

# A STUDY ON IMPACT OF SOCIAL MEDIA MARKETING ON BUYING DECISION OF GENERATION Z CUSTOMERS

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## ABSTRACT:

In today's world, the relevance of social media has increased tremendously. Many new social media platforms are being emerging (like Snap chat, Instagram in recent years & TikTok in recent months) and gaining huge popularity and number of users. The use of social media has increased tremendously among young people especially in millennials, Generation Z people (teenagers), it has become equal to a basic need for teenagers in their day to day lives. Gen Z is the newest generation (after Gen X. & Gen Y.) to be named and was born between 1995 and 2015. They are currently between 3-23 years old. The tremendous increase in the use of social media has turned the attraction of businesses by the opportunities emerging via social media platforms and has led to use social media marketing as one of their major tools for promotion for these businesses. The study is conducted with the objective to find out the effect of social media marketing on buying decision of Gen. Z customers. The sample size of the data is 50. Simple random sampling is used; the sample includes both male and female. Primary data is used in research and the data is collected through a questionnaire.

**KeyWords:** Social media marketing, Generation- Z, Buying decision.

## INTRODUCTION

In simple terms social media is websites and applications that enable users to create and share content or to participate in social networking. The relevance of social media has increased in the day to day world. The internet has 4.2 billion users. There are 3.397 billion active social media users. On average, people have 5.54 social media accounts, & on an average daily time spent on social is 116 minutes a day. Social media users increased rapidly by 320 million between Sep 2017 and Oct 2018. From April 1 – June 30, 2018, Apple ads generated more than 3.4 billion impressions with 85.87% coming from YouTube, according to Pathmatics. These facts clearly state the rise in the usage of social media and its increasing importance in the business world. So, businesses are shifting towards and must shift towards social media marketing if the target customers are millennials and teenagers.

## Meaning & Definition of Social Media Marketing & Gen Z

Social media is the combination of online communications channels committed to community-based input, interaction, content-sharing and collaboration. Websites and applications devoted to forums, micro blogging, social networking, social bookmarking, social curation, and wikis are the different types of social media.



According to American Marketing Association, Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

Social media marketing (SMM) is the utilization of social media websites and social networks to create awareness about a company's products and services. Social media marketing provides a platform for companies with a way to reach new customers to connect with existing customers and promote its desired culture, mission or tone. Also known as "digital marketing" and "e-marketing," social media marketing has rationale-built data analytics tools that permit marketers to track how successful their efforts are.



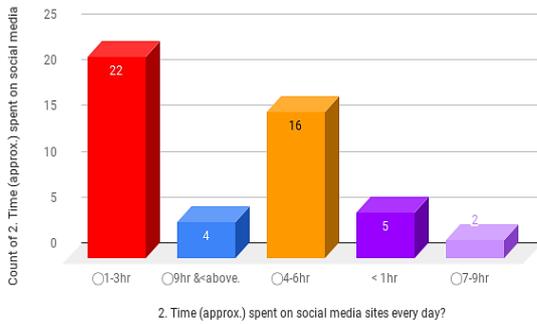
Social media marketing (SMM) is a structure of Internet marketing that utilizes social networking websites as a marketing tool. The goal of SMM is to create content that users will supply to with their social network to help a company increase brand exposure and broaden customer reach. One of the key mechanisms of SMM is social media optimization (SMO).

Social media marketing refers to the process of gaining traffic or attention or importance through social media sites.



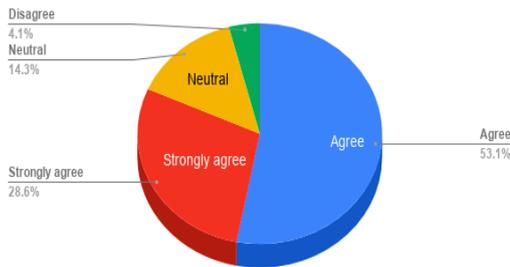


Time (approx.) spent on social media sites every day?



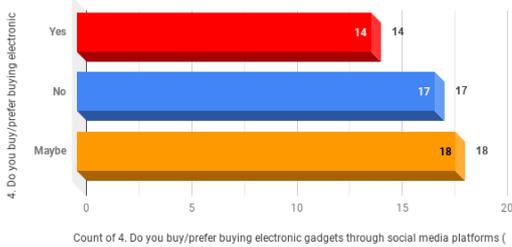
2. From the figure it can be interpreted that 76% of respondents spend about 1-6 hr of their days time on an average on social media.

Social media advertisements inform you about the latest products (electronics) and information available in the market?



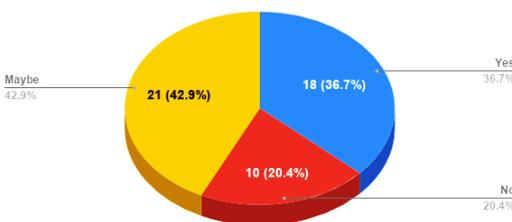
3. 79% of the respondents opined that social media advertisements provide them with information required to take buying decisions.

4. Do you buy/prefer buying electronic gadgets through social media platforms ( like speakers,ear pods Instagram,



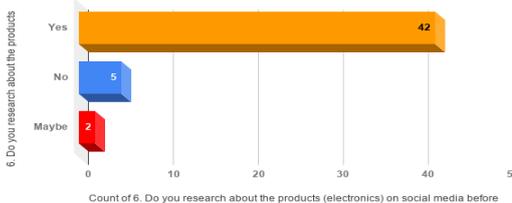
4. 14 out of 50 respondents prefer or buy electronics i.e. 28% and 18 may prefer i.e. 36% ,so businesses must form new strategies and attract these 36% to start buying or give preference to buying on social media & measures must be taken to convert the rest 34% (17) who don't buy or prefer buying.

Does social media trigger you to buy products?



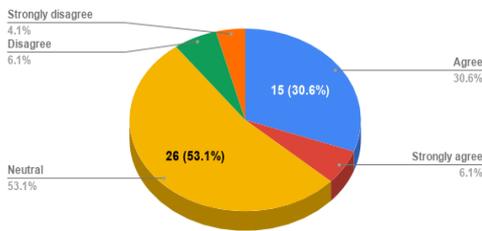
5. From the figure its implied that 36.7% respondents get triggered by social media to buy products, where as 42.9% responded may be. so marketers can form new strategies and trigger these respondents.

6 Do you research about the products (electronics) on social media before buying( like unboxing videos of smart



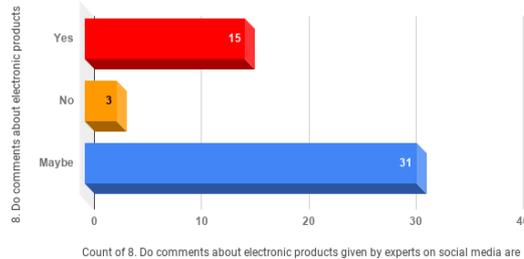
6. 42 respondents out of 50 researches about electronic products before buying (i.e. 84%).

7. Do you agree the comments, suggestions about products/brands on social media are genuine &



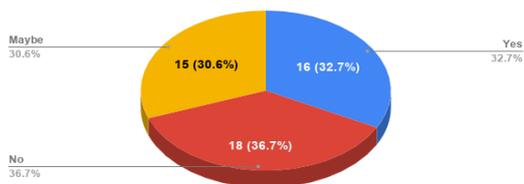
7. 36% agree that comments, suggestions about products are genuine where as 53.1% are neutral so businesses must look towards these and encourage genuine and trustworthy comments and suggestions about products.

8. Do comments about electronic products given by experts on social media are worth or change your



15 respondents agree that expert comments change their decision were as 31 (that is 62%) responded may be, so marketers must look after these respondents to attract them.

9. Do you watch, or are excited about the product (electronics like I Phone X live launch on Twitter in 2018)



32% watch and are excited about live launches and 30.6%

21 respondents give relevance to social media while buying electronics.

**FINDINGS**

1. Majority of Gen Z people spend on an average 6 hours in a day on various social media sites for socialising and for information on new products available in the market
2. The most social media marketing among the Gen Z are Instagram followed by snapchat and youtube.
3. Majority of respondents opined that social media provides them with information required to make buying decisions
4. Only few respondents depend on social media for their buying decisions
5. Companies have a great potential to enhance their sales through social media marketing
6. Majority of Gen Z people research on electronic goods and gadgets on social media before taking a buying decision
7. Majority of the respondents check the reviews and feedback on social media and they also agree that he reviews are genuine and trustworthy that helps them in buying decision.
8. Expert comments in social media also impacts the buying decision of Gen Z

**RECOMMENDATIONS**

So as per the analysis social media’s relevance has increased a lot in today’s world especially in lives of millennials, teenagers and has further created huge opportunities for businesses to grow, establish, reach new markets, customers, promote their ideas, create their brands. Marketers using social media marketing as their tool for promotion must give more weightage and importance to it as it plays a significant role in informing, promoting and marketing the products of the firm to their target customers. Live launches and expert opines can be enhanced by the companies to attract Gen Z people towards buying. Businesses having their target customers as Gen.Z people (the age range 1995-2015) and also millennials and have not shifted to social media marketing should eagerly shift and make social media marketing as their prominent tool and gain market share in the target market.

**CONCLUSION**

Social media marketing is an innovative tool in online advertisements that can be potentially used by companies to enhance the sales of electronic goods and services. If well captured companies can enhance their profitability as there is high usage of social media among Gen Z people are companies can capitalise on this by creating online advertisement and content required for the Generation Z people.

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