

A STUDY ON EFFECTIVENESS OF SOCIAL MEDIA NETWORKING SITES IN PROMOTING SOCIAL ADVERTISEMENT

ABSTRACT

Social networking sites (SNS) advertising and virtual brand for granted on selected products made three types of groups in the survey was conducted. Research and analysis of the results is as follows. First, the results of analyzing the difference in effect according to the involvement and the types of advertising, the purchase of low-involvement products were higher than those of high-involvement products from all types of ads.

INTRODUCTION

Nowadays consumers are participating in variety of activities, from consuming content to sharing knowledge, experiences, opinions, and involved in discussion with other consumers online. Internet is a social place which created new forum for consumers. Virtual communities, blog, and online social networking websites provide a platform to influence consumers purchase decisions. Today, with the growth of Internet, online social networking websites have become important communication channels and also virtual communities have emerged. Online world has become a new kind of social communication, connecting people to a variety of online communities has been growing during past decade. Groups may never meet in the physical world but nevertheless they are able to affect behavior including purchasing decisions.

Everyday people buy things that are relevant to their needs. At the same time they are making purchasing decisions. According to Blackwell, et al., consumer behaviour is defined as “the activities people undertake when obtaining, consuming, and disposing of products and services”. Consumer concluded that consumer behavior is Social media marketing is the process of gaining awareness, driving traffic and engaging your customers and prospects using social media channels. Despite the current boom of Social networking sites for marketing, this study reveals that effectiveness of advertising through social networking sites. However, Social networking sites provides facilities for consumers to interact with one another, accessing information, comments, reviews, and rates that can help them for purchasing decisions in different ways.

IMPORTANCE OF THE STUDY

In the changing market scenario companies need to adopt different strategies in order to sustain in the market and also to retain their valuable customer apart from acquiring new customers. This problem persists not only in India but also across the globe. To overcome this problem, companies have to align themselves by offering innovative products at competitive price with persuadable promotion and attractive advertisements through effective medium or channel. As SNS is one of the fastest growing medium for sharing a message, companies try to utilize this medium effectively to reach different consumers with different socio-economic and cultural background. How effectively companies use this medium is a great question to be answered.

Shopping site is a place where the consumers enter virtually and see the products, its features, specifications, price, design, availability, etc. Since, companies nowadays use internet as a medium, to sell their products, they created a shopping site and make the consumers to view the products as if they enter into a real shop to see the products. However, how consumers view online shopping through SNS? and what are the forces drive them to shopping sites are the questions needed to be answered which will help the companies in creating strategies to induce more people to visit their shopping sites for purchase. As advertisement incurs less expense in social networking sites compared to traditional advertisement in other media like print or television, companies concentrate on this medium to reach perspective customers. When a company creates a page and sends it.

ORIGIN OF SOCIAL MEDIA

In the year 1979, Usenet was created by Jim Ellis and Tom Truscott from Duke University, a platform which allowed Internet users from across the world to post public messages. The period of Social Media started 20 years earlier when Bruce and Susan Abelson founded “Open Diary”, a social networking site developed in the very initial years and which brought together all the online diary writers into one community. The term “weblog” was first used at the same time and was truncated to “blog” a year later. The growing availability of high speed Internet access added to the popularity of the concept, leading to the formation of social networking sites like MySpace(in 2003) and Face book (in 2004) and coining of the term “Social Media”.

SOCIAL MEDIA

One way to define social media is to break it down. Media is an instrument of communication, for example a newspaper or a radio. Social media can therefore be explained as being a social instrument of communication. In simpler terms, if traditional media (i.e. television) is a one way communication tool giving messages to consumers, social media can be viewed as a two way communication tool enabling consumers to communicate back (Nations, 2001). Social media covers a wide range of online activities like collaborative projects, blogs, content communities, social networking sites, virtual game worlds and virtual social worlds.

Social media is the newest form of Web based applications in which content is created by participatory communication where users create and share information. The era of social media started more than 20 years ago with the creation of the open diary which was an early social networking site that brought online diary writers into one community. The growing accessibility of high-speed Internet advanced the popularity of the concept leading to the creation of social networking sites such as Face book in 2004 which popularized the term social media and made it widely recognized (Taylor, et al., 2011).

SOCIAL MEDIA AND MARKETING

Social Media Marketing is an umbrella term that can be described as the utilization of social media platforms as marketing tools. According to Weinberg (2009), social media marketing is explained as in other words, it is a process in empowering individuals to promote their websites, products, and/or services through online social channels, to interact with and to tap into a much larger community that may not have been available via traditional advertising channels. It is no longer a striking fact that most of the advertisements via mass media are not as efficient as in the past, because by advertising through the mass, the message is generally reaching far more people than the potential customer intended to reach. Social web is where people with a common interest can gather to share thoughts, comments, and ideas; hence, instead of continuing as broadcasters, marketers should become aggregators of customer communities; that is, the Web should not be considered a mere advertising channel, it is a place where marketers can listen and respond to communities, review contents, as well as promote a particular piece of content within the vast social sphere (community building).

SOCIAL NETWORKING SITES (SNS)

Marketers may pay for advertising on social networking sites to drive consumers to opt into the sites, community building tools, using a free link as their primary connection link. Until recently Face book was synonymous with social networking sites. However, the number and variety of platforms is expanding, and with them multiple opportunities for brands. The current “household” names include Face book, YouTube, Twitter, and Google. To the extent these tools enable brand and user generated content, these tools could expose your business to risk. Appropriate steps should be taken to minimize these potential risks.

Twitter

Twitter has begun adding advertising tools, many of which have attracted the entertainment industry. Generally, however, a marketer can create and maintain a Twitter account to attract “followers,” which is very similar to a Face book “group” or “fan page”. With this in mind, Twitter currently provides the advertising options for direct marketers.

LinkedIn

LinkedIn is a business-oriented social networking site, Founded in December 2002 and launched in May 2003, it is mainly used for professional networking. LinkedIn provides the advertising solutions as per the advertising budget of a hospital Direct Ads: - Small to medium advertisers, who are looking for deeply- targeted text ads LinkedIn advertising sales: - Large advertisers who are looking for rich LinkedIn advertising solutions whose budget is more than the Twitter.

CONCEPT OF SOCIAL MEDIA

Social Media refers to a collection of social technologies which have enabled a revolution in user generated content, global community and publishing of consumer opinion. It can also be defined as a group of Internet-based applications that is built on ideological and technological foundations of Web 2.0 and that allow the creation and exchange of User Generated Content (Andreas Kaplan and Michael Haenlein 2010).

CONCEPT OF ADVERTISING

Advertising is the non-personal communication of information usually paid for and usually persuasive in nature about products, services or ideas by identified sponsors through the various media.

CONCEPT ON ADVERTISING ON SOCIAL NETWORKING SITES

The term Social Network Advertising is the advertising which is done online through Social networking sites like Face book, Fraudster, twitter etc. It is a paid form of promotion of brand or product or service and requires a properly planned communicative message and budget. This form of advertising is more customers centric and customers play a vital role in short or long communication because they are one who will decide the fate of the advertising communication.

REVIEW OF LITERATURE

Anil Bhatt (May 2012) in his paper on Blog Popularity And Activity On Social Media : An Exploratory Research has made an attempt to find out the impact of some social media website’s popularity on ROI. Social media provides a global opportunity for brands to use them as an effective channel for marketing of products and services. However the effectiveness of any marketing channel is largely dependent on a very important entity the ROI. ROI is something that most marketers look at when one has to determine the effectiveness of any marketing channel. The study therefore examined ROI for weblogs and how their promotions through two highly popular social networking sites, namely Face book and Twitter affects their popularity and in turn increases their revenue through advertisements. Page views is a direct measure of the traffic a particular blog has and therefore a correlation between page views and Face book fans and twitter fans was established to understand the effect of promotion of brands through social media.

Sheetal Thapar and Navneet Sharma (2013) in their study on role of social networking sites in some key cases throws a light on the growing popularity of social networking sites. The study showed that people have got their own media to raise their voice and stand for their rights. Author thinks that Social Media possess the character of true democratization of information. Study concludes that the participatory nature of Social Networking Sites cuts through caste and class barriers

Venkatesh, R (2013), examines the possibilities of different sections of society following different trends of communication. This study talks about the usage of product promotion on social media, by the multinational companies in India especially in the FMCG sector.

Sunil Karve, Shilpa C. Shinde (March 2013) in their paper “Effectiveness of Social Networking Sites (SNS)” have made an attempt to figure out the experiences of the internet users regarding social media and have also tried to find out the pattern of SNS usage of the consumers. The writers state that social media has become so much popular, that it has surpassed the popularity of email, to become number four after search, portals and PC software applications. The tremendous increase in the amount of time people are spending using these SNS have changed the way people spend their time online and this affects the

way people behave, interact and share in their normal daily lives. This paper has tried to analyse the overall effectiveness of SNS.

RECOMMENDATIONS

- It would be wise not to underestimate the costs associated with marketing on social media. Though the potential to reach a wide audience is both immediate and as simple as opening a Face book account it should not be undertaken lightly.
- A serious point to be remembered is the potential for damage to the brand going viral across the internet. Repairing this damage could cost considerable money and effort.
- Sufficiently qualified staff would need to be hired plus the costs associated with training other staff using the company accounts would need to be factored in. These costs are beyond the purview of this report and further research in this area is highly recommended.
- A very minimum interaction that Hotels should consider is to treat Trip Advisor and holidayiq.com as an influential means of reputation management. At present reviews whether they are bad or good, are left unanswered.
- The social networking strategy should sufficiently flexible to allow it to adapt to new developments and to determine what works and what does not work.
- A dedicated social media coordinator is recommended to monitor the impact of any changes implemented. A dedicated coordinator would also allow for consistency in communication. At the very least a profession agency experienced in social media marketing should be consulted at from the earliest planning stages.
- The reviews and complaints raised by the customers on the SNS should be effectively managed and proper actions should be taken by the hotels management and the action taken should also be communicated to the customer.
- The promotional offers during season on should be displayed on the SNS on regular basis, so that large number of customers is captured.

CONCLUSION

Social media has become an integral part of the algorithms that decide where a particular website is placed in the search rankings. The higher the ranking the more visible it is to the consumer. One of the core questions behind this research was to find out what impact social networking sites is having on the hotel sector.

The ability to interact with the guests of the hotel should be viewed as a very positive aspect by Hotel business. It offers very real insight into how the hotels are viewed.

The feedback shared on the review social networking sites such as Face book, LinkedIn, Twitter, Google+, holidayiq.com & Trip Advisor is an opportunity to improve the service offering.

Measuring the affects that reviews, Wall-posting, Blog, Photo Video, Pop-up, tweets and posts can directly have on bookings could be quite difficult.

In conclusion the ability to reach out to such a huge volume of potential guests would make ignoring social media a poor business choice. The other side of the coin is that potential for damage to the brand by reaching out in a haphazard fashion could be quite destructive and costly to repair.

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