THE IMPACT OF SOCIAL MEDIA MARKETING PRACTICES IN BUSINESS

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ABSTRACT

The research study attempts to investigate the impact level of social media marketing practices in business – An empirical study in Tirunelveli district. For the study, a quantitative research method was used, and a sample of 50 respondents was selected through a purposive sampling method. The primary data were used to fulfill the research objectives and self-administrated structured interview schedule were used for the data collection. The research reveals that impact of social media marketing practices in various stages of business through awareness level, preferences and positive effects such as impact on organizations' performance, in terms of cost reduction, improved customer relations, and enhanced information accessibility. The collected data is analyzed and interpreted with help of statistical tools such as mean score, Standard deviation, Garrett ranking method, factor analysis and regressionTest. The researcher has collected information on this topic from books, journals, reports of various institutions, unpublished thesis and websites.

Keywords: Social Media Marketing, Digital Marketing, Customer Relationship Management.
DOI Number:10.48047/nq.2022.09.NQ44931 NeuroQuantology 2022;20(9):8023-8029

INTRODUCTION

In this technological world today, almost every business has a branded social media profile across the major platforms. It is near impossible to imagine a world without social media or social media marketing. With an estimated 3.81 billion people across the globe currently active on various platforms, it is clear that the social media thread has been woven into the fabric of our everyday lives. Social media marketing is a powerful tool to compete the market challenges as well a constantly connect with the society capturing market. It provides a platform to do the promotional activities like, new arrivals, offers & discounts, seasonal greetings, product and services details. This enable brands to connect with target groups to build brand awareness, increase sales, connect with customer, reducing marketing cost, making online payments and getting feedbacks from valued customers. These strategies are lead to strengthen marketing plan and creates loyalty with customer. However, social media marketing helps to reach the unreached customer through electronically and it influences the people to look up our products and services.

STATEMENT OF THE PROBLEM

Today, the vast majority of marketers agree that a social media strategy is valuable. Savvy businesses use social media marketing in different ways, including lead generation, customer acquisition, branding, customer retention, competitor analysis and more. Social media marketing today is also highly cost-effective as it is three times less expensive than traditional channels. Brands are also using social media to improve customer service. For example, a study showed that 83% of customers that received a reply to a complaint on Twitter liked the fact that they got the attention of the brand. Unfortunately, only less than 30% of businesses on social media react to complaints at all. With 2.3 billion people on social media today, it is no surprise that the importance of social media marketing continues to grow. 97% of all adults aged 16-64 will use a social media platform this month. More than 1.6 billion people will log into Facebook today. Brands now have the perfect environment for most digital marketing strategies to thrive.Social media marketing can also have a positive effect on other channels, such as search marketing, content marketing, advertising, influencer marketing, community management, paid media, building your following, contributing to forums and reviews. In this context, this study has been undertaken to study the impact of social media marketing practices in business. Therefore the study has been focused on reasons, preferences and evaluate level of social media marketing practices in business.

OBJECTIVESOF THE RESEARCH

The main objective of the research is to study the impact of social media marketing practices in business. The following are the specific objectives:

- To identify the preference of social media platforms for using marketing practices.
- To find out the reason for using social media in marketing practices.
- To evaluate the level of social media marketing practices in business.

REVIEW OF LITERATURE

Kaplan (2010), is the importance of customer engagement which involves the regular monitoring of consumer attractions towards their business. Harris et al. (2011) have rightly proved that social media marketing has enabled to build brand loyalty by consumers in their ways with the companies which will help companies to maintain a good relationship with consumers. Labrecque (2013) has studied the positive and negative implications of social media in business. Ashley (2015) has proved that users these days compel their favorite businesses or brands to be on social media. Rodney Graeme (2017), in his study, says social media marketing has enabled easy interactions between customers themselves or between customers and the company. Many people have come to know about many companies due to these social networks and also through their friends and relatives who are on social networks.Nikita Negi and DrVanishreePabalkar (2020) examined the impact of social media marketing in particular presence of influencers in Instagram in customer relationships and purchase intention. Research objectives as well as hypotheses were developed to meet the purpose of the study and the findings recorded. Findings indicate that Social media marketing (SMM) is significantly effective marketing medium. Social media marketing success depends on five properties: entertainment, customization, interaction, word of mouth, and trend. Renu, SanjeevBansal and Vandana Gupta (2020) analyzed the influence of purchase intention on consumer buying behaviour through social media. From this study, it is concluded that rewards, interaction, entertainment, electronic word of mouth, customer's reviews, trust and satisfaction are the factors, having positive influence on purchase intention on consumer buying behaviour through social media, while trust has maximum influence.

METHODOLOGY OF THE STUDY

This is a quantitative study conducted based on the primary and secondary data. The primary data was collected from sample group of business houses in Tirunelveli. The

sample size was determined as 50 respondents' from the business houses and purposive method of sampling was adopted. The respondents were selected from the business houses functioning within the Palayamkottaitaluk limit of Tirunelveli district. The selected sample groups of respondents were administrated with a pre-structured interview schedules and with the help of them data was collected from them. The collected data is analyzed and interpreted with help of statistical tools such as mean score, Standard deviation, Garrett ranking method, factor analysis and regression analysis. The researcher has collected information on this topic from books, journals, reports of various institutions, unpublished thesis and websites.

ANALYSIS AND RESULTS

TABLE - 1 PREFERENCES OF SOCIAL MEDIA PLATFORMS FOR USING MARKETING PRACTICES.

S.No	Social Media Platforms	Garrett Mean Score	Rank
1.	Facebook	58.28	**III**
2.	WhatsApp	63.98	**I**
3.	Instagram	59.36	**II**
4.	Twitter	44.7	VIII
5.	YouTube	48.7	IV
6.	Snapchat	46.7	VI
7.	Telegram	47.92	V
8.	GoogleAds	45.98	VII
9.	Quora	38.2	X
10.	LinkedIn	44.18	IX

Source: Primary Data

It is evident from the table-1 that majority of the respondents provide the first rank to 'WhatsApp' with the highest Garrett mean score of 63.98, Next, majority of the respondents offer second rank to 'Instagram' with Garrett mean score of 59.36, the sample respondents give third rank to 'Facebook' followed by the respondents accept fourth ranked to 'YouTube' and 'Quora' ranked 'last' with the least Garrett mean score of 38.2.

TABLE-2 REASONS FOR USING SOCIAL MEDIA MARKETING

Reasons for Social Media Marketing	Mean	Std. Deviation
To connect with customers	**4.04**	**1.309**
To build brand awareness	4.52	1.054
To build customer loyalty	4.22	0.954
To reduce marketing cost	**4.08**	**1.243**
To get customer feedback	4.64	0.875
To establish customer network	4.62	0.805
To advertise the product or services	**4.26**	**1.065**
To make online payments	4.32	0.957
To make order products or services	4.44	0.884
To attract the customer	4.80	0.728

The above table shows the reasons for using social media marketing with the standard deviation score. It is observed that the reason "To connect with customers" is ranked 'First' with a std. deviation score of 1.309, followed by the reason "To reduce marketing cost" is ranked 'Second' with a std. deviation score of 1.243, least reason "To attract the customer" is ranked 'tenth' with a standard deviation score of 0.728.

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TABLE-3 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.606
Bartlett's Test of Sphericity	Approx. Chi-Square	116.635
	df	45
	Sig.	.000

The above table reveals that the factor analysis rightly employed in this context as evidenced through a higher KMO measure (0.606) and a significant Bartlett's test result. Hence the factor analysis is attempted. Analysis of the impact of social media marketing practices in business is made through rotated factor matrix which reveals that four major social media marketing factors impact the business owners. The findings of the rotated factor analysis on the impact ofsocial media marketing practices in business are presented in Table 3.1.

TABLE 3.1
ROTATED FACTOR ANALYSIS ON THE IMPACT OF SOCIAL MEDIA MARKETING PRACTICES IN BUSINESS

Rotated Component Matrix[a]						
Factors	Social Media Marketing Practices	**Component**				**h2**
		F1	**F2**	**F3**	**F4**	
Customer Loyalty	Valued Customer Cash back offers	.874				.783
	Customer reviews	.872				.824
	Customer satisfaction	.611				.636
Service Provider	Conducting market research		.759			.769
	Build customer networks		.614			.333
	Supplier relationships management		.539			.775
Promotional activities	Customer referrals			.851		.742
	Offers and discounts			.703		.638
CRM	Availability of the products and Services 24/7				.825	.698
	Customer grievance Redressal mechanism				.772	.713
Initial Eigen values						
Total		2.728	1.592	1.434	1.155	
% of Variance		27.283	15.922	14.338	11.548	
Cumulative %		27.283	43.205	57.543	69.091	

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

The above table exhibits the rotated factor loading for the ten variables impact of social media marketing practices in business. The factor analysis reduced the ten variables into four factors namely customer loyalty, service provider, promotional activities, and customer relationship management. The findings of the principle component analysis which is used to extract the number of variables by Eigen values are 2.728, 1.592, 1.434 and 1.155. It is observed from the above table that four factors were extracted together account for 69.091 percent of total ten variables. Hence these ten variables are summated to four factors by losing nearly 37.098 percent of data. Thus, it can be

concluded that customer loyalty, service provider, promotional activities, and customer relationship management impact the social media marketing practices in business.

REGRESSION ANALYSIS ON THE IMPACT OF SOCIAL MEDIA MARKETING PRACTICES IN BUSINESS

An attempt has been made to find the impact of independent variables (customer loyalty, service provider, promotional activities, and customer relationship management) on the overall social media marketing practices with the impact of social media marketing practices by using Regression Analysis. The analysis has been undertaken from the information available from the interview schedule. The variables such as customer loyalty, service provider, promotional activities, and customer relationship management are taken as independent variables and the overall social media marketing practices is taken as dependent variable. This has been undertaken to find the forecaster variables for the dependent variable.

The results of the Regression Analysis on the basis of the opinion score on impact of social media marketing practices in business are given in Table 3.2.

Table 3.2 Regression Analysis - Coefficient

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	39.500	.331		119.440	.000
	Customer loyalty	4.102	.334	.679	12.280	.000
	Service provider	1.435	.334	.238	4.296	.000
	Promotional Activities	2.955	.334	.489	8.845	.000
	CRM	1.954	.334	.324	5.848	.000
a. Dependent Variable: Social Media Marketing Impact Factors						

Table 3.3 Regression Analysis Model Summary

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.929[a]	.862	.850	2.33847
a. Predictors: (Constant), REGR factor score 4 for analysis 4, REGR factor score 3 for analysis 4, REGR factor score 2 for analysis 4, REGR factor score 1 for analysis 4				
b. Dependent Variable: Social Media Marketing Impact Factors				

From Table, it can be seen that all the forecaster variables have been entered simultaneously for regression equation because no multi-co-linearity exists among the selected variables. The model summary table shows the overall predictability of the regression model. Since the R square value is .862 (above standard value). The Dependent variable is explained in terms of independent variables to an extent of 86.2 percent.

Table- 3.4 Regression Analysis - ANOVA

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1540.420	4	385.105	70.423	.000[b]
	Residual	246.080	45	5.468		
	Total	1786.500	49			
a. Dependent Variable: Social Media Marketing Impact Factors						
b. Predictors: (Constant), REGR factor score 4 for analysis 4, REGR factor score 3 for analysis 4, REGR factor score 2 for analysis 4, REGR factor score 1 for analysis 4						

ANOVA results reveal p-value as 0.000 (F value = 70.423) which is less than 0.05 and it indicates that regression model is statistically significant. So the null hypothesis is rejected. Hence, there is significant relationship between the variables tested in the hypothesis. It is also identified from the coefficient table that all the variables have significant positive effect on the impact score on social media marketing practices, since all the significant value of predictor variables is less than 0.05. Thus, it has been identified that the variables regarding impact of social media marketing practices are closely associated and have an effect on the overall opinion score on impact of social media impact of social media marketing practices in business. Hence the regression model is fit.

CONCLUSION

From this study the researcher concludes that social media marketing has a good level of the impact on social media marketing practices through WhatsApp, Instagram, and Facebook. It is evident from the study reasons for using social media are connect with customer, reduce marketing cost and advertise the product and services. The marketing factors are loyalty programs, service provider, promotional activities and customer relationship management have enormous positive impact in the social media marketing practices. Hence, the essentials of a social media marketing strategy, it's time to put it into action and roadmap to carrying out effective strategy towards the success of business in the technological world.

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