

# A STUDY ON EFFECTIVENESS OF FACEBOOK MARKETING AMONG ECONOMIC STUDENTS

(WITH REFERENCE TO LOYOLA COLLEGE, CHENNAI)

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## ABSTRACT

This research paper talks about one of the most important functions of businesses, ie, Marketing. It lays much emphasis on social media marketing and mainly Facebook Marketing and how impactful it is among the students. Facebook Marketing is an important tool for the firms and this research paper tries to emphasize upon the effectiveness of it. This study attempts to understand the efficiency of Facebook Marketing and how it is the most popular source of social media marketing for the businesses.

*Keywords: Facebook, Marketing, Social Media Marketing, Youth.*

## INTRODUCTION

Ever since Facebook was established in 2004, it has been used as a tool for people to showcase themselves to the world which is the idea behind marketing. You market yourself or you showcase yourself to other people with the use of interesting posts and Facebook has been an exceptional tool for this. Although Facebook has other functions, this marketing function is the most important. One of the main reasons why is because you can effectively put across a point or a product without spending even a rupee. Facebook has become a marketplace mainly due to the large number of visitors every day and the attention that the advertisements get from these people. Facebook marketing mainly deals with gaining website traffic or attention through advertisements. It uses one of the components of e- marketing mix i.e., e-promotion to put across the product or service effectively. A majority percentage that Facebook targets through e-promotion is the youth, mainly college students. Number of people from the age group 18-24 that visit the social network daily are 39.4 million. It's safe to say that most of the traffic that Facebook generates is through this age group. These are the people that view advertisements and interact with them. This paper focuses on a small percentage of this age group that are studying in Loyola College and in the economics department.

## LITERATURE REVIEW

**Dr Ampu Harikrishnan, Et al.** in his paper named **Impact Study of Social Media Marketing Among Youth: With Special Reference to Jalandhar, Punjab** has stated that "The studies show that new generation or youth i.e. born after 1990, is almost dependent on such sites for different things like, communicating with friends, college notes, new trends and fashion, current issues and many such things. This is a well known fact that globally youth is the biggest users and even consumers of such sites. There lies a vast scope for the

marketers in this area, they use to promote their products on these sites and the respective sites use to earn income from such advertisers”.

**Kevin Curran**, Et al. in his paper **Advertising on Facebook** has said that “Facebook Marketing can target advertisements based on user’s demographic profiles and stated interest,like and dislikes, offering advantages over alternative form of advertising.”

**Vivek Bajpai**, Et al. in his paper **Social Media Marketing: Strategies & Its Impact** has said that “media like Facebook create a loyal connection between product and individual which leads to large advertising opportunities.”

**Omowale Adelabu**, in his paper **Social Media, Advertising Messages and the Youth: Any Influence?** Has specified that “As more and more youth depend on social media for their needs, advertisers see it as an avenue to carry their advertising messages and to reach this important market segment. Manufacturers who produce goods and offer services that appeal to youths usually place their adverts on social media.” His research also proved that that the most popular social media site is Facebook, which attracted many young adults.

**Huria S\***, in his paper **Research on an Insight into Facebook usage Habits and Marketing** conveyed that “Facebook is word that has become a part of today’s vocabulary. It is a social networking website where interaction with other people online is possible. Today it has over 100 million active subscribers and is continuing to grow. For advertisers or internet marketers, this kind of numbers is hard to pass up. With so many people in one place at one time, this website will definitely be a dream-come-true for internet marketers”. He also said that the best place for a business to market its products is undoubtedly Facebook in today’s times.

**Di Yang**, in the paper **Using Facebook For Marketing** has said that “It is necessary for companies to establish a presence on social media sites especially on Facebook. Firstly, from the research, Facebook and other social media networks (e.g. YouTube and Instagram) show a high engagement with users. Facebook, especially, creates a great opportunity for marketers to set up marketing campaigns and build brand awareness.”

## NEED OF THE STUDY

This study is important as social media platforms and mainly Facebook have become a platform that are easily accessible to anyone with internet access. Moreover the high popularity of smartphones among the youth shows that majority of this media is used by the youth and it is important for firms to carry out marketing practices at such places as the youth are the future of the economy and their opinions and decisions matter the most. Facebook also acts as a relatively inexpensive platform for organizations to carry out marketing campaigns. Therefore, such study needs to be carried out to portray the importance and effectiveness of Facebook at this juncture.

## SIGNIFICANCE OF THE STUDY

The findings of this study will benefit the firms by helping them know the effectiveness of Facebook Marketing and that too mainly among the youth. A large proportion of daily Facebook users are among the demographic of 16-25. They are an important target point that needs to be catered for. The findings of this study will help the firms realize the importance of youth for the marketing process and to specially customize advertisements to suit their needs. For the students, it will provide information upon the importance of Facebook Marketing and how they are being utilized during the promotion process.

## RESEARCH OBJECTIVES

- 1) To analysis how effective Facebook Marketing is among economic students of Loyola College.
- 1) To analyse the different ways that Facebook is using to promote the product.
- 2) To evaluate that Facebook is a better marketing tool than any other social network.

## TOOLS PROVIDED BY FACEBOOK TO MARKET A PRODUCT

Facebook advertising features include:

Demographic targeting by Facebook user data on age, location, education, and interests, the ability to set ad budgets, ad testing, in which multiple ad versions can be run simultaneously in order to compare ad designs, ad setup and Built-in ad performance measurement tools.

Facebook Promoted Posts let Facebook page owners pay a flat rate in order to have their individual Facebook posts reach a certain number of users, increasing a specific post's reach and impressions.

Sponsored Stories are a type of Facebook ad that show a user's interactions, such as a Facebook like to the user's friends. Sponsored Stories seek to emphasize on the "word of mouth" marketing concept. If a user sees that three of his friends like a certain page, he is more inclined to pay attention. The goal of Sponsored Stories is to have a user take the same action as their friends.

Facebook Open Graph lets businesses label a user's action with their app. Billions of interactions are posted with Facebook Open Graph every day. Businesses can create third-party apps that connect to a user and post a notice on Facebook when a user performs a specific action with the app. Facebook's Open Graph allows for creative interactive options outside of the standard "like" and "comment." Posts can suggest that users "listen," "taste," "read," – it's up to businesses to get creative.

Facebook Exchange lets advertisers take advantage of ad re-targeting on Facebook through real-time bidding. Advertisers can target audiences based on web history data – when a user visits a product page on a retailer's website, but fails to make a purchase, the retailer can then display an ad for that same product on Facebook with FBX.

Facebook provides the business owners with a lot of tools that help the owners promote their page more effectively.

## RESEARCH DESIGN AND METHODOLOGY

### • Area of Study

The study is conducted in the Economics Department of Loyola College in the Chennai region.

### • Sample Unit

The sampling unit is students of Loyola College from the Economics department. This study is based on a sample of 60 students from the economics department from all three years. Each of these respondents are assessed using the questionnaire.

### • Sampling Method

Sample has been taken through the help of Google forms as this was the most convenient method because most of the students have a smartphone and they use it throughout the day.

### • Sample Selection

The sample is used to collect the primary data which has been gathered through a well-structured questionnaire. The sample has been collected from only the student of the Economics Department of the Loyola College. A questionnaire was circulated through Google Forms among the students to get the perception. The respondents were asked to give their opinion relating to matters such as Popularity of Facebook, Daily Usage of individual, Engagement of Ads among the youth and other social media patterns among the youth. All of the questions are either factual based or opinion based.

### • Questionnaire Design

The primary data is collected through a questionnaire design which was circulated through Google forms.

### • Scaling Technique in the Questionnaire

The questionnaire uses many types of scaling techniques based on the nature of the question. Linear scale was used for questions which needed an answer from between a range. Yes or No scaling has also been use.

A 5 point scale has also been used which ranges as follows;

1-Never    2-Rarely    3-Sometimes    4-Very Often    5-Always

### • Period of Study

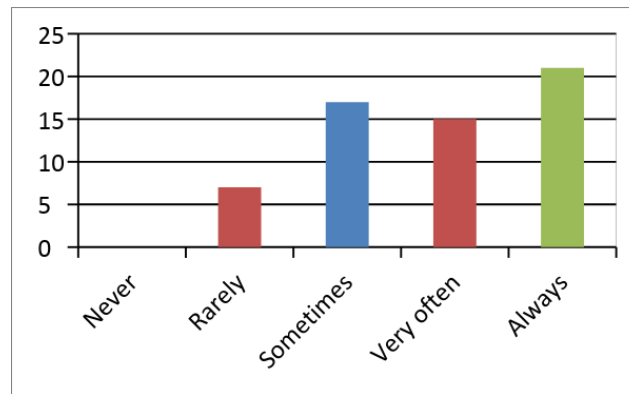
The entire study and the collection of primary data were done in the month of January, 2019.

### • Limitations of the Study

1. This study focuses on the perception of students studying Economics at Loyola College, Chennai
2. The study consisted only a few elements of Facebook Marketing.
3. The study is based on the opinion of the students and these opinions are subject to change in the future.
4. In this study, the students revealed their views on Facebook Marketing and Facebook itself and since this is a study based on perception, the results cannot be generalized.
5. Students do not normally think about the implications of being exposed to marketing on Facebook, they have difficulty taking a position on many issues related to the service.

### • FINDINGS AND ANALYSIS

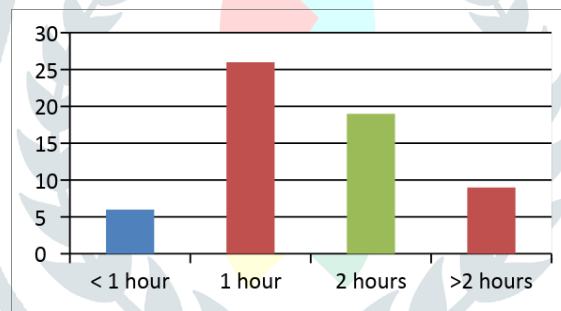
**Figure 1 –Usage of Facebook**



Source: Primary Data

The above diagram represents the usage of Facebook among the students. The number of students who never use Facebook is 0, 7 students use Facebook rarely while 17 use it sometimes and 15 use it very often. Meanwhile students who use Facebook always i.e., regular users are 21 in number. Here the percentage of students who use Facebook Very often or always is 36 which is more than the percentage of people who use it rarely or only sometimes (i.e., 24). This shows that majority of the students are frequent users of Facebook.

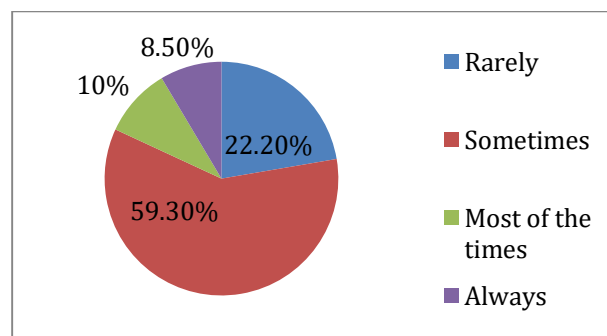
**Figure 2-Number of hours spent daily**



Source: Primary Data

In Figure 2, we see the time which students spend on Facebook, 6 spend less than 1 hour, 26 spend 1 hour, 19 students spend 2 hours and 9 spend more than 2 hours. So, 54 students spend 1 hour or more than 1 hour on Facebook every single day which is more than the percentage of students who spend less than 1 hour on it. This goes on to prove that an average student spends more than one hour on Facebook.

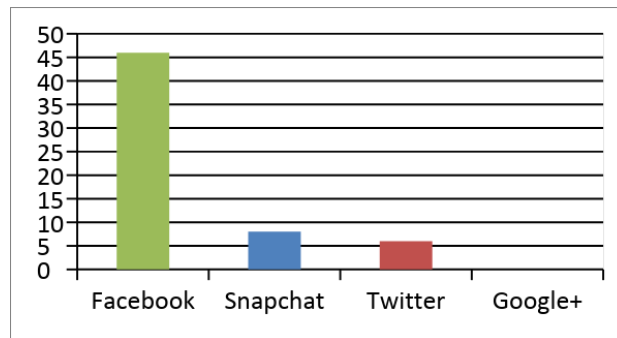
**Figure 3 – Effectiveness of Ads on Facebook**



Source: Primary Data

Figure 3 shows the percentage of students that find the ads on Facebook interesting. 81.5% students say that they rarely/sometimes find the ads on Facebook interesting while only 18.5% students find them interesting always or most of the time. This shows that majority of the students do not find Facebook ads interesting.

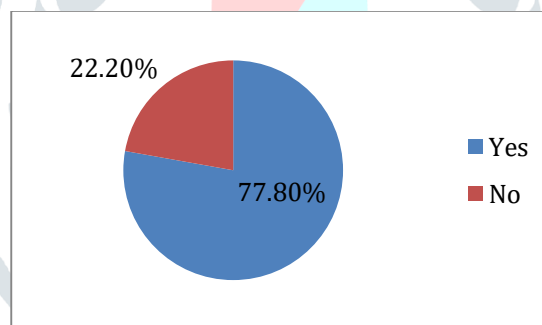
**Figure 4- Other popular Social networks**



Source: Primary Data

Figure 4 shows the other social media networks that students use the most after Facebook: 46 students use Instagram the most after Facebook and only 8 of the students use Snapchat and 6 use Twitter and meanwhile no one uses Google+.

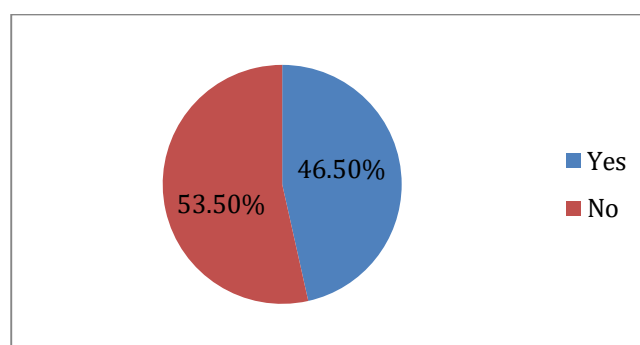
**Figure 5- Effectiveness of Facebook as a marketing tool**



Source: Primary Data

Figure 5 seeks the opinion of students whether they think that Facebook is the best way to promote a product digitally; as a result, 77.80% responded with a yes whereas 22.2% responded with a no.

**Figure 6 – Suitability of Ads on Facebook**

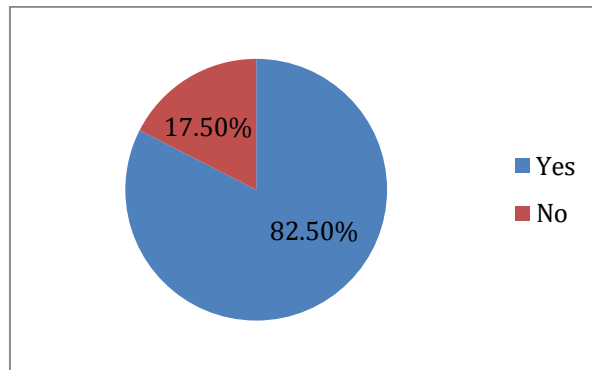


Source: Primary Data



Figure 6 gives us the opinion of students whether Facebook displays personally customized ads that suit the needs of the students and 46% students responded positively and 54% responded negatively.

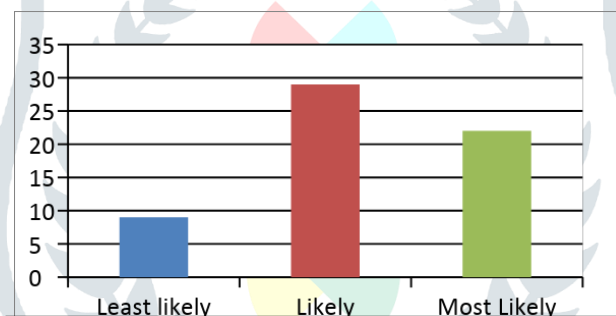
**Figure 7- Popularity of Facebook**



Source: Primary Data

Figure 7 tells us if students think if Facebook is the biggest social network right now, 83% responded with a yes and 17% responded with a no.

**Figure 8-Effectiveness of Facebook ads in the future**



Source: Primary Data

Figure 8 shows us the number of people who are likely to display their business ads on Facebook in the future; 9 said that they are least likely to promote their business on Facebook while responded positively to the question and 29 said that they are likely to display their ads on Facebook and 22 people said that they will most likely display their ads on Facebook.

## INTERPRETATION

The interpretations from the findings are that majority of the students are using Facebook for a long period of time everyday. Most of the students are spending hours on Facebook everyday which proves that Facebook was and still is relevant among the youth, if not a part of their lives. A lot of students feel that Facebook ads are not interesting; this shows that firms are not paying much attention to the student demographic and are not making ads that would capture the students' attention. The other social network that students use the most after Facebook is Instagram which is also owned by Facebook, this information might help Facebook to gather data from Instagram to make more attractive ads that would gather maximum attention. There is not much difference between students who think that Facebook personally customizes ads and students who think

otherwise which goes on to prove that Facebook needs to pay more interest into fitting the needs of the students. The findings also convey that the students think that Facebook is the best way to promote a product digitally and also that Facebook is the biggest social network out there. Most of the students responded positively when they were asked if they will promote their own product on Facebook in the future. This shows that the students think that Facebook will still be one of the best ways to market a product or service in the future.

## CONCLUSION

During the early stages of Facebook, ads on Facebook were looked down as ineffective and as an interruption to the user's experience but now Facebook are trying to make the ads more interesting by using the data received by it and it is making sure that the users are not only seeing the ads but also engaging with them. Facebook is and always has been the biggest social network ever but some may argue that Facebook is slowly fading away, which is slightly true but we can't ignore the fact that it still has a massive amount of visitors each day, more than any other social network. Facebook branches itself out through Instagram and Whatsapp which is beneficial for the business units to effectively promote themselves and make ads that are fit to satisfy the people and mainly the youth as the youth is the future of every country and should be the target audience. Marketers can use Facebook's insights tool to know the demographic that are interested in their product and hence target them to gain more attention, the firms also have an option to show their ads to a customized audience to prevent loss of resources by showing ads to people who won't buy their product. Almost every student has a Facebook account which proves that there is a vast scope for firms to promote any kind of product and they will find a market for the same.

We are all aware about the rich reserve of data that Facebook has and how important data is in this information era. Facebook can take data from Instagram and Whatsapp to enhance their advertisements for a more responsive audience. Facebook marketing is suitable for everyone. The type of product that they sell or the size of the firm doesn't matter, yet it is an efficient economical way of marketing. Facebook will always be on the top because of the accurate personal data reserve that they have acquired over the years from the users which no other marketing platform has managed to come close to.

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