



Impact of Social Media Marketing in Business

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Abstract: Offline and traditional marketing strategies have now completely shifted to digital marketing strategies. Social media marketing is a form of digital marketing that leverages the power of popular social media networks to achieve business marketing and branding goals. Social media is playing a key role in digital marketing. It offers numerous benefits for businesses enabling companies to reach their target audience, increase brand awareness, targeted advertising, improved customer engagement, valuable customer insights, cost-effective marketing, higher website traffic, improved search engine rankings and engage with customers on a more personal level. Not all social media platforms are the same. If a business wants to grow through social media marketing, it must choose a platform that meets its marketing goals and target audience. This paper attempted to investigate the impact of social media marketing on business. This paper is descriptive in nature, which is based on the analysis of secondary data from various sources like websites, newspapers, research journals, research papers, articles, e-journals etc.

Keywords: Digital Marketing, Social Media Platform, Social Media marketing, Business Growth

Introduction

Social media marketing (also known as digital marketing and e-marketing) is the process of creating content for social media platforms to promote products or services, and websites to connect with audiences to build brand, increase sales, build a community of followers to share and engage with content and drive online traffic to business.

The term online traffic refers to visitors landing on the home web page through various digital platforms viz Google, Facebook, YouTube, Instagram, LinkedIn, Pinterest, etc.

Nowadays, Social media has completely revolutionized the way businesses market their products and services. Social media platforms have become a prime target for marketers looking to expand their customer base and increase revenue. It plays a crucial role in business growth, enabling companies to reach their target audience, increase brand awareness, and engage with customers on a more personal level. It can help a business grow faster just by implementing smart strategies. Social media marketing work as per business objective. For this, the company will have to understand the customer journey in a purchase making decision. The role of social media is important at each step of the customer journey. It helps in achieving the business goal for prospects at each stage. Businesses need to decide on their target audience and start their marketing activities through social media.

Benefits of social media on business:

Connect with customers:

Social media platforms offer a direct line of communication between businesses and their customers. Rather than focusing solely on making a sale, the current market emphasizes connecting with customers, building a relationship with them, and providing them with interesting content. By responding to comments, messages, and other forms of interaction, businesses can improve customer engagement and build strong relationships. Through this, companies can

create a more meaningful bond with their customers and ensure that the customer is more likely to purchase from them in the future.

Marketing Campaigns:

An organization can easily and quickly assess how well or poorly its marketing strategies have performed using social media. In the past, promoting services and products and obtaining customer feedback took a great deal of time and effort. However, with the advent of social media, this process has been drastically sped up. Now, almost as soon as a marketing campaign is launched, customers are engaging with the brand. Moreover, social media gives businesses the ability to monitor and evaluate the success of their campaigns in real time.

Faster Decision-Making:

By connecting to customers through social media, businesses can provide more visualizations to customers, enabling them to make quicker decisions about whether to purchase a product or service from a particular brand. Whereas in the past, visualizations were typically limited to sharing a company logo or image, today, more personalized, and customized experiences are available to customers.

Constant Engagement

Social media offers your business 24x7 engagement. A glance at the two most popular platforms, Facebook, and Twitter, shows businesses sending out messages outside of regular working hours. Customers love these platforms because of the convenience of being able to reach out to businesses on their schedule – regardless of the time zone.

It is undeniable that smartphones have revolutionized the way businesses interact with their customers on social media. Thanks to these devices, customers no longer have to wait to get home and boot up their computers to read and respond to emails; they can do it right away from their smartphones or tablets. This newfound convenience has been capitalized on by many companies, providing them with a valuable source of engagement with their customers.¹

Increased brand awareness:

Social media platforms provide an opportunity for businesses to reach a wider audience and increase their brand awareness. According to a survey by We Are Social, 4.66 billion people worldwide use social media, making it an excellent platform for businesses to connect with potential customers.

Cost-effective marketing:

Social media marketing is often more cost-effective than traditional marketing methods. Many social media platforms offer affordable advertising options, and businesses can also leverage organic reach by creating engaging content that is shared and liked by their followers.

Higher website traffic:

Social media platforms can drive traffic to a business's website. By including links to their website in social media posts, businesses can encourage users to visit their site and learn more about their products or services.

Improved search engine rankings:

Social media signals can have a positive impact on a business's search engine rankings. When users engage with a business's content on social media, it sends a signal to search engines that the business is relevant and authoritative.

According to a report by Hootsuite, 90% of marketers say that social media has increased their business exposure, and 75% say that it has increased traffic to their website. Additionally, social media marketing has been found to be more effective at driving brand awareness and engagement than traditional marketing methods, with a 2020 report by Sprout Social finding that social media was the top marketing channel for brand awareness and engagement.²

Impact of Social media marketing in Indian business:

The scope of social media in India is immense and increasing rapidly. It is the 10th biggest economy and also has the 2nd largest population in the world.

The development of the internet infrastructure and the accessibility of smartphones are the main forces behind the expansion of social media advertising. Over the past ten years, the internet infrastructure has undergone a significant transformation. It is now quicker, less expensive, and more accessible. While smartphones have gotten cheaper over time, they were a luxury item for professionals less than 20 years ago. Nowadays, people use their smartphones daily, which has led to a substantial rise in social media usage.

Social media advertising had been expanding since before the COVID-19 pandemic. However, the pandemic has increased the usage of social media, especially for video content, which has caused exponential growth in social media advertising. People are spending increasingly more time on social media, mainly due to TikTok's boom during the pandemic and the significant increase in Instagram's video content. Thanks to this increased content consumption, social media advertising has grown significantly.

The global number of social media users reached 4.2 billion in 2021 and is projected to increase to 5.8 billion users by 2027. Social media has increasingly impacted our daily lives since its emergence in 2005. Unsurprisingly, marketers now use social media as their main method of advertising. They spend a significant amount of money to reach consumers on social media and are constantly thinking of new, creative methods to improve their social media advertising strategies.

As of the beginning of 2023, India boasted 692.0 million internet users, with over 467.0 million social media users, and this number is continually increasing. This accounts for approximately 32.8% of the total population, illustrating the vast market potential for businesses.³

Platforms like Facebook, Instagram, and LinkedIn present remarkable opportunities for businesses to connect with their target audience. Whether we're scrolling through social media, playing mobile games, or using search engines, we often encounter Google Ads and YouTube ads, allowing businesses to tap into an existing user base.

Future growth of social media marketing:

India's social commerce has the potential to expand to US\$ 16-20 billion in FY25, growing at a CAGR of 55-60%.

India's e-commerce market is expected to reach US\$ 111 billion by 2024 and US\$ 200 billion by 2026.

India has gained 125 million online shoppers in the past three years, with another 80 million expected by 2025.

Indian e-commerce is expected to grow at a compound annual growth rate (CAGR) of 27% to reach US\$ 163 billion by 2026.

India's Business-to-Business (B2B) online marketplace would be a US\$ 200 billion opportunity by 2030.

India's e-commerce market is expected to reach US\$ 350 billion by 2030.⁴

Ad spending in the Social Media Advertising market is projected to reach US\$1.3bn in 2024.

Ad spending is expected to show an annual growth rate (CAGR 2024-2028) of 3.37%, resulting in a projected market volume of US\$1.5bn by 2028.

In global comparison, most ad spending will be generated in the United States (US\$76,400m in 2024).

In the Social Media Advertising market, US\$1.5bn of total ad spending will be generated through mobile in 2028.

In the Social Media Advertising market, the number of users is expected to amount to 1,240.0m users by 2028.⁵

Research Objectives:

The objective of this paper is:

1. To study the trends and shifts in the marketing practices from Offline and traditional marketing to digital marketing.
2. To study the advantages of social media marketing in business enterprises.

Review of Literature

Ednah Kimani (2015)⁶ concludes that Companies will maximize the benefits they can obtain by integrating social media suites into their daily operations. Many employers think that social media marketing should be avoided because employees will goof off, they see social media as having no business purpose, and they highly believe that employees can't be trusted. Social media marketing has a lot of value because it allows employees to connect to the clients, especially the ones in different geographic zones. Social media allows firms to engage in timely and direct end-consumer contact at fairly low cost and higher levels of efficiency than can be achieved with more traditional communication tools. This makes social media not only relevant for large multinational firms, but also for small and medium sized companies, and even nonprofit and governmental agencies. (Kaplan & Haenlein, 2010).

Saefudin Zuhdi, Anshar Daud, Rifki Hanif, Phong Thanh Nguyen, K. Shankar (2019)⁷ finds that social media platforms play a major role in developing and increasing the business. For generating the traffic to their websites and contents of

business shared on social media platforms. The marketing of social media first begins with publishing. For increasing the sales, building the brands and driving the traffic of the web to connect the people through the platform of social media is referred to as social media marketing.

Jahid SYAIFULLAH, Makmun SYAIFUDIN, Markus Utomo SUKENDAR, Junaedi JUNAEDI (2020)⁸ Based on the results of this study, it can be recommended that the use of social media is a very effective way of improving the performance of MSMEs during the COVID-19 pandemic in Indonesia. Therefore, it is necessary to increase knowledge in the use of social media as a medium for business. This study does not include demographic and cultural variables as moderating the use of social media to improve its performance, therefore for future research, it is advisable to include demographic and cultural variables to improve the results of this study.

PUSPANINGRUM, Astrid (2020)⁹ this study concludes that social media marketing has an impact on increasing customer trust and loyalty towards McDonald's brand. Marketing strategies through social media marketing, such as making it easy for customers to get information related to McDonald's on social media like blogs, Facebook, and Twitter, can increase customer trust in the McDonald's brand because this trust arises. Increased customer loyalty to the McDonald's brand is shown by continuing to choose McDonald's over other fast-food restaurants, even though the price offered by McDonald's is higher, because of the element of customer trust in McDonald's brands and this trust arises because McDonald's always pays attention to the quality of the products offered. Brand trust can mediate the influence of social media marketing on customer loyalty to McDonald's brand.

Research Methodology

The present paper is descriptive in nature, which is based on the analysis of secondary data from various sources like websites, newspapers, research journals, research papers, articles, e-journals etc.

Suggestions

This paper has following suggestions:

Social media is a crowded place, so if a business wants to gain traction with an audience, they need to post great content regularly. They follow the three Rs:

1. Repurpose: Create a Facebook post from a customer review, splice up a blog post into a series of Tweets, distill a case study down into a customer spotlight on Instagram; turn a webinar deck into a carousel post on LinkedIn. The possibilities are endless.
2. Repost: To be done in moderation, but a great way to fill gaps in the content calendar. Repost on Instagram and retweet user-generated and influencer content. Businesses can also curate content from authoritative sources and share those links in their posts.
3. Recycle: Post their TikTok videos and Instagram Reels to YouTube; re-share their top-performing blog posts every month to get in front of new followers; add their Facebook Live recordings to their YouTube channel.¹⁰

Discussion & Conclusion

The present study concludes that Digital marketing and social media marketing are the two most powerful tools for any business to take its plans to the next level. Social media marketing plays a vital role in business growth. It offers numerous benefits for businesses enabling companies to reach their target audience, increase brand awareness, targeted advertising, improved customer engagement, valuable customer insights, cost-effective marketing, higher website traffic, improved search engine rankings and engage with customers on a more personal level. By implementing effective strategies, leveraging best practices, and adapting to changes, businesses can connect with their target audience, build strong relationships with customers, and harness the power of social media to drive their growth and success. Social media eases the process of providing and receiving feedback. It gives customers a convenient and accessible way to express what they feel and gives companies a chance to respond. With such platforms, businesses are able to view complaints and assure their customers that their problems will be dealt with. Not all social media platforms are created equal, and businesses need to select the ones that align with their target audience and marketing goals. It is essential to research and understand the demographics and characteristics of each platform to make an

informed decision. Whether it's Facebook, Instagram, Twitter, LinkedIn, or YouTube, each platform offers unique features and caters to different demographics.

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