

Role of Social Media Sites on Consumer Buying Behaviour in Jaipur

Kuldeep Sharma¹
Dr. Meera Mathur²

Abstract

Today, social media is not a new phenomenon for Indian internet users and companies. The growing number of active users on social media platforms is attracting marketers to integrate it into their traditional marketing efforts. Social media websites provides organisations with a new way of marketing the products & services to the customers. The ease of shopping is driving many customers to shop online. In this course of action, social media is playing a very important role for information searching and sharing. Social media platforms enable companies to become a part of online communities and get to know about their image from consumer's perspective. This paper aims at getting an insight about the role of social media in marketing and its effect on consumer buying behaviour in Jaipur city.

Keywords: *Social Media, Social Networking, Consumer Behaviour, Online Shopping, Consumer Reviews.*

Introduction

The development of internet and communication technology offered several benefits in almost every sector in this world. Internet enables the users to be interconnected with others residing at any part of this globe and it can be used in a number of ways for information collection and sharing. It is clearly visible that the business world is tremendously influenced and benefitted with the use of internet. It has become the most effective business tool in the present business scenario. Nowadays, social media has emerged as a new way of marketing, information sharing and loyalty building. Social media marketing is a process of drawing consumer attention using social media and networking sites. Social media covers social networking sites or SNS (Facebook, Orkut),

1. Research Scholar, FMS, Mohanlal Sukhadia University, Udaipur

2. Associate Professor, FMS, Mohanlal Sukhadia University, Udaipur

professional social networking sites (Linkedin), microblogging sites (Twitter), picture, music & video sharing sites (YouTube, Flickr), internet forums, weblogs, social logs, etc (Mathur & Sharma, 2012).

Today, social media tools are being used by the marketer for gaining customer focus by developing attractive contents and encouraging connected users to share them on social networks. These low cost internet or mobile based social media tools integrate social interaction and technology. Companies are seeking to foster awareness of their brands and improve customer service with the help of social media tools. These can be used to form a consumer network of core supporters and loyal followers. Additionally, the more a company's website is accessed, the more is high its ranking becomes on search engines which results into better visibility and online exposure to the online world.

Review of Literature

Stelzner, M. (2012) surveyed 3800 marketers with the goal of understanding the use of social media for their marketing and promotional activities. The findings disclose that 94% marketers have applied social media and 83% find it important for their business. This percentage was 90% in the report of 2011. B2B marketers (18.3% are using it for more than 3 years) are most likely to use social media for their promotional efforts as compared to B2C marketers (14% respondents for more than 3 years). 59% of the marketers are using social media for 6 hours or more per week, 33% are using it for 11 hours or more weekly and 15% of the marketers are spending more than 20 hours per week on social media websites. It is also found that the marketers of age group 20 - 29 years spend more time on social media as compared to their elder counterparts. The benefits of using social media tools are increased exposure (85%), increased traffic (69%), providing marketplace insight (65%), lead generation (58%), etc. Commonly used social media tools are Facebook (92%), Twitter (82%), Linkedin (73%), Blogs (61%) followed by YouTube (57%), Google (40%) and photo sharing sites (21%). It is also found that marketers are planning to increase the use of YouTube/Video (76%), Facebook (72%), Twitter (69%), Blogs (68%), Google (67%) and Linkedin (66%). Other top four forms of marketing used by the respondents are email (87%), search engine optimisation (65%), event marketing (64%) and press release (55%) followed by online ads, print display ads, sponsorship, webinars, radio ads and TV advertisements.

King, I. (2012) expresses that web and social media are influencing social behaviour in retail and other areas such as grocery shopping also. At global level, 61% internet users do research while shopping groceries and 49% users purchased a product online. The studies show that North Americans are bargain hunter and 43% of internet users visit coupon sites and 42% seek some other type of deals while shopping groceries online. Approximately one third respondents read grocery retailer's webpage, compare product prices or search other forms of product information. Only 1 in 5 respondents visit

manufacture's website and about 1 in 10 generate social media feedback. 18% respondents conduct more than 75% of their research digitally. Customers creating review are more active on social platforms and create influence on how brands are perceived online. According to Nielsen study, digitally-inclined consumers must be identified by the companies and they should be encouraged to build a two-way relationship with the brand.

Nagendra, S.M. & Shubha A. (2012) seek to examine the role of social networking sites as a tool for marketing and promotional activities in different sectors of business. The research shows that 94% of marketers find social media useful in marketing their business activity. 85% of total marketers responded that their business has got more exposure with social media efforts. Companies are getting the benefits of blogging also such as B2C companies got 88% increase in median monthly leads whereas B2B companies saw 67% increase in leads by blogging.

Goriparthi, R.K. (2012) conducts a study on users' attitude in the context of blogs and communities and finds that respondents see advertisements more positively when it is placed on a blog or community compared to a random website. Consumers like advertisements if they are of their interest. Additionally, tailored advertisements found to be less negatively responded as compared to regular advertisements. The researcher finds female respondents are more negative towards these advertisements.

Durukan, T., Bozaci, I. & Hamsioglu, A.B. (2012) conduct a study in order to find out the customer behaviour in social media and define it under three main titles: behaviour to influence consumption (positive & negative word of mouth, opinion leadership), behaviour to be influenced by others for consumption (information seeking about products, seeking opinions of friends) and using social media as a consumption related communication tool. There is a very important role of online word of mouth communication for affecting consumer behaviour on shopping websites.

Guo, S., Wang, M. & Leskovec, J. (2011) analyse consumer behavior on a Taobao (a Chinese consumer marketplace & world's largest e-commerce website) that provides an integrated messaging tool to its customers so that they can get in touch with the seller or other buyers for advice about the products offered on this website. According to a Lucid marketing survey, 68% of individuals took advice from their friends and relatives prior to purchasing home electronics. There are a number E-commerce websites such as Amazon, eBay, Epinions, etc. which are offering facilities such as product reviews, product comparison, recommendations, etc. but personal recommendations are more important than any of these options. The authors state that basic behavioral psychology leads the consumers to value and trust their friends' purchasing decisions and opinions uploaded by anonymous users. With the help of social networking marketers can gain new revenue

opportunities while offering consumers required product information, economic and social rewards for information and opinion sharing.

The Retail Consumer Report (2011) commission by Right Now and conducted online by Harris Interactive on 1065 Online US adult online shoppers in January 2011 shows that social media can be used to bring unhappy customers back to the company. The survey found that out of 66% unhappy customers, who posted their negative reviews on social media sites, 33% turned around and posted positive reviews when responded by the retailers. 31% of the total respondents who got a positive online shopping experience purchased more from the retailer. The report shows that 28% respondents research social networking and reviews sites for product information from other customers.

Neti, S. (2011) describes the role of social media in marketing that many of the businesses from big to small have started exploring social media initiatives so that they can directly connect to the customers. With the help of social media, companies can generate business exposure, increase traffic, build new business partnership, reduce overall marketing expenses and many more. The rising number of active users on social media websites is alluring organisations to use the power of social media. India has 71 million active internet users and tops the usage of social networking by businesses too by securing highest activity index 127, where US is on 97. 52% of Indian respondent companies got new customers using social networks.

Mishra, A. (2011) states that social media has become an integral part of the netizen's life and the most desirable platform to share and connect with family, friends and online community. In January 2010, Jet Airways launched its Facebook page to provide guests with real-time updates about flight schedules, new programs route additions, services, special offers, etc. Now, it is seeking to increase its presence with LinkedIn & Foursquare (a location based mobile social networking application). Maruti Suzuki is also trying to attract youth segment with the use of social media. According to the data provided by TRAI (Telecom Regulatory Authority of India), India has 83 million internet users and among these 53% use broadband. Additionally, a large number of users have social media access through mobile phones. According to a report, the number of mobile social network users is expected to reach around 74 million by 2014.

Dutta, S. (2010) states that the leaders should implement social media in their marketing strategies because it is a rapid & low cost platform for building a brand. Social media can help top executive for developing relationships with employees, customers and investors. Social media can be a learning tool also where customer feedbacks can be used for strategic development. There is a need of frequent interaction with the customers to establish a meaningful market presence. Kalla, N. & Gupta, V. (2010) finds that if marketers use internet timely with appropriate manner, it can bring them tremendous advantages. The authors describe that internet is becoming an effective channel of communication

between buyers and sellers due to its unique characteristics such as global reach, vast amount of information, cost effectiveness and interactivity. The interaction between channel partners and customers is increasing with the help of internet using social networking dedicated groups, blogs, etc. In order to achieve desired results, marketers have to integrate the use of information technology into overall marketing strategy of the firm because availability of wide information is changing the consumer perception towards shopping. This research paper draws several benefits of internet marketing such as global access, lower cost, innovativeness, interactivity, measurable results, etc.

Mangold, W.G. & Faulds, D.J. (2009) propose that social media (also referred to a consumer generated media) should be regarded as a hybrid component of the promotional mix and consequently as an essential part of an organisation's IMC strategy. In this paper, researchers seeks to compare and contrast the new communication paradigm of social media with the traditional communication paradigm that relied on established promotional mix elements which were developed and refined over the past 100 years.

For example, the use of social media enabled Procter & Gamble (P&G) and General Electric for crafting their communication with the marketplace in a consistent manner because social media enables companies to communicate to their customers as well as it provides customer to customer communication also. Social media merges the features of traditional IMC tools with new modes of communication because consumers are immediate access to information at their own convenience for making purchase decisions. Social media offer a networking opportunity to consumers which make them able to communicate with hundreds or thousands of consumers quickly without putting much effort and this consumer – to – consumer communication is not under control of companies.

Stelzner, M. (2009) delivers the responses of 880 marketers about the use of social media that majority of marketers (88%) utilises social media for the purpose of marketing activities. 64% of the marketers are using social media for 5 hours or more per week and 39% marketers use social media for more than 10 hours a week. 81% of the marketers considered that social media is helpful for business exposure. Twitter (86%), Blogs (79%), LinkedIn (78%) & Facebook (77%) are most preferred social media tools used by the marketers.

Objectives

This paper aims at finding the role of social media in marketing activities performed by the marketers and its influence on consumer buying behavior in Jaipur i.e. the capital of Rajasthan. Jaipur has a good population of tech savvy customers.

Research Methodology

This paper is based on primary as well as secondary data. This paper is descriptive and exploratory nature. The secondary data is taken from the previous studies as a part of

review of literature whereas, the source of primary data is questionnaires filled by the respondents. The primary data will form a basis of analysing the influence of social media marketing on consumer buying behavior in Jaipur. This research was conducted on 60 randomly selected active social media users in Jaipur of 18-40 year age group.

Role of Social Media

In the present era of information and communication technology, it has become very easy for a customer to find almost complete information about a particular product and make a comparison between the similar products provided by different companies. In this sequence, the companies have to be very interactive with their customer so that they can be in direct touch with them and be able to build a rapport among them. Social media enables the marketers to communicate with their customers in real time environment. This way, companies can personalise their communication with the customers and make them more informed and satisfied. Some examples of companies using social media are Absolute Vodka on You Tube, & Facebook, BMW on Facebook, Dunkin Donuts on Twitter (Lake, 2013) and Shoppers Stop on You Tube and Facebook (Sachitanand, 2012).

Some other important roles of social media are as follow:

- *Generate Awareness:* Companies can make people aware about themselves by actively using social media outlets such as Facebook, LinkedIn, Twitter, YouTube, etc. This method is very less expensive as compared to TV or newspaper advertisement. Social media is pervasive all around the globe which can allow customer to reach the company from any corner of this world.
- *Lead Generation and Promotion:* Companies can simultaneously connect to a very large number of online connected users. Using this, companies can enhance the chances of being known easily and promote their products by offering discounts, rewards and referral points to the connected users.
- *Active Listening to the Customers:* Social media is a very good tool for making the customers loyal. It develops a personal interactive communication between organizations and customers. Many organisations employ social media expert in their marketing department who always stay online on social networking tools and ready to listen to their customers. Researches show that customer dissatisfaction can be reduced and removed with the help of personal contact on social media sites and once they are contacted they are not likely to spread negative word of mouth about them.
- *Developing and Maintaining a Network:* Social media platforms enable the customers and companies to develop a strong network of interest group and maintain relationship with them.
- *User Generated Contents:* Online reviews posted by active users are more likely to attract many people as compared to other form of paid advertisement on social media. These online reviews or user generated contents make a huge difference in the success

of a marketing campaign.

- *Search Engine Optimisation*: Organisations can increase their ranking by staying online and keeping it up to date because more traffic on a company's website can increase its rank in search engines.

Analysis and Findings

The findings show that among 60 respondents, there are 41 male respondents and 19 female respondents. Majority of respondents were of age group 18 –25 year (32 respondents). The most accessed website is Facebook, which was selected by 39 respondents out of total 60 respondents. 53 respondents out of total 60 visit/access social media platforms everyday and spend more than one hour in a session (44 respondents). On the question of preferred product on online shopping, electronic items were selected by majority of respondents (23). There were 46 respondents who always search online information before buying a product over the internet. Majority of respondents (48) always believe on online reviews posted by other users and customers followed by 10 responses for sometimes option. On the last question of effect of social media on buying behavior, 51 out of 60 considered that social media affects their buying behaviour.

Conclusion

From the above discussion, it can be derived that this is the time when social media cannot be neglected from being a part of their marketing campaigns and programs. The research shows that there are many companies which are reaping the benefits of direct customer interaction using different social media platforms such as You Tube, Facebook, Twitter and others. The Indian population is becoming tech savvy and highly active on social networking platforms which cannot be ignored by the marketers. The companies must consider the rapid growth of active social media users and keep a track of their online communications. This way, they will be able attract and satisfy more and more online customers. Now, it is the high time when marketers must be ready to incorporate social media tools in their promotion mix and marketing communications.

References

1. Durukan, T., I. Bozaci, & A. B. Hamsioglu (2012), An Investigation of Customer Behaviours in Social Media, *European Journal of Economics, Finance and Administrative Science*, Issue 44 <http://www.eurojournals.com>.
2. Dutta, S. (2010, Nov), What's Your Personal Social Media Strategy? *Harvard Business Review*, pp. 101 – 104.
3. Goriparthi, R. K. (2012), Users' Attitudes in the Context of Blogs and Communities – A Study, *Review of Professional Management*, Vol. 10 (1), Jan – Jun, pp. 40 – 46.
4. Guo, S., M. Wang, & J. Leskovec (2011), The Role of Social Networks in Online

- Shopping: Information Passing, Price of Trust, and Consumer Choice, Retrieved <http://nlp.stanford.edu/pubs/wang-ec11.pdf>.
5. Kalla, N. & V. Gupta (2010), Online Marketing: A Strategic Approach, *Lachoo Management Journal*, Vol. 1 (1) July – Dec, pp. 34 – 40.
 6. King, I. (2012, September 6), The Internet Changes the Way Consumers Shop for Groceries, Retrieved on September 11, 2012 from <http://www.atelier.net/en/trends/articles/internet-changes-way-consumers-shop-groceries>.
 7. Lake, L. (2013), Understanding the Role of Social Media in Marketing, Retrieved from <http://marketing.about.com/od/strategytutorials/a/socialmediamktg.htm>.
 8. Mangold, W. G. & D. J. Faulds (2009), Social Media: The New Hybrid Element of the Promotion Mix, *Business Horizons*, Vol. 52 (4), July – August, pp. 357–365.
 9. Mishra, A. (2011, December), Engage! *Indian Management*, pp. 70–74.
 10. Mathur, M. & K. Sharma (2012), Social Media Marketing: Attracting Customers through E-Wom and Consumer Generated Views, *Management Research: Current Trends and Practices*, Wisdom Publications (Refereed), ISBN 978-93-81505-48-9. Pg. 181.
 11. Nagendra, S.M. & A. Shubha (2012), Trivia of Social Media Marketing: New Era of Business, *Global Journal of Finance & Management (GJFM)*, Vol. 4(8), pp. 5–9.
 12. Neti, S. (2011, July), Social Media & Its Role in Marketing, *International Journal of Enterprise Computing and Business Systems*, Vol. 1 (2), From <http://www.ijecbs.com/July2011/13.pdf>.
 13. Sachitanand, R. (2012, December 26), Companies Target Social Media Like Facebook, Twitter, LinkedIn for pitching consumers. Retrieved from [http:// articles.economictimes.indiatimes.com/news/36007968_1_kirthiga-reddy-mobile-users-facebook-users](http://articles.economictimes.indiatimes.com/news/36007968_1_kirthiga-reddy-mobile-users-facebook-users).
 14. Stelzner, M. (2009, March), How Marketers are Using Social Media to Grow Their Businesses, Social Media Marketing Report. Retrieved from <http://marketingwhitepapers.s3.amazonaws.com/smss09/SocialMediaMarketingIndustryReport.pdf>.
 15. Stelzner, M. (2012, April), How Marketers are Using Social Media to Grow Their Businesses, 2012 Social Media Marketing Report. Retrieved from <http://www.socialmediaexaminer.com/SocialMediaMarketingIndustryReport2012.pdf>.
 16. The Retail Consumer Report (2011), Bring Back Unhappy Customers via Social Media. Right Now, Retrieved from <http://www.rightnow.com/files/Retail-Consumer-Report.pdf>.