 hours on the Social Media Platforms.
- Instagram was found as the most popular Social Media platform as per the respondents followed by YouTube.
- Around 58.3% suggest that Social Media networks help in buying decision making.
- The online purchasers are around 35% among the 120 respondents.

- The parameters like watching advertisements and buying goods, believing in the information shown in advertisements and finding the right set of products are parameters that influence the buying decision of the customers.

Conclusion

The process has tried to know the customers perspective about the Social Media Marketing techniques and its effectiveness in meeting their requirements. It can be clearly seen that Social Media platforms play an important role in today's world and influence the buying decisions of the customers through various promotional activities like videos, pictures, blogs and articles. Most of the users spent more than 2 hours a day on these Social Media platforms. It has been found that Instagram and YouTube are more popular among the masses these days as compared to Facebook. Social Media networks are also useful in influencing and assisting in the buying decision making process of the customers by helping them in finding the right set of products, comparing them with other products, providing reviews and recommendations and also by answering their queries from time to time. It is also seen that though these platforms are informative in nature but still the content on the platforms and that in reality available are contradictory in nature as per the customer's point of view. Most of the customers thus prefer not to buy online because of the improper sizing or the products received through that. Thus, it can be concluded that Social Media Marketing techniques are effective in the market among the customers.

Suggestions

Since the customers spend around 2-3 hours on an average in a day, the marketers must make the best of this time by promoting their advertisements in form of mini-clips, Infographics, etc. on these platforms. Instagram must be used by the marketers as the platform to promote their products as it has emerged as the platform where most of the respondent's spent their time these days. The reviews and recommendations provided by the customers on the Social Media Channels must be considered by the companies to improve their products and services from time to time. The advertisements and commitments made over these Social Media platforms must be strictly followed by the marketer on delivery of products so as to increase the faith of the customer on the brand or company.

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