Marketing through Social Media and its Impact on Development of Business

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Social Media is a method of interaction among people in which they create and share information. It is a group of internet based applications that build interactive platforms through which individuals and communities share, discuss and modify the user generated content. As we are entering the era of business to person (B2P), the customer relationship systems using web technologies and social media peer groups (SMPG) platform would have an edge over other competitors. Others become laggards and lose their market share.

Social media differentiates from traditional media in many aspects such as quality, reach, frequency, usability, immediacy and performance. Internet users continue to spend more time with social media sites than any other type of site. It also allow individuals to advertise themselves and from friendship.

A common thread running through most of the definitions of social media is blending of technology and social interaction for the co-creation value. Marketing through social media will have a competitive advantage and may also become a pioneer way of doing business.

Social media are distinct from industrial or traditional media such as News papers, Televisions and film as they are comparatively inexpensive and accessible. Some of the properties of social media which make more modern are its immediacy. The time lag between communications produced by industrial media can be long days or weeks compared to social media which are capable of virtually instantaneous response. In traditional media, the information cannot be altered; whereas in social media, it could be altered almost instantaneously by comment or editing. It has also provided an open arena where people are free to exchange ideas on company’s products

Social Media networks are extensively used as a marketing tool. Marketing through websites offers many benefits which cannot be got from traditional methods of marketing. Many companies are embracing the benefits of on-line advertisements even during the tough times of economic conditions. The marketing executives could also be advised to create messages in an innovative manner with social media for facing the challenges of business

The Internet marketing attracts more people to the website. It also increases the customers for the business and enhances the brand name of the products and highlights the services offered by the company. The Internet offers variety of options for the marketer to advertise their products and its brand name. They are done through the 1) Banner advertisements and their variations 2) Emails and their variations 3) Sponsorships 4) search engines and affiliates marketing.

Banner Advertisements acts as a means of promoting one’s own products and services. It also leads to creation of more awareness and generate more revenue by selling advertising space on our own website. Ethical method of gathering email addresses of customers are done through on line registration, which are built on one’s own company websites. Sponsorship can be got by referrals from the experienced and frequent buyers. Affiliate Marketing is like agent who uses the net facility like a partner who may use some other websites of his own or his assistants and try to create more promotional activities.

Internet Marketing has got its own unique advantages. It is undoubtedly the communication medium of the future marketers and the world have from time to time tried to reach their target audience through various media. It is one of the latest media inventions.

The primary objective is to study the impact of online-Advertising and business development. For this purpose a questionnaire was prepared to study the web marketing and the impact of online advertising.
Research design:

Descriptive Research is adopted for the study using the structured questionnaire to gather the primary information. The secondary data were collected from News paper, magazine. The data collected were analyzed to take innovative measures on web marketing strategies and to design essential services to the client which in turn help to retain the clients for long time with mutual consent.

Review of Literature:

During 21st Century, a number of websites including the search engine Google started a change in on-line advertising by emphasizing contextually relevant advertisement intended to help the public consumers. It is a form of promotion that uses the internet and World Wide Web for the expressed purpose of delivering marketing messages. They appear on search engine result pages, banner advertisements, Text ads, social network advertising.

According to Reingar (2007), the research Director at Media screen, a San Francisco based research firm; has founded that internet stands apart from other media outlets in that it enables its users to interact with growth of on-line participation and the consumers have great influence over the products and brands considered for purchases. Reignar (2007) also reported that the total time spent on-line has been divided as follows:

27% Communication
27% leisure (or) Entertainment
19% News or Information
15% Personal Productivity
12% Shopping

Reigner 2007 defined that there are five types of people who shop on-line: they are a) Online insiders b) Social clickers c) Content Kings d) Everyday Reviewer e) Fast Track persons

According to Michael Stelzner’s survey – it was found that a vast percentage of respondents as much as 88% – reported using social media networking as a marketing tool, which suggests that there is a strong trend within the marketing community to use social media for business development. In addition, the real benefits have been reported by 81% of respondents, although the study does not quantify there benefits.

The top social media network in use is Twitter, followed by blogs and LinkedIn, and it seems social bookmarking sites. These tools are gaining the most attention of the marketers as perhaps the new place to be exploited. Finally, time committed to social media network marketing seems to pay off, if we are to judge that the 9.6% of respondents who invest 20 or more hours a week; are also the most experienced, with several years of reported practice in social media network marketing.

Research Design:

The study is a descriptive research describing the distribution of a variable throughout the population. Summary and observational approaches were used. The primary Data collected from the respondents with the help of questionnaire. Due care was taken in collecting data; secondary sources of data were collected from magazine, newspaper and books.

Sampling Design:

A simple non-probability method of convenience sampling was adopted. Considering the time constraints, 120 small and medium sized companies were selected for getting the first hand information.

Tools for Analysis:

Mostly percentage analyses and weighted Average Method were used to get the detailed information on the selected topic.
Leveraging the power of content and social media marketing, would elevate the target audience and customer base in a dramatic way. But getting started without any previous experience or insight could be challenging. It's vital that one should understand the social media marketing fundamentals. From maximizing quality to increasing the online entry points and by abiding by the following 10 laws would help to build a foundation that will serve customers, build brand image and -- perhaps most importantly – the company’s bottom line.

1. The Law of Listening
   Success with social media and content marketing requires more listening and less talking. Read the target audience’s online content and join discussions to learn what’s important to them. Only then the company can create content and spark conversations that add value rather than clutter to their lives.

2. The Law of Focus
   It’s better to specialize than to be a jack-of-all-trades. A highly-focused social media and content marketing strategy intended to build a strong brand name would have a better chance for success than a broad strategy that attempts to bring in all details to all people.

3. The Law of Quality
   Quality trumps quantity. It’s better to have 1,000 online connections who read, share and talk about the company’s product content than 10,000 connections that disappear after connecting with the company for the first time.

4. The Law of Patience
   Social media and content marketing success doesn’t happen overnight. It’s far more likely that the company need to commit to the long haul to achieve results.

5. The Law of Compounding
   If you publish amazing quality content and work to build one’s own online audience of quality customers, then they’ll share it with their own audiences on Twitter, Facebook, LinkedIn, their own blogs and more. This sharing and discussing of company’s content opens new entry points for search engines like Google to find it in keyword searches. Those entry points could grow to hundreds or thousands of more potential people.

6. The Law of Influence
   The Company has to spend time in finding the online influencers of the company’s product who have quality audiences and who are likely to be interested in the present company products, services and business; Connect with those people and work to build relationships with them. If the company gets on their radar as an authoritative, interesting source of useful information, they might share the company’s product content with their own followers, which could put the company’s business in front of a huge new audience.

7. The Law of Value
   If company could spend all their time on the social Web, directly promoting their products and services, people will stop listening. The company must add value to the conversation and create amazing content and develop relationships with online influencers. In turn, those people will become a powerful catalyst for word-of-mouth/viral marketing for the company’s business.

8. The Law of Acknowledgment
   The company should not ignore someone who reaches out to the company in person or through email. So, the company should not ignore them online. Building relationships is one of the most important parts of social media marketing success, so always acknowledge every person who reaches out to the company for any information.
9. The Law of Accessibility
   The company should publish its content and then not to disappear. On the contrary, it should be available to the audience always. That means the company have to consistently publish its content and participate in conversations. Followers online can be fickle and they won’t hesitate to replace the company if the company disappear within weeks or months.

10. The Law of Reciprocity
   The company can’t expect others to share their content and talk about them if the company doesn’t do the same for them. So, a portion of the time need to be spent on social media network must be focused on sharing and talking about content published by others.
   Social media marketing refers to the process of gaining traffic or attention through social media sites. Social media itself is a catch-all term for sites that may provide radically different social actions. For instance, Twitter is a social site designed to let people share short messages or “updates” with others. Face book, in contrast is a full-blown social networking site

**Popularity of Social Media Networks for Marketing**

The findings are interesting and promising for social media networks as a tool that will continue to grow in use. A full 90% of respondents use social media networks, and 81% of them reported gaining business exposure as a result. As far as experience level, 72% reported being beginners or being at it for a few months. These results alone suggest that while the tool is getting a lot of attention now, it will get more in the future as those benefits (such as the added exposure) are experienced by more than 72% of the respondents; who are only beginning to experience the social media network marketing.

**Web marketing Users:**
The details of respondents who use web marketing are listed below:

<table>
<thead>
<tr>
<th>Customers</th>
<th>No. of Respondents</th>
<th>% of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Businessmen</td>
<td>44</td>
<td>36.67</td>
</tr>
<tr>
<td>Government Employees</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Private Employees</td>
<td>11</td>
<td>9.67</td>
</tr>
<tr>
<td>Professionals</td>
<td>12</td>
<td>10.00</td>
</tr>
<tr>
<td>Students</td>
<td>22</td>
<td>18.33</td>
</tr>
<tr>
<td>Others</td>
<td>31</td>
<td>25.33</td>
</tr>
</tbody>
</table>

From the above table, it can be inferred that many businessmen prefer to look into web marketing. In today’s global environment, vast network of business people and consumers are connected with internet and mobile devices, who could be contacted anywhere at any time. It was also found that there exists high level of trust when information is exchanged from the trusted professional networks.

The respondents also ranked the various social media and they are detailed below:

<table>
<thead>
<tr>
<th>Social Media Advertisements</th>
<th>Ranks given by Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>News paper</td>
<td>1</td>
</tr>
<tr>
<td>Television</td>
<td>2</td>
</tr>
<tr>
<td>Radio</td>
<td>3</td>
</tr>
<tr>
<td>Internet</td>
<td>4</td>
</tr>
<tr>
<td>Magazine</td>
<td>5</td>
</tr>
<tr>
<td>Direct Marketing</td>
<td>6</td>
</tr>
<tr>
<td>Outdoor</td>
<td>7</td>
</tr>
</tbody>
</table>

Even though the rank given for Internet method of advertising is 4, the respondents felt that it is the most cost effective method of reaching the ultimate end user.
Experience in social media networks:
Out of the 88% of respondents who reported using social media networks, 30.2% were sole proprietors who were just getting started. The most experienced users were owners of 2 to 100 employee companies who form 29.3%.

Time Commitment
64% of respondents invest 5 hours a week or more, while 39% report investing 10 hours per week or more. A small percentage of 9.6% - spends 20 hours or more, per week in social media network marketing. This small group has evidently found a reward for their time investment, as they are the same group who reported having been using this tool for years.

Age Groups
The most likely age groups to be using social media network marketing are in the age group of 30 to 39 year-old. The next most likely age group is 20 to 29 year-olds, and finally the 50 to 59 age group. The percentages of people dedicating 20 hours or more per week within these age groups are 44.8%, 40.3% and 38.7%, respectively.

Perceived Benefits
The largest perceived benefit, as expressed by 81% of respondents, is business exposure. After this come increased traffic or conversion rates for 61% of respondents; new business partnerships for 56% of respondents; rise in search engine rankings for 52%; qualified sales leads for 48%; reduced marketing costs for 45% of respondents; and for 35% of respondent's social media networks helped them close business.

Most Used Social Media Networks
Twitter is the top social media tool in use by marketers as reported by 86% of respondents. The ones that follow in rank are:

- Blogs – 79%
- LinkedIn – 78%
- Facebook – 77%
- YouTube/Video Sites – 41%
- Social bookmarking sites – 38%

The number two choices for beginners is LinkedIn, and for those with a few months’ experience; its Face book. Ninety-four percent (94%) of the most experienced users cite, twitter as their top choice. An interesting finding was that men are 20% more likely than women to go for YouTube or similar video sites.

Reasons for preferring web marketing were analyzed and the results were tabulated as follows:

<table>
<thead>
<tr>
<th>Reasons for choosing Web marketing</th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>DA</th>
<th>SDA</th>
<th>Weighted Value</th>
<th>Average</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. To Reach the Target Customers with in less time</td>
<td>100</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>38.7</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2. To have Direct contact with the customers</td>
<td>60</td>
<td>60</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>36</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3. To reduce the Purchase time of target Customers</td>
<td>64</td>
<td>28</td>
<td>28</td>
<td>0</td>
<td>0</td>
<td>34.4</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>4. To get the direct feedback</td>
<td>68</td>
<td>36</td>
<td>16</td>
<td></td>
<td></td>
<td>35.5</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5. To avoid intermediaries</td>
<td>64</td>
<td>48</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>35.7</td>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

SA= Strongly Agree: A = Agree: N = Neither Agree nor Disagree: DA = Disagree: SDA = Strongly Disagree
The weights given for SA = 5, for A= 4, for N=3, for DA = 2 and for SDA = 1

This analysis gives an inference that through the social media, the companies could reach the target audience within the less time compared to other media of advertisements.

Conclusion:

The study revealed interesting facts about social media web marketing and many companies engage themselves in web marketing. Online communities provide a prime opportunity for organizations to get to know their customers more intimately and can have their fingers on the pulse of the customers and their behaviors and that would help to serve the clients better, faster and in a more cost efficient ways. Hence, it is concluded that the companies have to design the web portal effectively as compared to other marketing medias, for improving the sales and profit of the company.

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