

**IMPACT OF SOCIAL MEDIA MARKETING ON  
PERFORMANCE OF MICRO AND SMALL BUSINESSES**

Dissertation Submitted to D. Y. Patil University, Navi Mumbai,

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In partial fulfillment of the requirements for the award of the Degree of

**MASTER OF PHILOSOPHY**

in

**BUSINESS MANAGEMENT**

**Submitted by**

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**July, 2014**

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SOCIAL MEDIA MARKETING  
ON  
PERFORMANCE OF MICRO AND  
SMALL BUSINESSES**

## **DECLARATION**

I, hereby declare that the thesis titled **IMPACT OF SOCIAL MEDIA MARKETING ON PERFORMANCE OF MICRO AND SMALL BUSINESSES** Submitted for the Award of Master of Philosophy (M. Phil) in Business Management at D. Y. Patil University, Navi Mumbai, Department of Business Management is my original work and the Dissertation has not formed the basis for the award of any degree, associateship, fellowship or any other similar titles.

The material borrowed from other sources and incorporated in the thesis has been duly acknowledged.

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**Date:**

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## **CERTIFICATE**

This is to certify that the dissertation entitled “**IMPACT OF SOCIAL MEDIA MARKETING ON PERFORMANCE OF MICRO AND SMALL BUSINESSES**” is the bonafide research work carried out by **Mrs. Shilpa Chheda**, student of Master in Philosophy (Business Management), at D. Y. Patil University, Navi Mumbai, Department of Business Management, in partial fulfillment of the requirements for the award of the Degree of Master in Philosophy (Business Management) and that the dissertation has not formed the basis for the award previously of any degree, diploma, associateship, fellowship or any other similar title of any University or Institution.

**Place: Mumbai**

**Date:**

\_\_\_\_\_

**Signature of the Guide**

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**Place: Mumbai**

**Date:**

**Signature of the Student**

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## **LIST OF ABBREVIATIONS**

- ADS – Advertisements
- B2B – Business To Business
- B2C – Business To Consumer
- CEO – Chief Executive Officer
- CRM – Customer Relation Management
- eWoM – Electronic Word Of Mouth
- FB – Face Book
- IAMAI – Internet And Mobile Association Of India
- IIM – Indian Institute Of Management
- IMRB – Indian Media Research Bureau
- IT – Information Technology
- MBBS – Bachelor Of Medicine And Bachelor Of Surgery
- MSE – Micro Small Enterprise
- MSME – Micro Small Medium Enterprises
- NSRCEL – N S Raghavan Centre For Entrepreneurial Learning
- P & G – Procter And Gamble
- RSS – Rich Site Summary
- SEO – Search Engine Optimization
- SERP – Search Engine Results Page
- SM – Social Media
- SMB – Small Medium Business
- SMM – Social Media Marketing
- SMO – Social MediaOptimization

- SMMW – Social Media Marketing World
- TLD – Top Level Domain
- UNICEF – United Nations Children Fund And Emergency Relief

## **EXECUTIVE SUMMARY**

The research report on, "Impact of Social Media Marketing on performance of micro and small businesses" is to study how Micro and Small businesses can leverage social media to penetrate their markets, reach their customers and develop relationships in a personal and direct manner that can catapult their brand and raise their awareness as successfully as any large business. The report also discloses the influence of social media on consumers' online buying decisions.

Social media was a completely new thing four years ago, many people did not know what social media was and the effect it would have on all in our lives. It was an exciting interactive medium which suddenly took the world by storm to such an extent that it became something that no business, small or large, local or global, could afford to ignore. Today, there are more than 1.28 billion active users on Facebook alone, currently the world's most popular social network. Twitter, LinkedIn, Google+ and various other social media sites have hundreds of millions of active users as well. Social Media has relevance not only for regular internet users, but business as well. Social media refers to the means of interactions among people in which they create, share, and/or exchange information and ideas in virtual communities and networks. Traditionally, a small business would develop their relationships by going from door-to-door to raise awareness and grow their brand. How fast they achieve this depends on their budget and time available to their business. Traditionally, large businesses had the power of reaching their markets through huge advertising budget, which small companies found it difficult to fight the stiff competition from these large companies. In today's business environment, social media has become a new marketing tool that is available to all businesses, that instantly develops relationships with potential customers. Social media does not require huge investments in terms of money or time.

Social media is a tool which enables small businesses to reach a large and potentially global audience in a very short period of time with relatively little energy. This has opened a whole new opportunity to the way a small business can develop awareness about its goods, services and marketing activities and able to develop relationships by communicating positive image and dialogue about a brand. Social Media is a revolution. Personal, professional, and commercial aspects are combined seamlessly, and in a blink of an eye, it promotes extreme extensive inter and intra communication and interaction. Unlike traditional media channels, which offer a one-way experience, social media is based on a two-way interactive experience between the consumer and the business. Social Consumer, the term added in the study, is one who participates in social commerce, social shopping, and consults with social media and social networks when making purchasing decisions. Consumers interact with businesses or brands via social media, for getting discounts or coupons, reading reviews as part of purchasing process as customers research product information before deciding to transact. Consumers are willing to interact with businesses through social media for their benefit, and also to decide whether social media is the right channel to use to get the value they seek and can help create trust for the company. That value could be in the form of a coupon or specific information. Engaging with a company via social media may result in a feeling of connectedness for consumers an emotional, intangible gain but the wish for intimacy is not what drives most of them. For most consumers, social media is about engaging with friends and family and accessing news and entertainment not interacting with brands. Businesses are betting that social media interactions will engender increased customer loyalty.

Marketing strategies of various micro and small businesses are beginning to include social media as a valuable tool to connect with a vast pool of potential customers in

ways that encourage people to share information in a conversational manner. Although marketers have traditionally focused all of their energies in ensuring the best placement in the market. There is the possibility that over the period of time people will start to perceive social media sites as the main source of all their information and hence the best opportunity for micro and small businesses will unfold here.

Social media marketing has become more common with the increased popularity of websites such as Twitter, Facebook, LinkedIn, and YouTube. Social media marketing refers to marketing done through social media or social networking websites. While most companies and organizations have their own websites, it can be difficult to reach users not know about the organization. Therefore, many organizations have found it useful to develop a presence on websites, such as Facebook, LinkedIn, and Twitter as well. Social media marketing provides a low cost opportunity for businesses to reach large numbers of users and gain brand recognition. Since social networking websites already have large established online communities, businesses and organizations can gain exposure by simply making their presence felt on these websites. Organizations can create custom social media profiles, then build their own communities within these sites by adding users as friends or followers. Many companies attract users by posting frequent updates and providing special offers through their social media profile pages. While social media marketing is a powerful online marketing tool, it is typically used to supplement other marketing methods rather than replace them. Since just about any company or business and join a social networking website, it can be difficult to stand out from the crowd. Therefore, most companies still rely on Web advertising and search engine optimization to generate traffic to their websites. Social media marketing programs usually center on efforts to create content that attracts

attention and encourages readers to share it with their social networks. A corporate message spreads from user to user and presumably resonates because it appears to come from a trusted, third-party source, as opposed to the brand or company itself. Hence, this form of marketing is driven by word-of-mouth, meaning it results in earned media rather than paid media.

**Thus the main objective of the study is:**

- To identify the various types of business using Social Media for marketing
- To study the impact of Social Media on Business Performance
- To study the impact of various online promotional activities on the brand visibility
- To study performance of micro and small businesses after inclusion of social media marketing

The study thus attempts to integrate definitions and meanings of Marketing, micro and small businesses from various different streams of contemporary research. A detailed theoretical evaluation of Social Media, social media tools, social media marketing, engagement techniques of social media marketing used by micro and small businesses, business benefits of Social Media Marketing is then attempted.

**Methods of Data Collection**

Primary data was collected from micro and small businesses and customers by using a questionnaires designed to capture their perception and use of social media.



The report presents detailed analysis to describe various aspects related to Social Media Marketing and its influence on businesses and consumers, based on which certain findings and conclusion on the research topic are penned down.

Online research questionnaires were prepared for the survey, one for the small business and other for the consumer. Questionnaire was categorized with Multiple Choice closed-ended questions as they are ideal for calculating statistical data and percentages. Further specifically Closed-Ended Importance Questions, Likert Questions, Dichotomous Questions, open ended question to get descriptive information about the topic were asked to collect data and achieve the purpose of study.

### **Limitations of the study**

Use of online questionnaire, is often quicker and less detailed. The disadvantages of this method can be the exclusion of people who do not have a computer or mobile and also require internet connection. Also the validity of such surveys are questionable as people might be in a hurry to complete it so might not give accurate responses and may not be willing to share details. Constraints of time and resources were inevitable. Area of study for micro and small businesses was restricted to Mumbai to get better insights of local market. and also all the tools of social media engagement are not explored.

### **Major Findings of the Study**

Social media in today's times, is the number one activity on the web, as majority of the respondents of the study have been found to be using social media for more than 3 years and spend on an average 4-5 hours on it a day. People of all ages are not

actively using social media. Respondents of the age group from 15 to 35 are the most active while respondents above age group 45 are generally not engaged in social media for buying decisions as they prefer traditional method of shopping. Demographic details can be surmised as the respondents of the age group 15-35 lead the survey, indicating that the younger generation is spending more time on social media sites as they are logged in quite frequently. Majority of the respondents found that social media is important for their social life and they engage in it mostly for connecting with family and friends, socializing and collecting the information. Facebook is the most favored and popular social networking site of the respondents followed by linkedin and twitter, thus information on these social networking sites seems to be relevant and of matter of interest to them. Majority of the respondents hardly got influenced by the views and reviews of the family and friends and also the external source, this may indicate that the decision making is influenced to the extent of procuring information. Respondents do find the relevance in the advertisement they see on social media sites and also click on them sometimes indicating they get attracted towards the brand and want to collect information about the same though it may not convert into a purchase. They find contests, promotions, pictures, offers interesting and like to participate, which shows that brand information do influence the respondents. As far as the shopping experience is concerned, majority of the respondents who have shopped online responded positively and were satisfied with the overall experience. The level of trust for shopping online is building gradually as majority respondents agreed to have shopped sometime or the other after clicking on the advertisement. Respondents are satisfied with the after sales service provided by the companies selling online and they have rarely addressed the grievance, which can be a step towards trust building and relationship management for shopping online.

Overall, the factors help to conclude that the consumers do get influenced by social media marketing to some extent for making purchase decisions.

Awareness of social media is certainly very high among small businesses; it has become the talk of the town. As it was found that nearly 70% of respondents use social media for their business and to increase their visibility. But simultaneously, on the other side of the coin nearly 30% of the respondents are still not using social media and hence are missing out on a tremendous opportunity to connect and engage with potential customers. Small businesses have been slower to adopt, mainly because they feel social media is not significant for their type of business. Many respondents perceive their customers base do not use social networks or not suitable for their type of business. In fact, this sentiment was echoed by 30% of respondents in a recent survey which mostly included distributors and manufacturers. Majority of the respondents found social media marketing very important for their business and were certain about its bright future potentials, when asked for their opinions about social media. It was found that majority of micro and small business had done initial investment from zero up to 5 lakhs of budget to engage in social media for business. The main reason for social media marketing was to create a platform for highlighting their brand and create brand awareness as it would be difficult for the small business to advertise their product by other expensive and paid mediums with limited resources. The brand highlighting was done through various social media tools like facebook, twitter, pinterest, linkedin by using various engagement methods. Majority have responded that they have not measured the increase in the revenue after the inclusion of social media as a marketing tool, as there can be numerous other factors which have an impact on the revenue generation of businesses.

Although social media marketing is a relatively recent concept in India, it has redefined the way businesses are implementing marketing campaigns. With the online medium providing mass reach and low cost benefits, social media marketing is a powerful tool not just for big companies but also for small entrepreneurial start-ups. Businesses must creatively use social media marketing and come up with innovative campaigns to reach out to customers and build a successful brand.

### **Future scope of the study**

The present study is restricted to Mumbai city, which gives a scope for further study to be conducted in other metropolitan cities and even other tier I cities.

# CHAPTER I

# INTRODUCTION

Social media marketing is the latest "buzz" in marketing. India is probably among the first proponents of social media marketing. These days, the organizational cause has replaced the social cause as companies seek to engage with their audience via the online platforms. Online presence is a must for businesses today. Apart from a basic website; consumers look for a blog, a Facebook page, shopping cart, e-brochures, etc. 92% of micro and small businesses agree that social media is an effective marketing technology tool. They are evenly split on the effectiveness of social media for attracting new customers and engaging existing customers. (e-Strategy Trends)

## 1.1 Introduction to Small Business

There are around 40 million small business owners in India, out of which, around 500,000 have their presence online while there are 23 million micro and small businesses in the US.

Medium and Small Enterprises Sector (MSEs) continue to be a vibrant sector of the Indian economy. It is estimated that there are about 12.8 million units (over 90 per cent of total industrial units) in this sector employing nearly 31 million people. This sector contributes nearly 39 per cent of the total industrial production and accounts for approximately 33 per cent of the total exports. This sector has consistently registered a higher growth rate than the rest of the industrial sector. There are over 6500 products ranging from traditional to high-tech items, which are being manufactured by the small enterprises in India. After agriculture, the MSEs sector provides the maximum opportunities for both self-employment and jobs in the country. The small enterprises sector in India holds great potential for further expansion and growth in the future.

The Government of India has enacted the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 in terms of which the definition of micro, small and medium enterprises is as under:

(a) Enterprises engaged in the manufacture or production, processing or preservation of goods as specified below:

(i) A micro enterprise is an enterprise where investment in plant and machinery does not exceed Rs. 25 lakh;

(ii) A small enterprise is an enterprise where the investment in plant and machinery is more than Rs. 25 lakh but does not exceed Rs. 5 crore; and

(iii) A medium enterprise is an enterprise where the investment in plant and machinery is more than Rs.5 crore but does not exceed Rs.10 crore.

In case of the above enterprises, investment in plant and machinery is the original cost excluding land and building and the items specified by the Ministry of Small Scale Industries vide its notification No.S.O.1722(E) dated October 5, 2006.

(b) Enterprises engaged in providing or rendering of services and whose investment in equipment (original cost excluding land and building and furniture, fittings and other items not directly related to the service rendered or as may be notified under the MSMED Act, 2006 are specified below.

(i) A micro enterprise is an enterprise where the investment in equipment does not exceed Rs. 10 lakh;

(ii) A small enterprise is an enterprise where the investment in equipment is more than Rs.10 lakh but does not exceed Rs. 2 crore; and

(iii) A medium enterprise is an enterprise where the investment in equipment is more than Rs. 2 crore but does not exceed Rs. 5 crore.

Thus these large variety of products and services, produced and rendered by micro and small firms need to reach the end consumer by using appropriate marketing strategy choosing various medias so let us have a look about marketing and marketing strategy.

### **Types of Micro and Small Home-based businesses**

A home-based business is an enterprise in which all or most of the work is performed at or from the owner-operator's private residence. Home-based business is one of the fastest growing sectors in the economy. Common businesses that are operated from home are trade businesses, where general administrative tasks are done at home, with work being completed at various sites. Examples include painters, plumbers and electricians. Many micro-businesses are family operated. Family members will generally have ownership of the business and play a significant role in its day-to-day operations. Many publicly-listed companies and franchises started from the humble beginnings of a family-operated business. Some common examples of family businesses include cake shops, restaurants, café, florists, designers, photography and so on.

Independent contractors run their own business, and hire out their time to businesses and other organisations as a service. Their entitlements and obligations differ from an employee in many ways. They own our own business and generally will be able to negotiate fees and working arrangements. Some examples of independent contractors are builders, caterers and personal trainers.



A franchise is an arrangement whereby the originator of a business product or operating system (franchisor) gives a prospective small business owner (franchisee) the right to sell these products and/or use the business operations system on the franchisor's behalf. Some key micro-business franchises include food chains, cleaning businesses franchises.

E-businesses are businesses that utilise the internet for business activities, advertising and transactions. With the increase in internet use and popularity, along with relatively low start-up capital requirements, the emergence of e-businesses has seen a dramatic increase in the past decade. Some e-businesses are solely internet-based, with all communications and transactions completed online. Other businesses use a website to support the physical store and products, by providing product information online. Others simply use the internet as an advertising tool.

## **Marketing**

The management process through which goods and services move from concept to the customer. Marketing is based on thinking about the business in terms of customer needs and their satisfaction. Marketing differs from selling because (in the words of Harvard Business School's retired professor of marketing Theodore C. Levitt) "Selling concerns itself with the tricks and techniques of getting people to exchange their cash for your product. It is not concerned with the values that the exchange is all about. And it does not, as marketing invariably does, view the entire business process as consisting of a tightly integrated effort to discover, create, arouse and satisfy customer needs." In other words, marketing has less to do with getting customers to pay for your product as it does developing a demand for that product and fulfilling the customer's needs.

The marketing mix is a familiar marketing strategy tool, which you will probably know, was traditionally limited to the core 4Ps of Product, Price, Place and Promotion

The 4Ps were designed at a time where businesses sold products, rather than services and the role of customer service in helping brand development wasn't so well known.

Over time, Booms and Pitner added three extended 'service mix P's': Participants, Physical evidence and Processes, and later Participants was renamed People. Today, it's recommended that the full 7Ps of the marketing mix are considered when reviewing competitive strategies. Thus the businessman uses appropriate marketing mix for his product or services and prepare a marketing strategy using various combinations to reach out the customers.

## **Marketing Strategy**

An organization's strategy that combines all of its marketing goals into one comprehensive plan. A good marketing strategy should be drawn from market research and focus on the right product mix in order to achieve the maximum profit potential and sustain the business. The marketing strategy is the foundation of a marketing plan.

Life for marketers used to be simpler. He just had a few TV channels, some radio stations, a handful of top magazines and a newspaper or two in each market. Reaching consumers was easy by crafting a compelling message. Now there are whole slew of TV channels, millions of web sites and hundreds of thousands of applications. Marketing was never easy, but technology has made it a whole lot tougher. What used to be a matter of identifying needs and communicating benefits now requires to build immersive experiences that engage consumers which requires a seamless integration of a whole new range of skills and capabilities. There's so much

going on in the marketing arena today, everybody is struggling to keep up. At the same time, every marketing professional feels pressure to be “progressive” and actively integrate emerging “media” into their marketing program.

However, most businesses can be adequately captured by evaluating just three metrics: awareness, sales and advocacy (i.e. customer referral). This metrics can be achieved through traditional media along with combination of new media called SOCIAL MEDIA.

## **1.2 Social Media**

The best way to define social media is to break it down. Media is an instrument on communication, like a newspaper or a radio, so social media would be a social instrument of communication.

Regular or Traditional media has a one-way street where you can read a newspaper or listen to a report on television, but you have very limited ability to give your thoughts on the matter. Social media, on the other hand, is a two-way street that gives you the ability to communicate too.

Social Media is the future of communication, a countless array of internet based tools and platforms that increase and enhance the sharing of information. This new form of media makes the transfer of text, photos, audio, video, and information in general increasingly fluid among internet users. Social Media has relevance not only for regular internet users, but business as well. Social media refers to the means of interactions among people in which they create, share, and/or exchange information and ideas in virtual communities and networks

## Definitions of Social Media

1. Andreas Kaplan and Michael Haenlein define social media as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content."
  2. Furthermore, social media depend on mobile and web-based technologies to create highly interactive platforms through which individuals and communities share, co-create, discuss, and modify user-generated content. They introduce substantial and pervasive changes to communication between organizations, communities, and individuals.
  3. Social media differ from traditional or industrial media in many ways, including quality, reach, frequency, usability, immediacy, and permanence.
  4. There are many effects that stem from internet usage. According to Nielsen, internet users continue to spend more time with social media sites than any other type of site.
- Wikipedia, the social media go-to reference created by the public in the form of thousands of contributors, defines Social media as “media for social interaction, using highly accessible and scalable communication techniques. Social media is the use of web-based and mobile technologies to turn communication into interactive dialogue.”

- Social media is today's most transparent, engaging and interactive form of public relations. It combines the true grit of real time content with the beauty of authentic peer-to-peer communication. Lisa Buyer – The Buyer Group
- Social media is not about what each one of us does or says, but about what we do and say together, worldwide, to communicate in all directions at any time, by any possible (digital) means. Michelle Chmielewski – Synthesio
- Social Media is a new marketing tool that allows you to get to know your customers and prospects in ways that were previously not possible. This information and knowledge must be paid for with output of respect, trustworthiness, and honesty. Social Media is not a fad, but I also think it's just the beginning of the marketing revolution – not the end. Marjorie Clayman – Clayman Advertising, Inc.

**Social Media Websites:**

1. Social networking sites- Facebook, Google Plus, CafeMom, Gather, Fitsugar
2. Interact by adding friends, commenting on profiles, joining groups and having discussions.
3. Micro-blogging sites- Twitter, Tumblr, Posterous
4. Publishing tools- WordPress, Blogger, Squarespace
5. Collaboration tools- Wikipedia, WikiTravel, WikiBooks
6. Rating/Review sites- Amazon ratings, Angie's List
7. Photo sharing sites- Flickr, Instagram, Pinterest
8. Video sharing sites- YouTube, Vimeo, Viddler
9. Personal broadcasting tools- Blog Talk radio, Ustream, Livestream

10. Virtual worlds- Second Life, World of Warcraft, Farmville
11. Location based services- Check-ins, Facebook Places, Foursquare, Yelp
12. Widgets- Profile badges, Like buttons
13. Social bookmarking and news aggregation- Digg, Delicious
14. Interact by voting for articles and commenting on them. Interact by tagging websites and
15. Searching through websites bookmarked by other people.
16. Group buying- Groupon, Living Social, Crowdsavings

### **Popular Social Media Tools and Platforms:**

**Blogs:** A platform for casual dialogue and discussions on a specific topic or opinion.

**Facebook:** The world's largest social network, Users create a personal profile, add other users as friends, and exchange messages, including status updates. Brands create pages and Facebook users can "like" brands' pages.

**Twitter:** A social networking/micro-blogging platform that allows groups and individuals to stay connected through the exchange of short status messages (140 character limit).

**YouTube & Vimeo:** Video hosting and watching websites.

**Flickr:** An image and video hosting website and online community. Photos can be shared on Facebook and Twitter and other social networking sites.

**Instagram:** A free photo and video sharing app that allows users to apply digital filters, frames and special effects to their photos and then share them on a variety of social networking sites.

**LinkedIn Groups:** A place where groups of professionals with similar areas of interest can share and participate in a conversations happening in their fields.

**Pinterest** is a social curation website for sharing and categorizing images found online. Pinterest requires brief descriptions but the main focus of the site is visual. Clicking on an image will take you to the original source, so, for example, if you click on a picture of a pair of shoes, you might be taken to a site where you can purchase them. An image of blueberry pancakes might take you to the recipe; a picture of a whimsical birdhouse might take you to the instructions.

## **Social Media and Small Businesses**

### **☉ Social Media Is Changing the Traditional methods of Presence.**

The traditional techniques of marketing using print and electronic media along with Internet marketing and lead generation were used to drive traffic to a business and its website. As search engine algorithms evolve, website owners have to stay on their toes to make sure their website is constantly updated with relevant and current information to prevent being devalued in search results. Today, social media like, Facebook pages, Twitter accounts, and YouTube channels are being seen as sites in their own right to mark the presence.

### **☉ Social Media Allows Businesses to Crowd-source Ideas**

Before you launch a new product or service, one would like to have some ideas about what people think about it. So by engaging with prospects and customers via social media, one can actually ask the fans and followers what colors they prefer or what types of features they want. Thus one can involve consumers in valuable free market research, by asking their opinions and can help establish credibility by showing that

their opinions matter. After seeing their ideas becoming a reality, business has more than likely just increased their customer base.

### ◎ **Social Media Allows to Keep An Eye On Competition**

Businesses are changing marketing strategies based on information they find in social media feeds from their competitors. By keeping an eye on competitors, their strengths and weaknesses can determine their marketing efforts. This gathered information helps to implement things that might be needed to improve such as social media campaigns, contests, giveaways or types of content the followers may be responding to the most.

### ◎ **Social Media Allows Business to Be More Transparent**

The process of taking a prospect to the point of becoming a customer has slowed down somewhat due to consumers' awareness. People want to buy from those companies who have established credibility and who seem to be totally transparent in their advertising campaigns. Social media is changing peoples' opinions of businesses. By providing messages that are open, transparent, and helpful, social audiences will learn that your business cares about its customers and potential customers. One can position their company as a valuable resource by simply sharing information like advice, tips, or just answering questions about the industry.



### 1.3 The Social India Statistics

Given the major changes in its internet user numbers as per the below data, here's how the situation in India looks today:

**Table 1.1 India's Snapshot**

<b>India's Snapshot</b>		
<b>Sr. No</b>	<b>Particulars</b>	<b>Results</b>
1	Total Population : 1,220,800,359	Urban : 31 % Rural : 69%
2	Internet Users : 213,000,000	Internet : 17%
3	Active Facebook Users : 90,000,000	Facebook : 7%
4	Active Mobile Subscriptions : 893,862,000	Mobile Subscription : 73%

*Source: Wearesocial.sg Sources: US Central Bureau, ITU, Facebook for Jan' 2014.*

**Table 1.2 India : Internet Indicators**

<b>India : Internet Indicators</b>		
<b>Sr. No</b>	<b>Particulars</b>	<b>Results</b>
1	Average time that internet users spend using the internet each day through a desktop or laptop	4 Hours 54 Minutes
2	Mobile internet penetration as a percentage of total population	11 %
3	Average time that mobile internet users spend using mobile internet each day	2 Hours 36 Minutes

*Source : Wearesocial.sg Sources : US Central Bureau, ITU, Facebook for Jan' 2014.*

**Table 1.3 India : Social indicators**

<b>India : Social Indicators</b>		
<b>Sr. No</b>	<b>Particulars</b>	<b>Response</b>
1	Social Media penetration as a percentage of the total population	12%
2	Average time social media users spend on social media each day	2 Hours 26 Minutes
3	Percentage of mobile users using social media apps on their phone	57%
4	Percentage of mobile users using location-based services	29%

*Source : Wearesocial.sg Sources : US Central Bureau, ITU, Facebook for Jan' 2014.*

**Table 1.4 India: Social Media Use**

<b>India : Social Media Use</b>		
<b>Sr. No.</b>	<b>Particulars</b>	<b>Results</b>
1	Any Social Network	Own An Account : 97% Used in Past Month : 72%
2	Facebook	Own An Account : 94% Used in Past Month : 55%
3	Google +	Own An Account : 78% Used in Past Month : 35%
4	Twitter	Own An Account : 67% Used in Past Month : 30%
5	Linkedin	Own An Account : 54% Used in Past Month : 24%
6	Orkut	Own An Account : 51% Used in Past Month : 17%

*Source : Wearesocial.sg Sources : US Central Bureau, ITU, Facebook for Jan' 2014.*

**Table 1.5 India : Mobile Users**

<b>India : Mobile Users</b>		
<b>Sr. No</b>	<b>Particulars</b>	<b>Results</b>
1	Total Number of Active Mobile Users (Unique Individuals)	347 Millions
2	Mobile Penetration (Unique Users as a percentage of Total Population)	28.5%
3	Total Number of Active Mobile Subscriptions (Connections)	883 Million
4	Average Number of Active Mobile Subscriptions per unique user	2.54

*Source : Wearesocial.sg Sources : US Central Bureau, ITU, Facebook for Jan' 2014.*

**Table 1.6 India : Contract Type**

<b>India : Contract type</b>		
<b>Sr. No</b>	<b>Particulars</b>	<b>Response</b>
1	Percentage of Total Mobile Subscriptions that are pre-paid	95%
2	Percentage of Total Mobile Subscriptions that are post-paid	5%
3	Percentage of Total Mobile Subscriptions that are 3G Connections	6%

*Source : Wearesocial.sg Sources : US Central Bureau, ITU, Facebook for Jan' 2014.*

**Table 1.7 India : Smartphone Usage**

<b>India : Smartphone Usage</b>		
<b>Sr. No</b>	<b>Particulars</b>	<b>Results</b>
1	Smartphone penetration as a percentage of the total population	13%
2	Smartphone users searching for local information via their phone	95%
3	Smartphone users researching products via their phone	91%
4	Smartphone users who have made purchase via their phone	54%

*Source : Wearesocial.sg Sources : US Central Bureau, ITU, Facebook for Jan' 2014.*

**Table 1.8 India : Mobile Statistics**

<b>India : Mobile Statistics</b>		
<b>Sr. No</b>	<b>Particulars</b>	<b>Results</b>
1	Number of Active Mobile Broadband Subscriptions	59.8 Million
2	Mobile Broadband Subscriptions as a percentage of the total population	4.9%
3	Active Social Media users accessing social media on a mobile device	72 Million
4	Penetration of mobile social as a percentage of the total population	5.9%

*Source : Wearesocial.sg Sources : US Central Bureau, ITU, Facebook for Jan' 2014.*

## **India Leads Worldwide Social Networking Growth**

Country set to control largest Facebook population worldwide. This year, eMarketer estimates, 1.61 billion people will log in to social networking sites at least monthly, from any electronic device. That's a 14.2% gain on social networker numbers from 2012, and double-digit growth is expected to continue for another year. By 2017, 2.33 billion people will use social networks.

Currently, the highest penetration of social network users as a share of total population occurs in the Netherlands, where 63.5% of all residents are social network users; Norway follows just behind at 63.3%. Majorities of residents in Sweden, South Korea, Denmark, the US, Finland, Canada and the UK also use social networking sites monthly.

The fastest growth in social network usage is happening in less-developed markets, however. India, with the highest growth this year, will increase user numbers by 37.4%, while Indonesia's numbers will climb 28.7% and Mexico will grow its social network user base by 21.1%.

All three of those countries are also high-growth areas for Facebook, the world's largest social network, which eMarketer estimates will reach a worldwide monthly user base of 1.026 billion this year. The US remains the single country with the greatest number of Facebook users, at 146.8 million this year, and India comes in a distant second. But with India's large population and high expected growth rate, eMarketer believes it will develop the largest Facebook population of any country in the world by 2016. (Since Facebook is banned in China, eMarketer assumes there are no users of the social network in the country.)

Micro, Small and Medium enterprises (MSMEs) as discussed earlier play a key role in the development of economies with their effective, efficient, flexible and pioneering entrepreneurial spirit. The Micro & Small Enterprises, thus can enhance their social media marketing skills to reach out the customers and achieve better future prospects.

## **1.4 The Concept of Social Consumer / Iconsumer**

### **Consumer**

A consumer is a person or group of people, such as a household, who are the final users of products or services.

An individual who buys products or services for personal use and not for manufacture or resale. A consumer is someone who can make the decision whether or not to purchase an item at the store, and someone who can be influenced by marketing and advertisements. Any time someone goes to a store and purchases a toy, shirt, beverage, or anything else, they are making that decision as a consumer.

### **Consumer Behaviour**

Consumer behaviour is a variety of processes and ways that people use to satisfy their wants and needs. They define the way people select the services and products they want and use for their lives. It is the decision-making process of buying.

Consumer behavior refers to how, where or why a person chooses to buy a product or service or not to buy that product. These behaviors can be influenced by geography, belief system.

A consumer may not act in isolation in the purchase, but rather may be influenced by any of several people in various roles. The number of people involved in the buying

decision increases with the level of involvement and complexity of the buying decision behaviour.

Consumer's buyer behaviour and the resulting purchase decision are strongly influenced by cultural, social, personal and psychological characteristics. An understanding of the influence of these factors is essential for marketers in order to develop suitable marketing mixes to appeal to the target customer.

Cultural factors include a consumer's culture, subculture and social class. These factors are often inherent in our values and decision processes.

Social factors include groups (reference groups, aspirational groups and member groups), family, roles and status. This explains the outside influences of others on our purchase decisions either directly or indirectly.

Personal factors include such variables as age and lifecycle stage, occupation, economic circumstances, lifestyle (activities, interests, opinions and demographics), personality and self-concept. These may explain why our preferences often change as our 'situation' changes.

Psychological factors affecting our purchase decision include motivation (Maslow's hierarchy of needs), perception, learning, beliefs and attitudes.

Other people often influence a consumer's purchase decision. The marketer needs to know which people are involved in the buying decision and what role each person plays, so that marketing strategies can also be aimed at these people. (Kotler et al, 1994).

## **SocialConsumer**

### **Introduction**

Twenty years ago, if one was dissatisfied with a company's product or business practices, then probably they would stop buying from them. One might write an angry letter, and even tell their friends and family not to patronize that business.

But the game has changed with social media. While one angry tweet may not make much impact, the web allows customers to find and connect with like-minded parties. Critical mass has never been more within consumers reach. At best, companies strive to be more responsive. At worst, they now live in fear of these pools of discontent.

### **And the game changer is social consumer**

The Social Consumer refers to a consumer that participates in social commerce, social shopping, and consults with social media and social networks when making purchasing decisions. Social consumerism implies the integration of the consumer's social graph during the traditional shopping experience.

The term was first introduced by Pete Blackshaw, EVP of Digital Strategic Services for the Nielsen Company at a Consumer 360 insight session in June 2010. The concept of the Social Consumer was further developed by Brian Solis in his article The Dawn of the Social Consumer. Fast Company recognized this rising demographic and cultural shift soon after. The Social Consumer was also the focus of a research report by the Pivot Conference titled Trends in Marketing to Social Consumers.



During the traditional sales cycle, social consumer characteristics can include:

1. Incorporating geo-location applications (such as Foursquare) to check-in .
2. Utilizing Twitter and Facebook as entry points to purchase.
3. Purchasing through collective coupon sites like Groupon or LivingSocial.
4. Consulting with social networks for recommendations.

Thus the behavior aspect of Social Consumers are:

1. Consumes information and learns about breaking news through sites like Twitter and Facebook
2. Learns about new products through social channels and networks.
3. Is wise to unsolicited promotions and trusts only relevant information
4. Desires a conversation with the brand rather than one way ad messages.
5. Expects brands to be active in the same social media sites he/she hangs out in.
6. Wants brands to listen, engage and respond quickly

This Social consumer can also be called as Iconsumer and he eats, sleeps and lives with social media.

# CHAPTER II

# REVIEW OF LITERATURE

## What is Social Media?

- 1) Social media is the interaction among people in which they create, share or exchange information and ideas in virtual communities and networks. Andreas Kaplan and Michael Haenlein define social media as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content. Furthermore, social media depend on mobile and web-based technologies to create highly interactive platforms through which individuals and communities share, co-create, discuss, and modify user-generated content. They introduce substantial and pervasive changes to communication between organizations, communities, and individuals. Social media differ from traditional or industrial media in many ways, including quality, reach, frequency, usability, immediacy, and permanence. There are many effects that stem from internet usage. According to Nielsen, internet users continue to spend more time with social media sites than any other type of site.
- 2) Social media is the collective of online communications channels dedicated to community-based input, interaction, content-sharing and collaboration. Websites and applications dedicated to forums, microblogging, social networking, social bookmarking, social curation, and wikis are among the different types of social media.
- 3) Social media broadly defined consists of any online platform or channel for user generated content. By this definition, for example, WordPress, Sharepoint, and Lithium qualify as social media, as do YouTube, Facebook

and Twitter. Social media more narrowly defined includes only channels for user-generated content, as distinguished from platforms, which are referred to as social technologies. By this definition, for example, YouTube, Facebook, and Twitter are social media, and WordPress, Sharepoint and Lithium are social technologies. Joe Cothrel – Lithium Technologies, Inc.

- 4) Social media is digital content and interaction that is created by and between people. Sam Decker – Mass Relevance
- 5) Social media is a shift in how we get our information. It used to be that we would wait for the paper boy to throw our news on the doorstep (or into the flowers) and we'd read the paper, front to back, with our morning coffee before going to work. Now we get information, 24/7 and on the fly, from anywhere. In the more traditional senses, online, on our phones, and through the social platforms. Social media allows us to network, to find people with like interests, and to meet people who can become friends or customers. It flattens out the world and gives us access to people we never would have been able to meet otherwise. Gini Dietrich – Arment Dietrich, Inc.
- 6) All the traditional media print, broadcast, search, and so on provide platforms for delivery of ads near and around relevant content. Social media are platforms for interaction and relationships, not content and ads. This is quite similar to what Ted McConnell, General Manager-Interactive Marketing and Innovation at Procter & Gamble Co. likes to say about social media. Bryan Eisenberg – Author of *Waiting for Your Cat to Bark* ([Affiliate link](#))
- 7) Markets have become conversations. Social media are the online platforms and locations that provide a way for people to participate in these conversations. For individuals it is a way to connect and share content with

friends and like-minded people. For businesses it's a way to tap into what people are saying about your brand, your product and/or your service, participate in the conversations, be open to new ideas and then use these insights to make better business decisions. Sally Falkow.

- 8) Social media is people's conversations and actions online that can be mined by advertisers for insights but not coerced to pass along marketing messages. It's the new form of media that does not exist until it happens and that cannot be bought by advertisers to carry their messages. Dr. Augustine Fou – Marketing Science Consulting Group, Inc.
- 9) Social media is the tools, services, and communication facilitating connection between peers with common interests. Chris Garrett – Chrisg.com
- 10) Social media are the online technologies and practices that people use to share content, opinions, insights, experiences, perspectives, and media themselves. They are media for social interaction. Howard Greenstein – Social Media Club-NYC
- 11) Social media is an ever-growing and evolving collection of online tools and toys, platforms and applications that enable all of us to interact with and share information. Increasingly, it's both the connective tissue and neural net of the Web. Ann Handley – MarketingProfs, Author with C.C. Chapman of Content Rules (Affiliate link)
- 12) Social media is a reflection of conversations happening every day, whether at the supermarket, a bar, the train, the watercooler or the playground. It just allows for those conversations to reach a broader audience due to digital being a megaphone for scale Sarah Hofstetter – 360i

13) Social media is online text, pictures, videos and links, shared amongst people and organizations. Dave Kerpen – Likeable Media

14) Social media is not one thing. It's five distinct things:

- It's a strategic tool for uncovering business insights.
- It's managing the influencers who are driving the conversation around your brand.
- It's marketing that provides value and turns customers into evangelists.
- It's a critical component customer care.
- It's transforming your organization to meet the transparency and humanity customers now expect of brands. Adam Kleinberg – Traction

15) Social media is digital, content-based communications based on the interactions enabled by a plethora of web technologies. Rebecca Lieb, author of The Truth About Search Engine Optimization (Affiliate link)

## **What is Micro and Small businesses?**

In accordance with the provision of Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified in two Classes:

(a) **Manufacturing Enterprises-** The enterprises engaged in the manufacture or production of goods pertaining to any industry specified in the first schedule to the Industries (Development and regulation) Act, 1951 or employing plant and machinery in the process of value addition to the final product having a distinct name or character or use. The Manufacturing Enterprise are **defined in terms of investment in Plant & Machinery.**

(b) **Service Enterprises:** The enterprises engaged in providing or rendering of services and are **defined in terms of investment in equipment**

The limit for investment in plant and machinery / equipment for manufacturing / service enterprises, as notified, vide S.O. 1642(E) dtd.29-09-2006 are as under:

**Table 2.1 Micro Small and Medium Enterprise Act 2006**

<b>Manufacturing Sector</b>	
<b>Enterprises</b>	<b>Investment in plant &amp; machinery</b>
Micro Enterprises	Does not exceed twenty five lakh rupees
Small Enterprises	More than twenty five lakh rupees but does not exceed five crore rupees
Medium Enterprises	More than five crore rupees but does not exceed ten crore rupees
<b>Service Sector</b>	
<b>Enterprises</b>	<b>Investment in equipment's</b>
Micro Enterprises	Does not exceed ten lakh rupees:
Small Enterprises	More than ten lakh rupees but does not exceed two crore rupees
Medium Enterprises	More than two crore rupees but does not exceed five core rupees

Source: [http://www.dcmsme.gov.in/ssiindia/defination\\_msme.htm](http://www.dcmsme.gov.in/ssiindia/defination_msme.htm)

*Extracted 10/3/14*

## **What is social media marketing?**

Social media is a collection of online platforms and tools that people use to share content, profiles, opinions, insights, experiences, perspectives and media itself, facilitating conversations and interactions online between groups of people.

Social Media is the platform/tools.Social Networking is the act of connecting on social media platforms.

Social Media Marketing is how businesses join the conversation in an authentic and transparent way to build relationships. Doreen Moran – Digital and Social Marketing Strategist

### **Social Media and its Role in Marketing**

(SisiraNeti, 2 July 2011) Social Media, today, is among the ‘best opportunities available’ to a brand for connecting with prospective consumers. Social media is the medium to socialize. These new media win the trust of consumers by connecting with them at a deeper level. Social media marketing is the new mantra for several brands since early last year. Marketers are taking note of many different social media opportunities and beginning to implement new social initiatives at a higher rate than ever before. Social media marketing and the businesses that utilize it have become more sophisticated. One cannot afford to have no presence on the social channels if the competitor is making waves with its products and services. The explosion of social media phenomenon is as mind boggling as that and the pace at which it is growing is maddening. Global companies have recognized social media marketing as a potential marketing platform, utilized them with innovations to power their advertising campaign with social media marketing. This paper discusses about the concepts of social media and social media marketing and other aspects like the growth and benefits, role and relevance of social media in marketing, social media marketing strategies. It also presents an overview on social media marketing in India.



## **The Implications of Facebook Marketing for Organizations**

(March 2013)With the explosive popularity of Facebook as a social media, there has not been much research that examines Facebook marketing and its implications for businesses. This paper represents an exploratory effort into this direction and analyses existing Facebook marketing practices and tools, their benefits, and concerns associated with this type of social media marketing. Practical implications are suggested for organizations using Facebook as a social marketing tool and areas for future research are identified.

## **The Complementary Roles of Traditional and Social Media in Driving Marketing Performance**

(2014)The media landscape has dramatically changed over the past decade, with traditional media (e.g., newspapers, television) now supplemented by social media (e.g., blogs, discussion forums). This new media landscape is not well understood with respect to (i) the joint impacts of traditional and social media on marketing performance (e.g., sales), (ii) how these media types influence each other, and (iii) the mechanisms through which they affect marketing outcomes. These issues are examined with 14 months of daily performance data and media activity for a microfinance website. The authors find that both traditional and social media have strong effects on marketing performance, though a single unit of social media has a much smaller effect than a single unit of traditional media. However, because social media is created in larger volumes than traditional media, it has a sizeable effect on performance (i.e., social media is high-volume, low-margin, whereas traditional media is low-volume, high-margin). Further, social media acts as a broker of

information flow in an informal network comprising traditional and social media outlets.

### **Social Media and its Impact on Consumers Behaviour**

(Elisabeta Ioanas, Ivona Stoica, 2014) Technology gives consumer the power to investigate products to label them and criticize them in equal measure, and more. Therefore many companies today have pages on social networks to complement the information held about products, held by the feedback of consumers about products and tend to relate more to a company after reading various reviews. The paper is related to the impact of social media on consumer behaviour, therefore it has been made a quantitative research. The sample counted 116 respondents and from the statistical perspective, the conclusions were established in terms of the univariate and bivariate analysis. Following the analysis of the research variables we can make a consumer profile that uses social networks. Likewise, after doing the complex statistical analysis using SPSS and the analysis offered by the online platform the host of questionnaire, it can be seen how much it is influenced and the real impact of social media reflected in the behaviour changes.

### **The Influence of Social Networking Sites on Buying Behaviours of Millennial**

(Sharon S. Pate, Adams) Social media sites have become an important part of Millennials lives. According to the Pew Research Center (2010), Millennials' are living their lives on the internet. Social media can be linked to a positive association providing instrumental value that assists consumers in making decisions about what product to buy, when to buy, and where to buy (Weigand, 2009). With social media becoming a large portion of the promotion mix, it is important to understand

the motivation behind buying behaviors and if social media plays a role in influencing those behaviors. The purpose of this research was to determine the influence of social networking sites influence on buying Behaviors of Millennials.

### **Does Social Media Affect Consumer Decision-Making?**

(PatarawadeeSema, Professor Martin Sivula, July 30, 2013) Social media becomes an important communication tool that people use to connect to other people or organization. People use social media to share their experiences, reviews, information, advice, warnings, tips and/or any kind of issues that are interesting to their “connection” or friends. That information is a helpful source, which may Influence consumer’s decision-making. Most of studies showed that people use information on social media as the guideline for their future purchase or planning their future trip. Also, social media is used as an advertising for the marketer. Marketers take this advantage and create marketing strategy, which in turn could help them gain more customers. The social media environment is very easy to apply and to reach the reach customer. These benefits give persons convenience to achieve what they are looking for. People tend to believe in what their friends recommend. Facebook, Twitter, or Myspace is the most popular social media site that people share their lifestyle, stories, or even where they went for vacation. Posting information could lead their friends to do the same thing or use their information to make decisions. The goal of this research report is to ascertain through a review of selected literature on social media its influence on travelers' decision-making for their future vacations.

## **Social Media as a Marketing Tool: A Literature**

(Abu Bashar, Irshad Ahmad, Mohammad Wasiq, November 2012) in today's technology driven world, social networking sites have become an avenue where retailers can extend their marketing campaigns to a wider range of consumers. Chi (2011, 46) defines social media marketing as a "connection between brands and consumers, while offering a personal channel and currency for user centered networking and social interaction." The tools and approaches for communicating with customers have changed greatly with the emergence of social media; therefore, businesses must learn how to use social media in a way that is consistent with their business plan (Mangold and Faulds 2009). This is especially true for companies striving to gain a competitive advantage. This review examines current literature that focuses on a retailer's development and use of social media as an extension of their marketing strategy. This phenomenon has only developed within the last decade, thus social media research has largely focused on (1) defining what it is through the explanation of new terminology and concepts that makeup its foundations, and (2) exploring the impact of a company's integration of social media on consumer behavior. This paper begins with an explanation of terminology that defines social media marketing, followed by a discussion of the four main themes found within current research studies: Virtual Brand Communities, Consumers Attitudes and Motives, User Generated Content, and Viral Advertising.

## **An empirical investigation of social network influence on consumer purchasing decision: The case of Facebook**

(Loredana Di Pietro, Eleonora Pantano, July/September 2012) Social networks are becoming an efficient tool for IT-based business, by providing several services for

both consumers and marketers. The aim of this paper is to investigate to what extent social networks, as Facebook, influence consumer's purchasing decision through a quantitative analysis, which integrates a revised technology acceptance model. The findings confirm that enjoyment is a key determinant of social networks usage as tool for supporting the purchasing decision. This research moves beyond social networks usage to factors related to the Facebook-mediated marketing communications, by providing significant data on the weight of this channel for the development of new direct marketing strategies.

### **Essential Trends in Social Media Marketing in 2014**

(Evan Prokop, Mar 30th, 2014) The energy was sky high at Social Media Marketing World this year. Marketers, brands, consultants and business owners from over 40 different countries gathered together to learn about the latest innovations in social media marketing, rub shoulders with social media rock stars, and enjoy unprecedented networking opportunities. The opening keynote speech from the conference organizer Michael Stelzner, had set the tone for the days to come, Michael discussed the trends that he thinks will be making the biggest impact in social media marketing in 2014. Smart marketers should take note, because his presentation was chock full of excellent opportunities for businesses to increase the value they are getting from social throughout the coming year and beyond. Below were four key takeaways:

### **Visual Content will be a HUGE focus in Social in 2014**

From memes to info graphics to in-the-moment instagram images, brands big and small are already getting huge engagement from visual content, and 2014 will be the

year that visual content truly takes over in social. According to research from Social Media Examiner, 70% of marketers plan to increase their use of visual assets in 2014

### **Blogging will continue to Rule**

Business blogging has seen a meteoric rise in the last few years, and all signs point to the trend continuing in force in 2014. Unlike your social brand pages, a successful business blog is a platform to own, and thus should serve as the hub of your social presence.

### **Google Plus will graduate from Ghost Town to Metropolis**

Google Plus had a somewhat rocky start, with many calling it a ghost town or complaining that it was being forced upon YouTube users, but it's come a long way since. According to recent research from Social Media Examiner, Google+ tops the list of social networks that marketers want to learn and master in 2014.

### **Podcasting will Dramatically Increase in Popularity and Reach**

Starting out primarily as a means to increase registrations to SMMW, Michael explained how the Social Media Marketing Podcast has turned into much more, and today is one of his company's most important marketing assets. Michael predicts that soon all vehicles will have podcast support built in, making this a golden opportunity for marketers and businesses to get in the podcasting game.

### **Social Media Campaign Can Swing 3%-4% of Votes**

(IAMAI New Delhi, Oct 08, 2013): The number of social media users in Urban India would reach 86 million in October this year, and 91 million by the end of this year,

according to the report ‘Social Media in India – 2013’ by the Internet and Mobile Association Of India (IAMAI) and IMRB, released today. Social media users in urban India are expected to grow by 19% between June and December this year. The report further found that 19.8 million users use mobile phones to access social media platforms in urban India.

Based on the number of eligible voters, data of actual voter turnout from the Election Commission of India and field interviews, the report estimates that there could be a vote swing of 3%-4% in 24 states – states where the internet users are sizeable. The vote swingers can be pre-dominantly young men and non-working women whose affiliation towards social media is high. Talking to representatives of major political parties in India, the report also found that parties have earmarked around 2%-5% of their election budgets for social media. While political parties are gradually investing in social media, corporate have long realized the importance of the medium. The corporates are spending nearly 13% of their digital advertising budget on social media in FY2012-2013. It was only 10% in FY2011-12. Predictably, the report finds that the highest proportion of social media usage in the Top 4 Metros & the Non Metros was among the demographic segment Young Men with 30% and 26% penetration levels respectively. Interestingly, the report finds that younger women are increasingly using social media, whereas, in the Other Metros & Small Metros, College Going Students show the highest proportion of social media usage. Working Women demographic segment is observed as having the lowest proportion of social media usage in Other, Small & Non-Metros whereas they show a moderate proportion of social media usage in the Top 4 Metros.

## **Social Media Salesman**

(Yolande D'Mello, Feb 8, 2014) Small businesses are finding that social media can help run a one-man show of marketing, retail and research. Home bakers, housewives and smart CEOs are meeting consumers who spend hours online through their smartphones and computers to sell direct. Mirror gets small-time 'CEOs' to share their marketing strategies:

**Nameet Potnis** Behind: SellMojo, online store platform for social shopping Sells: Exclusively through Facebook Strategy: Helps small businesses install 'buy' button to retail via Facebook No. Of Clients: 700

MBA grad Nameet Potnis was convinced that small-time businessmen on Facebook needed to smoothen their act in online retail. According to him, Facebook marketing is effective but the journey between a 'like' and sale is a long one and solution for that is, a 'buy' button on the Facebook page.

**Mystery Baker** Behind: Sweetish House Mafia cookies Sells: Exclusively through Facebook, Twitter Strategy: Keeps location, day and time of sale a mystery to up the foodie's curiosity Sales: Rs 14,000 per week. In the last nine months, salivating corporates and college students have been seen waiting for a blue Nano at odd spots across SoBo, to pick up their batch of gourmet cookies. And social media has played the perfect business partner.

**Sneh Nihalani** Behind: Radio Rani, concept clothing Sells: Exclusively through Facebook, Twitter Strategy: Tempts consumer by frequently and regularly offering fresh design teasers Sales: 35 sarees in 3 months. Facebook was copywriter wanting-to-turn-full-time designer Sneh Nihalani's testing ground. Before she quit her job, she made a Facebook page last November to showcase the concept sarees using the



Buddha and Draupadi prints she was creating. In three months, she has collected 800 followers, and has sold out two collections. This is no short of instant success, considering each design from the Maha Rani collection costs Rs 19,500, while her cotton Risky Rani pieces start at Rs 12,500. The growing buzz has brought online commerce sites to her doorstep, and that's upped the number of hits her designs receive, but each sale also means a cut for the middleman. According to her, this was the first step following a full-fledged website.

### **The Rise Of Social Media Marketing**

The rise of social media marketing can be attributed to the growing popularity of social media among the urban, tech-savvy population. As the number of people frequenting blogs, wikis, online communities, and social-networking sites continues to increase, businesses are adopting social media to reach out to their consumers and promote their products and services. Social media is redefining the way businesses are implementing marketing campaigns. In this interview with Mr. Suresh Babu, the founder of Online Marketing Enthusiast Community and a corporate web marketing trainer who closely works with NSRCEL at IIM Bangalore, an attempt to gain an insight into social media marketing in India and how this tool can be effectively used by an entrepreneur or a market leader to promote and sustain businesses in the long run. Various aspects were covered regarding social media marketing and the first one was about:

### **Social Media Marketing Strategy**

tejas@iimb asked that Social media marketing has been embraced by a number of companies including some big names like P&G and Intel which operate in different

business areas so does social media marketing work equally well irrespective of the kind and size of business say for B2C, B2B, SME and established brands?

Suresh babu replied, Social media marketing was absolutely necessary today. For a bigger company it was easier in terms of visibility but at the same time it might be difficult because of the different policies and approval requirements that they have. It was relatively easier for small businesses. Social media marketing has several advantages for small organizations. Since not many people are doing it now, they can leverage the early mover advantage. Most of the social media sites are free, so in terms of investment, there was hardly any cost involved except perhaps for time. It is not very complicated- there is no need to be an expert programmer. Social media marketing has several advantages for small organizations.

To illustrate with an example, a small florist can take videos of his customers narrating their story behind the flowers, post information and pictures online which people like you and me can access. Creating this user generated content is what social media marketing is all about.

tejas@iimb asked, Social networking websites like Facebook and Twitter have more than 250 million and 14 million registered users respectively. Over 346 million people read blogs while 184 million people are active bloggers themselves. With so many online platforms available today, what would be the best strategy for someone venturing into the social media space for marketing? How does one decide upon which online platform to start with?

On which sureshbabu replied that, the online platform varies with the kind of business. Since sites like Facebook have the maximum users, it always helps to have a presence on hugely popular sites. But it is also important to be active on these sites.

Specific businesses like travel for instance may choose their own verticals. They may prefer sites which people visit only because they are passionate about travel. In order to decide which platform to start with, it is essential that you first understand where your potential audience is. If you see that there are a lot of discussions about Bangalore or IIM students on Twitter and this is the segment you want to market to, go with Twitter. Same with blogs. Identify popular blogs relevant to your service or product and accordingly go up there.

### **The next aspect cleared was about Present Scenario - Indian Context**

tejas@iimb asked, considering that a large percentage of the Indian population lives in rural areas where the internet penetration is less, is it justified to hail social media marketing as a tool for reaching out to large numbers of people? Even in the urban areas, isn't the target restricted by how tech-savvy the customer is?

To which Suresh Babu eagerly said, social media marketing does not depend on how tech-savvy the audience is. It is more about awareness. Social media can have an impact even in the rural areas. No one earlier imagined the immense penetration levels that cell phones and televisions have today in rural India. Over a period of time people tend to adapt to technology. Also in the future social media will reach the masses through television and phone. The barrier for people to know how to use internet will go down drastically. Already one can today access Facebook updates on his/her mobiles. Education and awareness is nonetheless important. It will be the next generation which will truly embrace social media in the rural space which is a huge opportunity in itself.

## **20+ mind-blowing social media statistics revisited by E-consultancy**

More than 700,000 local businesses have active Pages on Facebook. 70% of bloggers are organically talking about brands on their blog, and 38% of them post brand or product reviews. At its current rate, Twitter will process almost 10 billion tweets in 2010.

## **Social Marketing Lifts Organic Conversions by MarketingSherpa**

According to MarketingSherpa research, marketers working in social media report an average 27% conversion rate for organic search traffic, while those not using social media reported a 17% rate. Adam T. Sutton concludes, that SEO is more effective at attracting attention and ultimately converting people. However, social media is more likely to increase positive thinking around a product and brand.

## **The Difference between Friends, Fans and Followers by Brian Solis**

Brian Solis contends that, the future of business is tied to how the 3F's (friends, fans and followers) convert into the 4A's, action, advisor, affinity, and advocacy, regardless of network , And which tool works best for that? When asked if they were more likely to purchase from a brand after becoming a subscriber, fan or follower, 37% of Twitter users said "yes" (strongly agreed), versus 17% of Facebook users and 27% of email subscribers. Asked if they would recommend a brand based on their social media connection to it, 33% of Twitter users responded affirmatively versus 24% of email subscribers and just 21% of Facebook users.

## **Social Media Marketing by Pharmaceutical Industry: Perception and Attitudes of Key Stakeholders**

(P. Gupta, A.Udupa, April 30, 2011) The purpose of the study was to assess the perception, attitudes and behavior of the key target consumer groups – doctors and patients, regarding social media marketing by pharmaceutical industry. It is a cross-sectional, questionnaire-based study done in 2 groups – 50 general practitioners and 250 patients, in Navi Mumbai (India) area, selected by random sampling. The results highlighted that the awareness and acceptance of the concept of social media marketing was high amongst both the doctors and the patients. Amongst doctors, it is positively and significantly associated with young age and having a postgraduate degree after MBBS. Amongst the patients, a high proportion take self-medication based on reference to the internet, most common ailments for use of self-medication being aches, respiratory illnesses and gastrointestinal illnesses. The increasing positive response of the key consumer groups, especially in the young age group, makes social media a powerful marketing tool, which can be explored by the pharmaceutical industry.

## **Social Media Monitoring Tools**

(Human Digital, 2011) The purpose of this report is to explore the role of monitoring tools in the PR and Marketing industries. It aims to explore the validity of the data provided, how effective the automated analytics are, and under what circumstances would utilization of a monitoring tool be effective. Further, it explores whether largescale harvesting of data is effective in developing a social media strategy, or whether human analytics and targeted intelligence provides a more tailored, longterm and useful strategy.

## **Social Media or Snake Oil: Does Social Media Measure Up to the Hype?**

(G.M. Filisko, Jan 1 2011) A growing chorus of voices says yes when asked whether the social media phenomenon overhyped? Critics argue there are no credible ways to measure return on investment in social media. They also contend there's no definitive data showing that social media create business, or that the number of followers you have on Twitter or friends on Face book translates into dollars earned. The conundrum is that both the cynics and the cheerleaders may be right. Kevin O'Keefe, CEO and publisher of Seattle-based Lexblog, which provides social media consulting to law firms, says he does think there is too much hype about social media, as according to him, there are a lot of people who don't know what they're talking about creating a buzz about it. It's terribly effective, and that doesn't mean it's not overhyped.

## **Small Business Gets Serious: Digital Trends for Small Business in 2014**

(22/01/2014) New Year comes a cautious view of the year's economic growth, regulatory changes across a variety of industries and continued development in the reliance on the Internet for personal and professional connection and communication. It's an uncertain time for many businesses, but especially susceptible to falling behind the curve are the many small businesses and mom and pop shops with already strained budgets and resources.

So how can small businesses go from struggling to thrive? In large part, it comes down to understanding the opportunities and trends that will present themselves in the coming year. Small business owners know it isn't a game, it's their livelihood. It's time to get serious about understanding and implementing plans to maximize business opportunities.

## **Can Social Media Have an Impact on Small Businesses and How?**

(Websadmin, 8th May) Small businesses across the country are set to increase the time and effort they spend on social media marketing, but research on its effectiveness has been mixed. A recent survey by one of the largest lending institutions in the US discovered the majority of small-business executives found social networks no good for expanding their business. However, according to the “Small Business Marketing Forecast 2010” sponsored Ad-ology, lead generation is the biggest benefit of social networking. Social networks were also considered to be a great way to keep in-tune with the industry, and to monitor communications about your brand. The chart below illustrates the benefits to small business.

### **Education and Resources are lacking**

Awareness of social media is certainly very high among small businesses – it’s become the “talk of the town.” The problem is that businesses need to be educated about how to set up and work with this new online phenomenon. But, there are other mental “roadblocks” to getting the most from social media. Many businesses perceive their customers do not use social networks. In fact, this sentiment was made by 31% of respondents in a recent survey. Additionally, about 1/3 of respondents indicated they didn’t have the internal resources to effectively execute a social media campaign.

Social Media is Adapting, and So Should You. Marketers and brands know that purchases online begin with online searches, and social media is adapting to meet this need. Approximately 46% of online users from around the world count on social media when making a purchasing decision (Source: Nielsen). Facebook's new graph search is key, acting like a local search engine within the social network. Allowing users to conduct searches such as "pizza places in Connecticut that my friends like."

By searching through social media the experience is completely different. You are no longer mindlessly picking a restaurant in the hope that it will be great. People are able to see what places their friends like. According to a Morpace Omnibus Report, “A whopping 68% of Facebook users say a recommendation from a Facebook friend would make them more likely to buy a specific product or visit a certain retailer.”

After stumbling upon this hidden gem, all your friends love, it's now all about creating a relationship. That's where the social aspect comes in handy. Users can now search through the information on your page to learn about what specials you offer or what items your loyal customers recommend. It doesn't get much better than that.

According to HubSpot's State of Inbound Marketing, 77% of B2C and 43% of B2C companies say they've acquired customers through Facebook.

Twitter has also made local search a priority by introducing lead generation cards. This feature allows businesses to create promoted offers. When a follower expands the tweet the offer is shown. There are seven different types of Twitter cards available. Depending on which card is selected the ability for more content, pictures, a gallery of pictures, or even a media player are available.

### **Social Media Is Making a Big Impact on Small Business [INFOGRAPHIC]**

(Shea Bennett, August 16, 2012)By Infographic we come to know that 73 percent of small businesses are now using social media. Furthermore, four fifths (81 percent) of these plan to further increase their social marketing efforts, and 62 percent of SMBs not currently using these channels have said that they plan to do so in the next year. Facebook leads the way, with 82 percent of social small businesses utilizing this platform, ahead of YouTube (73 percent), Twitter (47 percent) and LinkedIn (47



percent). As much as social media has rapidly integrated itself into the business world, it's important to remember that the tried and tested marketing methods still deliver for many brands. Indeed, website (95 percent) and email (91 percent) remain the SMB digital marketing strategies of choice, and, perhaps surprisingly, more than three quarters still rely on print advertising.

## **2.1 Research Gaps**

Literature on effectiveness of social media marketing and consummation of social media marketing is largely lacking in India. While large businesses can engage services of market research firms to evaluate effectiveness of marketing services, small-medium businesses tend to spend a fraction of their available capital on marketing hence there is further lack of data on use of marketing via social media.

This work will attempt to explore following components:

- Type of small business can add its value through social media marketing.
- Methods followed to reach the target customers.
- Effectiveness of social media marketing measured in terms of return on investment.
- Impact of use of social media on sales, effect on customer base, brand visibility.
- It is also equally important to investigate how the social media marketing is consumed by the target consumers.

# CHAPTER III

# OBJECTIVES AND RESEARCH METHODOLOGY

## 3.1 Purpose of the study:

Social media was a completely new thing four years ago, many people did not know what social media was and the effect it would have on our lives. It was an exciting interactive medium which suddenly took the world by storm to such an extent that it became something that no business, small or large, local or global, could afford to ignore. Initially small businessman often found the prospect of online marketing a daunting one, because it was difficult to know which areas to focus on. Thus social media marketing being an extensive subject with a complex hierarch created an urge to familiarize with it and to find the plan or strategy explored by the small and micro business

The purpose of the research is to study, how Micro and Small businesses can leverage social media to penetrate their markets, reach their customers and develop relationships in a personal and direct manner that can catapult their brand and raise their awareness as successfully at par with any large business. The study also throws light on the influence of social media on consumer's online buying decisions and behaviour.

## 3.2 Research Objectives

- ◎ To identify the various types of micro and small business using Social Media for marketing
- ◎ To study the impact of Social Media on Business Performance

- ⦿ To study the impact of various online promotional activities on the brand visibility
- ⦿ To study performance of micro and small businesses after inclusion of social media marketing

### **3.3 Research Hypothesis**

**H<sub>01</sub>:** There is no association between use of social media and type of business.

**H<sub>11</sub>:** There is an association between use of social media and type of business.

**H<sub>02</sub>:** There is no association between frequency of use of social media and Benefit to the business.

**H<sub>12</sub>:** There is an association between frequency of use of social media and Benefit to the business

**H<sub>03</sub>:** There is no association between online promotional activities and benefit to the business.

**H<sub>13</sub>:** There is an association between online promotional activities and benefit to the business.

**H<sub>04</sub>:** There is no association between frequency of updates and increase in customer base

**H<sub>14</sub>:** There is an association between frequency of updates and increase in customer base

#### **Research Type:**

Exploratory research is initial research conducted to clarify and define the nature of a problem which does not provide conclusive evidence and hence subsequent research expected. The purpose of the study is to understand the phenomenon of social media

marketing and to acquire new insights into it. The results acquired from this study cannot be generalized to the population at large, hence the study is said to be **exploratory research**

### **3.4 Methods of data collection:**

The Quantitative data collection method is being used so that the produced results are easy to summarize, compare, and generalize. Data collection has been done using Primary and Secondary methods.

#### **Secondary data collection methods:**

Various information has been collected by referring books, journals, newspaper articles, research reports, dissertations, research papers, websites, online journals and articles.

#### **Primary data collection method:**

Online research questionnaires were prepared for the survey, one for the small business and other for the consumer, which were hosted respectively in the links <http://goo.gl/ddhcHf> and <http://goo.gl/zzVjPt>.

### **Data Collection procedure**

Online instruments designed solely for this study have been used to capture data from the selected sample. The instrument has been developed using the Google form service. A new Google account was created specifically for this project. New forms were used for each case and data collected was used for analysis. Protection of the identity of the respondents was maintained. The created links were uploaded on the social sites and also sent to available contacts through messenger.

### **3.5 Research Instrument:**

Two Structured questionnaires were prepared well in advance after checking and supplementing previously accumulated data. Both the questionnaire have definite and concrete questions.

#### **Type of questions:**

Questionnaire was categorized with Multiple Choice closed-ended questions as they are ideal for calculating statistical data and percentages. Further specifically Closed-Ended Importance Questions, Likert Questions, Dichotomous Questions, open ended question to get descriptive information about the topic were asked to collect data and achieve the purpose of study.

### **3.6 Sampling Method:**

The study population covers all the consumers using social media and micro and small businesses engaging in social media for business, which covers large population and hence was difficult to collect data by census method, thus sampling method is used to collect the information. Hence justified sampling is done.

Also taking into consideration the time, resources available, the collection of data from big sample was also a step back, hence non-probability convenience sampling method is used. Also Snowball sampling was used purposely where in one person who qualifies to participate was asked to recommend several other people who have the knowledge about social media, and so participant list increased thereon.

**Table 3.1 Sample Size**

<b>Sample Size</b>	<b>Consumers</b>	<b>Retailers</b>	<b>Total</b>
Proposed	100	100	200
Collected	138	107	245
Less : Rejected	----	8	8
<b>Net Collection</b>	<b>138</b>	<b>99</b>	<b>237</b>

### **3.7 Data Analysis**

Hypothesis testing is done using chi-square and frequency tables generated through SPSS, wherein associations are defined and hypothesis is accepted or rejected to study the objectives. Also frequency tables along with pie charts were prepared for graphical representations of variables to analyse the data collected.

### **3.8 Limitations of the study**

1. Online questionnaire: This type of research is often quicker and less detailed. The disadvantages of this method can be the exclusion of people who do not have a computer or mobile and also require internet connection. Also the validity of such surveys are questionable as people might be in a hurry to complete it so might not give accurate responses and may not be willing to share details.
2. Constraints of time and resources were inevitable.
3. Area of study for micro and small businesses was restricted to Mumbai to get better insights of local market.
4. All the tools of social media engagement are not explored.

### **3.9 Future scope of the study**

The present study is restricted to Mumbai city, which gives a scope for further study to be conducted in other metropolitan cities and even other tier I cities.



# CHAPTER IV

# **SOCIAL MEDIA MARKETING**

## **4.1 Introduction**

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

Social media marketing programs usually center on efforts to create content that attracts attention and encourages readers to share it with their social networks. The resulting electronic word of mouth (eWoM) refers to any statement consumers share via the Internet (e.g., web sites, social networks, instant messages, news feeds) about an event, product, service, brand or company. When the underlying message spreads from user to user and presumably resonates because it appears to come from a trusted, third-party source, as opposed to the brand or company itself, this form of marketing results in earned media rather than paid media.

Social media marketing (SMM) is a form of Internet marketing that utilizes social networking websites as a marketing tool. The goal of SMM is to produce content that users will share with their social network to help a company increase brand exposure and broaden customer reach.

Social Media Marketing is the process of reaching prospects and customers, and acquiring traffic and visibility through social media sites such as Facebook, Twitter, LinkedIn and many others.

Social media networks were relatively unheard of, businesses still preferred to market their goods through physical media such as billboards, pamphlets and direct mail.

With past decade, social media has taken the world by storm, online marketing replaced physical traditional marketing mediums, and is now replaced by Twitter, Facebook, Pinterest and other social networks.

So the point is, one never know what the future holds; nobody could have predicted we would have to be so reliant on social media websites as a means of communication. But there's one thing that has remained rigid since 2007; the rise of social media marketing.

## **4.2 The Rise of Social Media Marketing**

What can be a better example, Facebook became a \$100 billion industry. The social media website gets a significant portion of its revenue through online advertisements. Companies pay handsome amount for their products to be advertised through social media networks. Hard to believe but it might be much harder to believe the fact that 93% of marketers use social media just for business purposes. The rise of social media marketing may be attributable to several factors, one of which is the large consumer base, numbering to 1.3 billion users on Facebook alone. The other factors include the customer information that the social media accounts hold, which can help in targeting customers.

Social media marketing is the next big thing for micro and small businesses, but it is not just about lead generation – it is about relationship building. Social media marketing is the knowledge and skill to gain Twitter followers, and then use Twitter marketing to get them to buy. Social media marketing is the knowledge to set up a Facebook fan, get Facebook fans, and then build relationships and start conversations about your brand and products on Facebook. And social media marketing is all about leveraging free social media tools to monitor your online reputation and build buzz.

One of the key components of social media marketing is social media optimization (SMO). Like search engine optimization (SEO), Social media optimization is a strategy for drawing new and unique visitors to a website. Social media optimisation can be done two ways: adding social media links to content, such as RSS feeds and sharing buttons or promoting activity through social media by updating statuses or tweets, or blog posts.

Social media marketing helps a company get direct feedback from customers and potential customers while making the company seem more personable. The interactive parts of social media give customers the opportunity to ask questions or voice complaints and feel they are being heard. This aspect of social media marketing is called social customer relationship management (social CRM).

Social media marketing became more common with the increased popularity of websites such as Twitter, Facebook, LinkedIn, and YouTube. Social media marketing refers to marketing done through social media or social networking websites. While most companies and organizations have their own websites, it can be difficult to reach users who do not already know about the organization. Therefore, many organizations have found it useful to also develop a presence on Web 2.0 websites, such as Facebook, LinkedIn, and Twitter as well. Social media marketing provides a low cost way for businesses to reach large numbers of users and gain brand recognition. Since social networking websites already have large established online communities, businesses and organizations can gain exposure by simply joining these websites. Organizations can create custom social media profiles, then build their own communities within these sites by adding users as friends or followers. Many companies attract users by posting frequent updates and providing special offers through their social media profile pages. While social media marketing is a powerful

online marketing tool, it is typically used to supplement other online marketing methods rather than replace them. Since just about any company or business and join a social networking website, it can be difficult to stand out from the crowd. Therefore, most companies still rely on Web advertising and search engine optimization to generate traffic to their websites. Social media marketing programs usually center on efforts to create content that attracts attention and encourages readers to share it with their social networks. A corporate message spreads from user to user and presumably resonates because it appears to come from a trusted, third-party source, as opposed to the brand or company itself. Hence, this form of marketing is driven by word-of-mouth, meaning it results in earned media rather than paid media.

Social media has become a platform that is easily accessible to anyone with internet access. Increased communication for organizations fosters brand awareness and often, improved customer service. Additionally, social media serves as a relatively inexpensive platform for organizations to implement marketing campaigns. Too many people approach social media marketing as if it is a step-by-step process that must be carried out checklist-style every day. As a result, one can see plenty of webmasters posting a set number of status updates, following a certain number of new people and sharing a specific number of articles, day in and day out.

### **4.3 Social Media Makes Sense for Startups and Small Businesses**

The phenomenon social media has intrigued millions. Everyone is out there, doing it, discussing it, exploring it as:

**1) It is affordable** – There is no need to shell out to start the profile/fan page of business on Facebook or Twitter or any social media sites that convinces you as it is for free.

- 2) **Global** - There is no limit to the reach that social platforms have. It is global.
- 3) **Real Time Marketing** – This is the ideal place to talk to your consumers and became a part of their personal circle whenever one wants.
- 4) **Building Human Networks** – Like humans, small businesses thrive on social connect. With the internet, interaction is no longer limited to the physical presence. It is now possible to set up a huge human database with the click of a button.
- 5) **Effective** – One can actually measure the impact by seeing the physical number of fans on the social media page, interacting, conversing and engaging with the business

### **Benefits of Social Media Marketing for Micro and Small Businesses**

With the explosion of social media over the last few years, it might be hard pressed to find a marketing expert who does not recommend social media as part of a holistic marketing strategy. But, is it really worth the time and effort to build a social media presence at this point.

There are simple ways a business can benefit from implementing an effective social media marketing plan:

#### **1. Social Media Can Reduce the Overall Marketing Costs**

First and foremost, the ability to tweet a message or post something to Facebook is dramatically more cost effective than running a paid advertisement or mailing thousands of marketing pieces. However, there are also advanced advertising tools in social media that allow to run a marketing campaign that is both keyword- and demographic specific so that one can get the best bang for your marketing

## **2. Social Media Can Impact Organic Search Results**

Social media does allow to broadcast the business content out to a wide range of interested readers. Interested prospects then visit your content, enquire, tell their friends, and ultimately link to it. Google and Bing both pay attention to social signals like this and they rank links on the search results page.

## **3. With Social Media, Businesses Can Offer Better Customer Service**

If the customer comments, concerns, and questions matter the most, then social media would be extremely beneficial. Customers using one of the common platforms like Facebook or Twitter can easily communicate directly and quick answer to them in a public format lets other customers see your responsiveness.

## **4. With Social Media Self Online Personality can be designed**

The idea is that social media is more like a cocktail party than a business meeting. One will always do a lot better in a social situation if one is more like itself and less like a corporate robot. Social media is a great way to display our business personality, as well as behind-the-scenes information about us, our employees, our workspace, and more. When you humanize the brand in this way, it makes it easier for consumers to connect with us and develop loyalty.

## **5. Social Media allows the business to associate with other businesses.**

The fact that one is able to connect directly to the consumer means one can use this platform to also connect to other entrepreneurs and business owners. From possible strategic business partners to new distributors, social media lets have real conversations with actual people who might otherwise be socially or geographically inaccessible in the real world.

## **6. Customers Can Validate the Business on Social Media**

The idea behind allowing customers to correspond directly with us is so that they can get the best customer service possible. When this occurs, it happens in a very public forum that can be seen by other prospects. So when customers using the praises to their friends it not only validates us, but increases the chances that someone else is going to give you a shot next time they need your services.

## **7. With Social Media One Can Provide Value**

The idea that we can provide a truly valuable service to our target market means we are positioning ourselves as an expert in the industry. Whether that's educational and entertaining blogs, posts, or tweets, if we are solving a problem or providing information, we're adding value that customers will appreciate.

## **8. Social Media Lets One Gain the Competitive Advantage**

If used correctly, social media can boost our search rankings, allow to provide better customer service, build an effective online personality, connect with new business partners, build connections, and validate professional standing all while providing consumers with the value they want.

In fact, social media marketing represents a great opportunity to engage with followers and generate both lifelong customers and the market research information needed to keep our product and service offerings fresh.

In the end, online success truly depends on how smart one is to communicate online with clear strategy to take benefit from multitude of resources



# CHAPTER V

# ENGAGEMENT METHODS

## 5.1 Introduction

The original purpose of businesses being on social media is to get a company's message out to as many people as possible, with the goal to gain as many followers as possible. While these two aspects are still important when it comes to social media marketing, marketers have come to find that one of the most powerful aspects of social media is the opportunity to interact and engage with those that are communicating with our brand. Engagement is even more important than developing a large amount of followers or a large fan base because in a current environment where segmented audiences are becoming more and more important, making a connection with someone who is directly interested with the brand is much more important than having a large following that may not do anything further with the brand. In this chapter, we will go over what can actually be considered engagement on social media as well as why it is so important to do so.

## Meaning and Definition

Here is how a dictionary defines engagement:

1. The act of engaging or the state of being engaged.
2. Betrothal.
3. Something that serves to engage; a pledge.
4. A promise or agreement to be at a particular place at a particular time.
5.
  - a. Employment, especially for a specified time.
  - b. A specific, often limited, period of employment.
6. A hostile encounter; a battle.

## 7. The condition of being in gear.

The word engagement has become a sort of buzz word in the social media world, we hear it all the time. What does it actually mean though? Engagement is anything that our audiences do to interact with our brand online, whether it be through comments, shares, likes, checking in at your location, etc. This is how the fans engage with us. In order to engage back, several things can be done as well. Of course, we can comment back to any comments that a particular person leaves, but you can also return the favor. For instance, if they like or share some of your content, we can like or share something of theirs. One can even take it a step further by going and commenting on some of their things once have noticed that they have liked some of ours. The point here is to let those that are engaging know that they are noticed and we are interested in them and their wants and needs as well.

Engagement in social media means the ability to reach out to and get response from a company (as a consumer) or an audience (as a company). For instance, if one go onto Twitter and post a question to a specific company (@Ebay, for example), one hope to receive a response. That is engagement instant human.

Engagement is a conversation that is authentic and relationship-oriented. It is more than just dialogue, as it creates a forum for multiple voices. Critical to engagement is that it should be free of hidden agenda like any good relationship it needs to be honest.

Today, companies are investing heavily on social media to keep in touch with target customers as well as provide quick information about available products and other related offerings.

Social media engagement is very important whether one is running a political campaign, starting a business or pushing a certain cause. Many companies have grown significantly by investing in social media networks.

### **Compared to Traditional Advertising**

Traditional advertising is still effective but if one wishes to address our target market in the most unique way, we have to try social media.

Social media engagement can instantly improve the relationship between companies and followers or clients. Before, one may only communicate with clients through telephone, email, posters, TV or radio. Today, the process has become much easier since you can instantly relate with individuals and keep them informed by using the various tools and features available on social media.

### **5.2 Importance of engagement in social media**

- It is a way to maintain and foster relationships with the existing fan base. When they see that we have taken the time to notice them and hear what they have to say, they will realize that they are important to us and we value them, making them more likely to remain happy with our company.
- Once the fans realize that we are engaging with them, they are likely to give you further insight on what you are doing well and what you could improve on since you have made it clear that they have your attention. This is especially helpful for you because learning genuine pieces of information from your consumers is always important.
- It gives a better idea of where we stand and what we could do differently.
- It will help to maintain the fan base, and spread our word even further.

- Encouraging a feeling of belonging.
- Helping to create trusted relationships in an increasingly digital, distributed study environment.

Not only will engagement help us to maintain our fan base, it will help to spread our word even further. This can be done through word of mouth, when a person expresses their satisfaction after hearing back from the brand, or simply by someone seeing the interaction on their own news feeds. When someone likes or comments on something of ours, someone who may not necessarily be following us will see this interaction, making them more inclined to want to see more, especially if they see a response from us. People are easily influenced by their friends, so this is very important.

Clearly, these thoughts as applied to a corporate communication come with many constraints, but if engagement can be maximized within these constraints, a company can distinguish itself to a great degree. There are enormous unspecified and unforeseeable benefits to such participation.

Engagement is more than just a channel. It is a dialogue; it is the ability to choose how and when to engage; it is the value each channel represents; it is whether or not expectations were met.

Social networks are like socializing in real life, if we want to talk to someone, we go talk to them, or give them reason to talk to us. If we want engagement, we talk, we listen and listen and listen, then respond. The ‘social’ part of ‘social media’ is just that, and one cannot forget it. If we look at the evolution of communications from a very basic perspective, it is quite obvious why social media has become so important. Think back to the 70’s, when our parents were watching TV. They had no remote control. They had to sit through advertisements. Ads were forced onto them, exposing

them to your brand was, in relative terms, easy, because they had to watch or get up off the couch and switch the station. Then came the remote control, a revolution in TV viewing. People could switch channels if the ads weren't appealing. Brands had to work that bit harder, TV ads got more entertaining, incorporated more storytelling elements because if they did not, viewers would just switch. Then came cable TV, no ads. Brands had to work harder again, better quality ad campaigns, increased storytelling. Now hardly anyone watches TV advertisements. The next generation of consumers do not know anything about 'the old days'. They are used to switching off if they do not like the message. You tweet something they do not agree with, they follow you. They are not interested in what is on TV, they go to YouTube. Everything is immediate and they are used to creating a world of their own, where they only have to see and hear what they choose. And you need them to choose your brand. This is where the importance of brand identity comes in. Product alone, price alone these things most likely would not be enough. The brand needs to be accepted, sought after. The audience needs to know who we are and what we stand for. And with more and more people active on social media, getting their news, their updates, participating in more and more of their daily interactions online, this is where one needs to be to connect with them. This is why content is crucial in social media. This is why engagement is crucial. Because it is YOU. Who you are is as important as what you do. It is your way into their world. The power of engagement cannot be understated as a means of strengthening relationships and trust in the brand, and social media is the best platform to facilitate this. It is immediate, it is accessible, it is where the audience is already at.

Social Media Engagement: The Surprising Facts about How Much Time People Spend on the Major Social Networks:

People adopt newer social networks, and people's social activity becomes increasingly fragmented, other measures of social network activity become more important, especially for businesses trying to determine where to best allocate time and resources. How much time users spend on each social network and how engaged and interactive they are with content there are increasingly important ways of evaluating the sites. In a new report, (BI) Business Insider Intelligence calculates an Engagement Index for top major social networks and compares their performance in terms of time-spend terms per-user, on desktop and mobile. It also looks at how the different top activities on social media - photo-sharing, status updates, etc. are indexing in terms of activity, and which sites drive the highest volume in each category. This report complements popular reports on social media demographics and global audience sizes.

**Findings of report:**

Social is now the top Internet activity: People spend an average of 37 minutes daily on social media, a higher time-spend than any other major Internet activity, including email.

Social-mobile rules: 60% or so of social media time is spent not on desktop computers but on smartphones and tablets.

Facebook has a monster lead in engagement: Facebook is a terrific absorber of audiences' time and attention, 114 billion minutes a month in the United States alone, on desktop PCs and smartphones. By comparison, Instagram commands 8 billion minutes a month, and Twitter just 5.3 billion.

Facebook attracts roughly seven times the engagement that Twitter does, when looking at both smartphone and PC usage, in per-user terms.

Pinterest, Tumblr and LinkedIn have made major successful pushes in 2013 to increase engagement on their mobile sites and apps. The new race in social media is not for audience per se, but for multi-device engagement.

Multi-device social media: Analysis is based on BI Intelligence's social media Engagement Index, which compares the effectiveness of social networks in keeping individual users engaged across smartphones and desktop PCs. Here are PC-smartphone Engagement Index scores for five platforms:

**Table 5.1 : PC-Smartphone Engagement Index**

Facebook	50.7
Instagram	13.5
Twitter	7.4
Snapchat	6.6
WhatsApp	4.6

*Source: businessinsider.com, socialmedia engagement statistics 2012-13*

### **5.3 Popular Social Media tools and Engagement methods**

**Facebook:** Mark Zuckerberg founded the Facebook while studying at Harvard University. MrZuckerberg is a computer programmer and starts "The facebook", in February 2004. Features of Facebook:

Basic feature, Create new account, advance features, to create a page, group, or event for your business.



Navigation Bar: Clicking the word in the navigation bar will take right to current newsfeed.

Icons: Facebook user to start the send friend request and messages, little numbers to appears this icons indicating that news friends to approve and new message to read.

Bar Search: Find friends, places or things on Facebook

Your Page: Profile Image and Your name. It can be seen by others too.

Find Friends: Find friend's option available on the top of Navigation bar.

Home: In the home we can find personal navigation menu and updates all the people, pages, and groups connected to.

Setting/Admin Menu: This feature will appear to as a little arrow on the right side of page wherein one can adjust what to share with others.

Account Settings: In the general account setting you can adjust the information by visiting the Account setting. This is where manage the security, notification, apps and more.

Privacy Setting: This setting can control who can find you, as well as who can see your updates, photos, and other information.

Facebook has completed monthly visitor 900,000,000.

**Table 2.2: Facebook Statistics**

<b>Facebook Statistics</b>	<b>Data</b>
Total number of monthly active Facebook users	1,310,000,000
Total number of mobile Facebook users	680,000,000
Increase in Facebook users from 2012 to 2013	22 %
Total number of minutes spent on Facebook each month	640,000,000
Percent of all Facebook users who log on in any given day	48 %
Average time spent on Facebook per visit	18 minutes
Total number of Facebook pages	54,200,000
<b>Facebook Demographics</b>	<b>Data</b>
Percent of 18-34 year olds who check Facebook when they wake up	48 %
Percent of 18-34 year olds who check Facebook before they get out of bed	28 %
Average number of friends per facebook user	130
Average number of pages, groups, and events a user is connected to	80
Average number of photos uploaded per day	205
Number of fake Facebook profiles	81,000,000

<b>Global Facebook Reach Statistics</b>	
Number of languages available on the Facebook site	70
Percent of Facebook users who are outside the United States	75 %
Number of users who helped translate Facebook	300,000
<b>Facebook Platform Statistics</b>	
Average number of apps installed on Facebook each day	20 million
Total number of apps and websites integrated with Facebook	7 million
<b>Every 20 Minutes on Facebook</b>	
Links shared	1 million
Friends requested	2 million
Messages sent	3 million
<b>Facebook Company Statistics</b>	<b>Data</b>
Total number of Facebook employees	4,619
Total 2012 Facebook revenue	\$5,090,000,000
Total 2013 Facebook revenue	\$6,150,000,000

*Source: Facebook, 1/1/2014*

According to a survey conducted by The Creative Group, more than 50% of advertising and marketing executives said they expect companies to increase their investment in Facebook this year. Facebook page tested engagement methods:

- Add featured stories to the company’s Timeline – Stories running across the width of company’s profile to highlight company milestones is done for engagement to generate more interest than standard posts.
- Ask engaging questions once a day – Leading question asked once a day, so that visitors get in the habit of engaging with the brand profile.
- Post shareable pictures – People love to share pictures, so either create their own or find interesting, royalty-free images for the visitors to share.
- Offer incentives to like the Page – An application is created that leads visitors to a special discount code or free giveaway product in exchange for a Facebook “Like.”
- Advertise for “Likes” on Facebook – Instead of running Facebook ads that lead to the website, advertisements that encourage users to “Like” the page are posted.
- Rotate the Facebook ads daily – Facebook Ads suffer from high burnout rates, so rotating the ads every day to keep engagement high is tried.
- Add a “Follow Us on Facebook” link to your email newsletters – Any time when reaching out to the customers, an encouragement and a link back to the profile is included.
- Add social sharing icons to the blog posts – Considering visitors to be busy people, social sharing icons on each post are shared by including the content for them to be easy.
- Connect your Facebook profile to the blog to auto-post new content – The new “Facebook for WordPress” plugin is made to ensure that Facebook fans are able to connect with all the new content.

- Customizing Timeline application graphics – Own custom images are added to the timeline of Facebook to create a consistent brand image and a greater connection between the brand and the audience.
- Post exclusive video content to the Page – Unique content is shared with the Facebook fans to keep them coming back for more.
- Ask fans to share brands profile with others – Sometimes, a direct request is made to leverage the existing subscribers as one of the best way to build the fan base.
- Respond to follower comments on the Page – All comments left on the profile are responded to demonstrate interest in what the fans have said.
- Develop our own social engagement Facebook app – Fan engagement is taken to the next level by offering unique, interactive application that provide additional value to users.
- Update the profile and cover pictures regularly – Keeping things fresh on the Timeline shows the readers the commitment of maintaining brands social networking presence.
- Experiment with promoted posts – Facebook’s promoted posts is done in

**Twitter:** Twitter is the type of social networking site than registered for user to send and read tweets. Unregistered user can only read text. Text message limited to 140 character. Twitter is the most popular social networking site but it began as a another micro blogging platform created by the programmers who work as a podcasting company Odeo Inc. Sanfrancisco, California. Twitter name was inspired by the photo-sharing site, Flickr, and considerations were FriendStlker and Dodgeball. The Twitter message limit was set 140 characters because 160 characters was the SMS Carrier limit and they wanted to leave for the username. Twitter has changed political

communication inveterately. Twitters is very effective for business as brands and find a new way to reach their fans and where they are social media on their smart phones. Twitter has a tool to use business large and small to reach their target. It is way to touch every day to fans who connected to the Twitter. In the present day Twitter had 200 million users and 4, 60,000 user joint the Twitter every day. And more than 140 million tweets every day. Twitter engagement methods:

- Follow new people every day using authority figure follower lists – Lists of people are browsed to know who are following brands authority figures to find new people to follow.
- Pre-load tweets to launch throughout the day – Even if one cannot be on Twitter every day, pre-loaded posts through services like the Buffer Application are deployed to keep engagement high.
- Use Tweriod to uncover the followers most active times – Instead of wasting effort when the visitors are not active, services like Tweriod are used to find the best times to engage.
- Set up follower lists –Twitter followers can be segmented into lists so that unique messages to each group can be deployed, resulting in higher levels of engagement.
- Change the profile picture from the logo to face – The size of Twitter profile picture makes it better suited to faces than logos so as an added bonus, people naturally tend to engage better with faces than with any other type of image.
- Create a custom profile background – Twitter’s stock backgrounds are fine, but a custom background shows the committed to engaging with your network on the service.

- Seek out opportunities to answer audience questions – The questions posted by the followers are browsed and answered as many as possible.
- Update bio regularly – Twitter bio has a major impact on how many people decide to follow you, so it is updated regularly to keep it fresh and engaging.
- Build a custom Twitter landing page on your website – A page is added to the website that provides a special welcome to Twitter visitors and link to this page is from within Twitter profile.
- Search for mentions of brand name – Twitter is searched periodically for any mentions of brand name that are posted without username or hashtag in order to find opportunities to engage.
- Regularly clean up following list – The list of people followed is kept fresh by periodically weeding out inactive or closed accounts.
- Host a tweetup or Twitter chat – A tweetup or Twitter chat is hosted a great way to boost engagement with the brand.
- Use bit.ly to “split test” different Twitter promotions – To test how well different promotions are received by the audience by similar announcements at the same time using two different Bit.ly links are posted.
- Capitalize on top tweets – The “Top Tweets” feature on Twitter is used to find good tweets to re-tweet to the audience.
- Create posts based on tailored trends – An eye is kept on Twitter’s new tailored trends feature, which creates unique trend announcements based on your location and who you follow, to find engaging topics of discussion for the profile.

**Google+:** Google + is a Social Networking site. Google +was launched on June 28, 2011. Google + was created by the Google. It is the second highest social networking

site in the world after Facebook. 540 million monthly active user are part of the Google+. Google + estimate monthly visitor 120,000,000.

### **Top Five features of Google plus**

**Redesigned Stream:** Google plus Provide the features of re-designed stream. In this features provide the multi-column design this allows users to scan more post at once.

**Related Hashtags:** Google plus provide the Hashtags features. This feature helps people to find and join conversations about a particular topic.

**Hangouts App:** Google Plus also provides the feature of Hangouts App. This feature displays the list of conversation. On the bottom icon of the screen indicate when friends are typing and how long they've been in the conversation.

**Cloud Integration:** Google plus provide the Cloud Integration features. In this features Google unveiled photo improvements that will be implemented in to Google Plus, including auto enhancement and cloud integration.

**Photo Editing Tools:** Google Plus provides the Photo Editing Tools features. In this features to edit the photo.

Google + engagement methods:

- Set up all relevant Google+ properties – Google+ Page, is set up for the business qualified for it. If not, as much information as possible is built within personal profile.



- Update your Google+ “rel author” settings – Follow the steps listed here to connect your Google+ profile to your published content in order to claim your “rel=author” benefits.
- Add the Google+ Share Button to your website – Recently, Google+ launched a new share button to make distributing content on this social network even easier. Check it out if you aren’t already using a social sharing tool on your blog.
- Optimize your Google+ profile images – Google+ profiles and Pages offer several different places to add your own images. Take advantage of all of these options to make your profiles more visually appealing.
- Make use of Google+ enhanced photo and video albums -- Google+ now supports full-bleed photos and videos, so the content for the followers is displayed.
- Follow industry leaders in related niche – The thought leaders in related niche are followed and engaged as a part of the conversation within industry.
- Participate in industry hangouts – Whenever possible people try to join in hangouts hosted by related industry, in order to engage with new people on Google+.
- Host own Google+ hangouts -- Own Google+ hangouts are hosted regularly to give followers access to your knowledge and experience.
- Run Google+ Hangouts On Air – To quickly and easily build a following on both Google+ and Youtube, Hangouts are run on Air.
- Curate content recommendations on the profile – Regularly scan through top articles in the industry are scanned and shared regularly on Google+ profile in order to increase engagement with followers.

- Comment on other peoples' content – Other peoples interesting post are commented on Google+ and shared it with own followers to boost perceived authority.
- Cross promote your business with other Google+ users – Other Google+ users are partnered up in order to share each other's content and recommend each other to the followers.
- Become funny – People like to read and share funny things,so jokes and comments to Google+ profile are tried to when appropriate.
- Share product reviews – Product reviews are posted to Google+ profile in order to minimize the amount of research for busy followers do on their own. This being a quick way to build a fan base.
- Solicit feedback for future product or service developments – The care for follower's contributions can be demonstrated by soliciting and implementing their advice on future product or service developments.
- Encourage followers to "+1" your content – Because the number of "+1" votes your content receives may impact your SERPs placement, ask followers to vote for the articles you share on your profile.
- Stay on top of popular memes -- A funny new meme is shared in a great way to demonstrate to the followers the engagement with current popular culture.
- Use Google+ to promote customer surveys – Surveys to gather customer feedback are set up to conduct cheap, effective market research. Once done the survey, Google+ profile is used to promote them to followers.
- Monitor Google+ activity using Google Analytics and Google Webmaster Tools – Both of these Google products are reviewed to report various social

networking performance metrics, to find new opportunities to engage with the audience.

**LinkedIn:** LinkedIn is another social networking site. This site is founded in December 2002 and uploaded on May 5, 2003. LinkedIn founders Reid Hoffman, Allen Blue, Guericks, Konstantin. In 2006 there are 20 million users. In present days 225 million members, and its growing more than two members per second.

### **LinkedIn Features**

**Mentions:** It is very similar to facebook and very useful to conversation with someone.

**LinkedIn Search:** LinkedIn Search Option is very important feature to use and very helpful to Professional and their businesses. In LinkedIn you can discover new people and companies with that you build relationships.

**Company Pages:** This is very important feature. A business starts a company page of its own. With this feature business tends to reach more people and get more engagement. HP Company first to cross the 1 million follower's line.

**Get Introduced:** Get Introduced is the feature with this feature, connection can be searched to find someone who would like to be connected. This feature can really help of one's business.

**LinkedIn Signal:** LinkedIn Signal is a great feature to find out what one wants to. This feature is not limited to search just keyword, but location, topics, others adding up to ten filters can be used.

Groups Liked: Groups are great tools for meeting, new people and establishing relevant connection, and establishing oneself.

LinkedIn Recommendations: LinkedIn Provide Recommend features, basically one can recommend each other user and also the user can see that endorsement.

Common Interest: In this feature everything common in another users can be seen. So when handled carefully potential connections that count turn in to potential clients.

Rich Media Tool: In this tool one can now add different, types of media, such as video and presentation, to summary, Experience and Education Fields.

Sharing Bookmarklet: In the Sharing Bookmarklet, webpage can be shared without connection even if not on LinkedIn. It is very easy to share anything one might find on the web in just second.

LinkedIn Ads: LinkedIn Ads mentions that the business can be advertised on their website. Another thing is that Ad Campaigns are highly targeted and they can be very cheap.

### **LinkedIn Engagement methods:**

- Keep In Touch

LinkedIn is a social network and a two way communication venue. Other peoples profiles can be perused as others can check as well. People try to maximize the established connection by sending messages to a set of individuals regularly. Status updates are used to provide useful information to those in the industry to explore the expertise of the brand.

- Become the Resource

Brand strives to learn about your niche industry, target audience and trends. The more one knows, the more is shared and help others, thus try to act as resource provider to trust with the business. Insights in on-and-offline conversations are shared, and also consider to send clients tidbits of information as found them online. Specific individuals are tagged those getting benefit from the information. For example, organization compiled client case studies, and posted them on LinkedIn via Slideshare and tagged specific individuals they know who will benefit from your report.

- Inspire Trust

Since LinkedIn is a platform where professionals can interact with and ask questions, to build trust in the brand the time taken to answer questions, interact with connections and consistently post valuable information. Over time people recognize you as an expert in your field and that you can be trusted to get the job done.

- Becoming Transparent

Transparency becomes necessary as it assists in making prospective clients feel comfortable. People are wary. They fear being scammed or spending money and time on an inferior product or service. So to make them feel secured the offerings and testimonials from those who have benefited from the services are showcased.

In the context of the social web, engagement means that customers and stakeholders are participants rather than viewers. Social media in business allows anyone and everyone to express and share an opinion or an idea somewhere along the business's path to market. Each participating customer becomes part of the marketing department, as other customers read their comments or reviews. The engagement process is then fundamental to successful social media marketing as trust is

imperative to the success of any business. If trust in your brand is lost, then you lose business and, if you lose business, then you're out of business.

**Pinterest:** Pinterest was launched in 2010. Pinterest is the third most popular social networking site in the world, behind Facebook and Twitter. It is one of the fastest growing social networking sites today. Pinterest is all about collecting and sharing the different things one finds on the web. Pinterest is a sort of digital bulletin board or scrapbook for collecting the things found online. Pinterest makes it easy to save and organize it. It can also be seen that some of its largest growth is from retailers and businesses. In Pinterest, companies are excited to see Pinterest users pinning their products. Retailers have also been able to use Pinterest to develop a brand identity. Women account for 65% of Pinterest users worldwide. Pinterest sees over 11 million unique visitors every month. In the US, 70% of people buy an item to find it on Pinterest.

Pinterest is winning the hearts and wallets of today's consumer. It is one of the most popular and visual social networking channels in use today.

**Pinterest Engagement methods:**

- Create unusual pinboards

For example, a bakery adds pinboards for cupcakes, wedding cakes and other baked goods. But more unusual topics, like the world's oldest pastry recipes, campground baking or ways to dress up products attract customers which help stand out from the crowd.

- Develop visuals in languages other than English

Inspiring quotes, brief tutorials and advertising taglines all make great pins that let the international customers know they are cared. Before pinning anything, it is run past a native speaker of the language to make sure the wording is accurate.

- Ask people to show the things

People love to talk about themselves, so customers are asked to pin images of something related to the industry. Example: A fitness club asked followers to post pictures of favorite workout gear, while an office supply company invited followers to share photos of their workspaces.

- Tell a story

A dedicated storyboard to unfold a tale over several days or weeks. A mascot is send on a journey around the major landmarks of the town or share a series of pins that demonstrate how a customer used the product to solve a problem. Example: UNICEF captivated over 1,600 followers by creating a pinboard for an underprivileged young girl in Sierra Leone and pinning pictures of things she might wish she had access to, like running water and shoes. A story that tugged at heart strings to encourage viewers to donate to a cause.

To conclude Pinterest can be a perfect format for telling captivating stories that keep followers coming back to see how those stories turns out.

Engagement has easily become one of the most important aspects of social media marketing, and it is something that definitely should not be ignored.

# CHAPTER VI



## DATA ANALYSIS AND FINDINGS

### I] DATA ANALYSIS OF MICRO AND SMALLBUSINESS:

#### 1. Users of Social Media

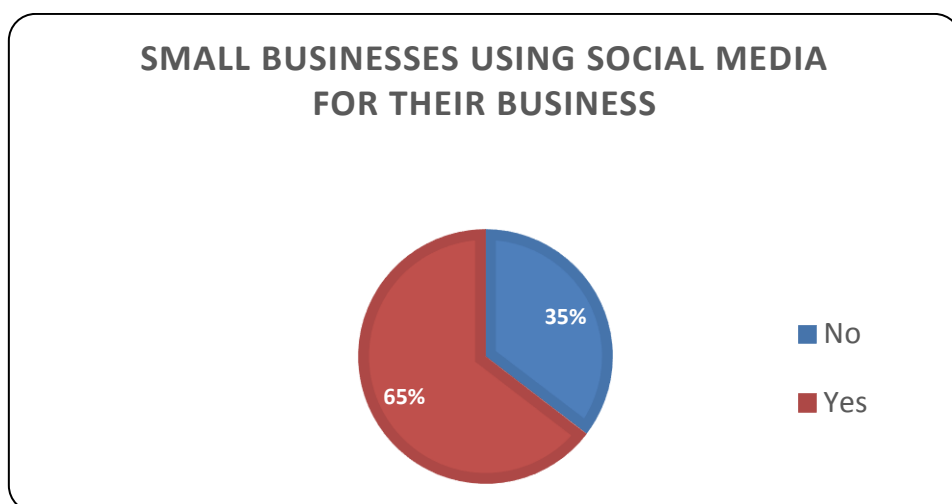
**Table 6.1 Small Businesses using Social Media for Business**

Small Businesses using Social Media for Business	Frequency	Percent	Valid Percent	Cumulative Percent
No	35	35.4	35.4	35.4
Valid Yes	64	64.6	64.6	100.0
Total	99	100.0	100.0	

*Source: Researchers Analysis*

The above table indicates that out of 99 online respondents 35 were found not to be using social media for business and 64 were using social media and the same is represented through chart as shown below:

**Figure 6.1 Small Business Using Social Media**



## 2. Types of business using the social media

**Table 6.2 Type of business**

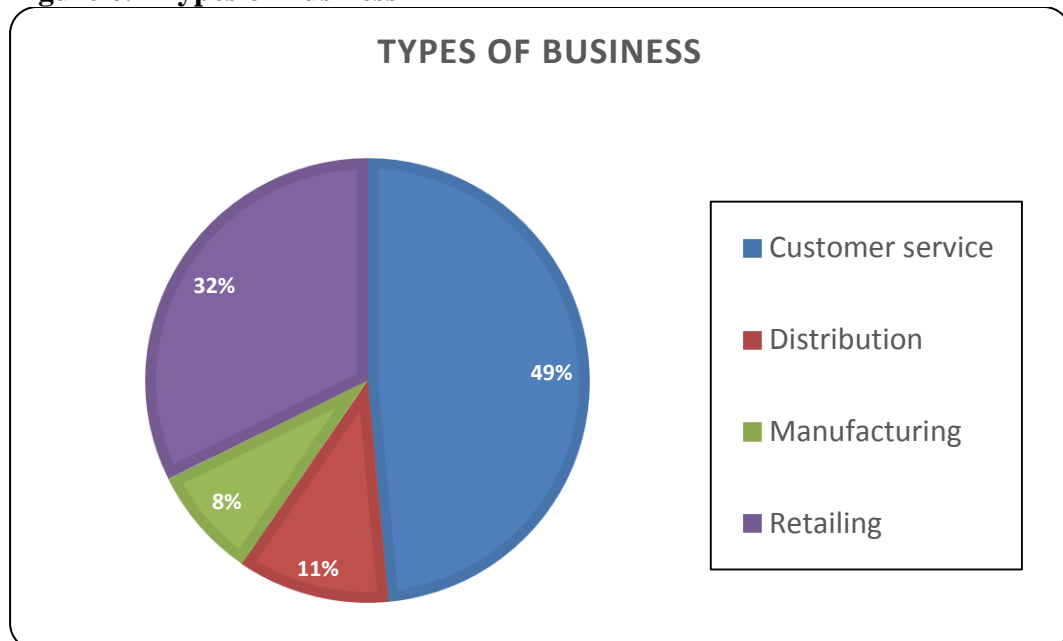
Type of business		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Customer service	48	48.5	48.5	48.5
	Distribution	11	11.1	11.1	59.6
	Manufacturing	8	8.1	8.1	67.7
	Retailing	32	32.3	32.3	100.0
	Total	99	100.0	100.0	

*Source: Researchers Analysis*

The above table indicates that out of the 99 respondents 48 pertained to customer service, 32 pertained to retailing and so on which indicates the use of social media is maximum in service industry and minimum in distribution.

The same is represented in Pie Chart below :-

**Figure 6.2 Types of Business**



### 3. Average customer prior to use of social media

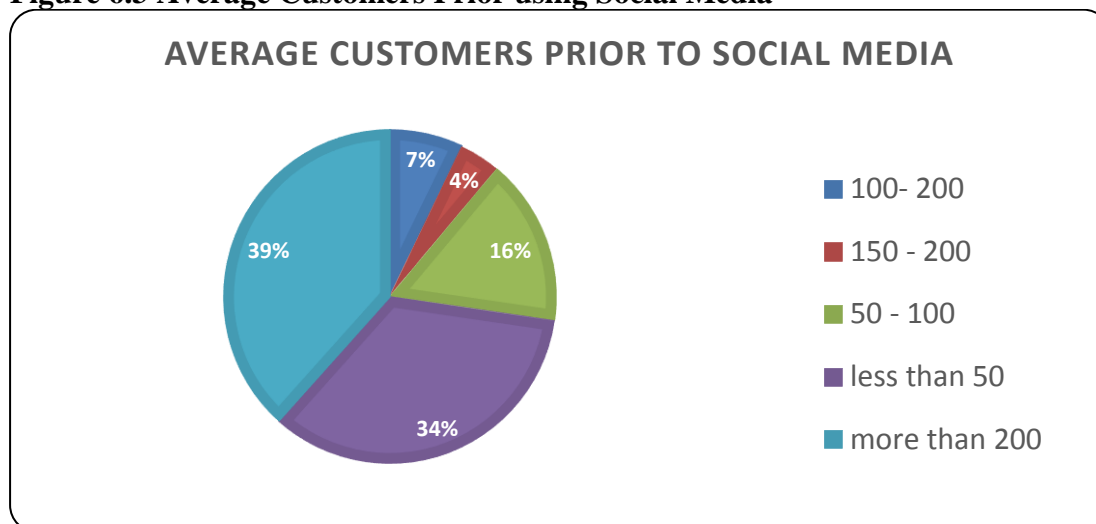
**Table 6.3 Average customer prior social media**

Average customer prior social media		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	more than 200	38	38.4	38.4	100.0
	150 – 200	7	7.1	7.1	7.1
	100 – 150	4	4.0	4.0	11.1
	50 – 100	16	16.2	16.2	27.3
	less than 50	34	34.3	34.3	61.6
	Total	99	100.0	100.0	

Source: Researchers Analysis

The above table shows 38 respondents had customers more than 200 and 34 respondents had customers less than 50 which indicates the variance in the scale of business may be due to various factors such as type of business, start up or any other reason. The same is represented in Pie Chart below :-

**Figure 6.3 Average Customers Prior using Social Media**



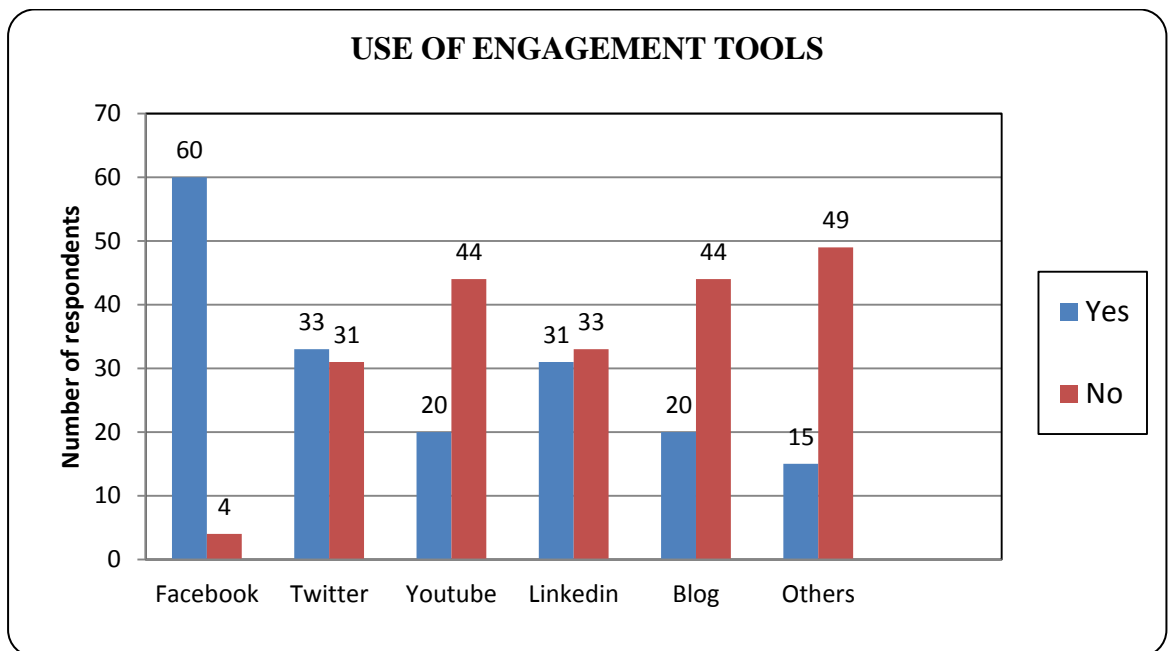
#### 4. Use of Engagement tools:

**Table 6.4 Use of Engagement tools**

Sr. no	Type of social media	Yes	No	Total
1	Facebook	60	4	64
2	Twitter	33	31	64
3	Youtube	20	44	64
4	Linkedin	31	33	64
5	Blog	20	44	64
6	Others	15	49	64

*Source: Researchers Analysis*

**Figure 6.4 Use of Engagement Tools**



## 5. Initial Investment

**Table 6.5 Initial Investment**

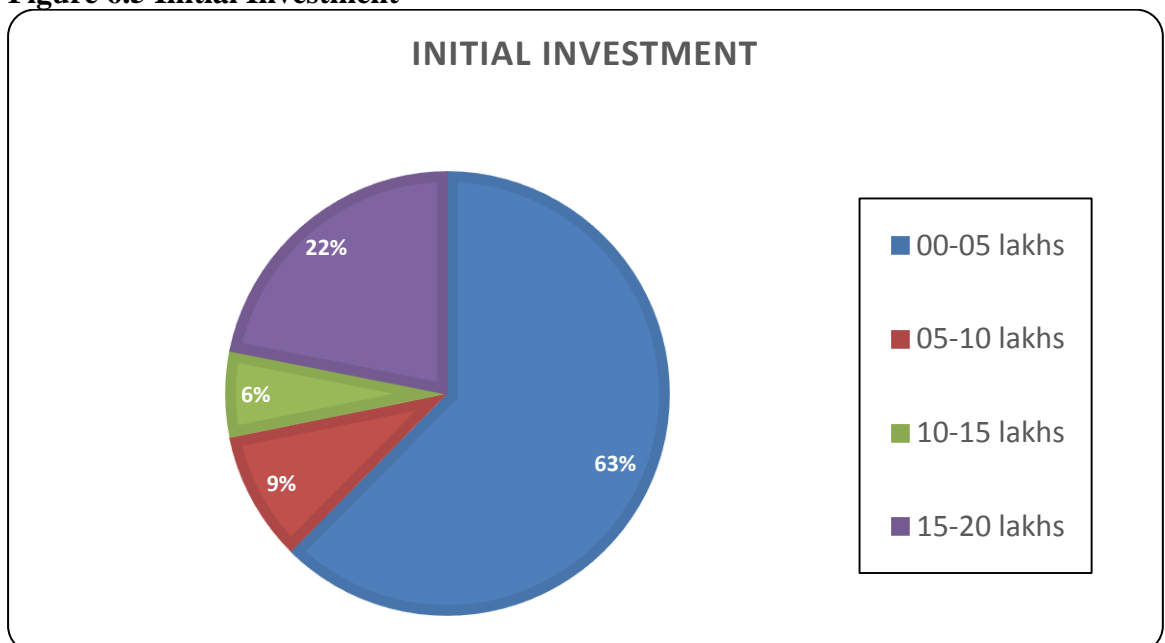
Initial Investment	Frequency	Percent	Valid Percent	Cumulative Percent
00-05 lakhs	40	62.5	62.5	62.5
05-10 lakhs	6	9.4	9.4	71.9
10-15 lakhs	4	6.3	6.3	78.1
15-20 lakhs	14	21.9	21.9	100.0
Total	64	100.0	100.0	

*Source: Researchers Analysis*

The above table shows that 40 respondents have made initial investment between 0-5 lakhs and 14 respondents have invested 15-20 lakhs, which indicates that majority of the micro and small businesses have made very less investment and at such scale also they are promoting their business by social media.

The pie- chart below also indicates the same.

**Figure 6.5 Initial Investment**



## 6. Objective of Using Social Media

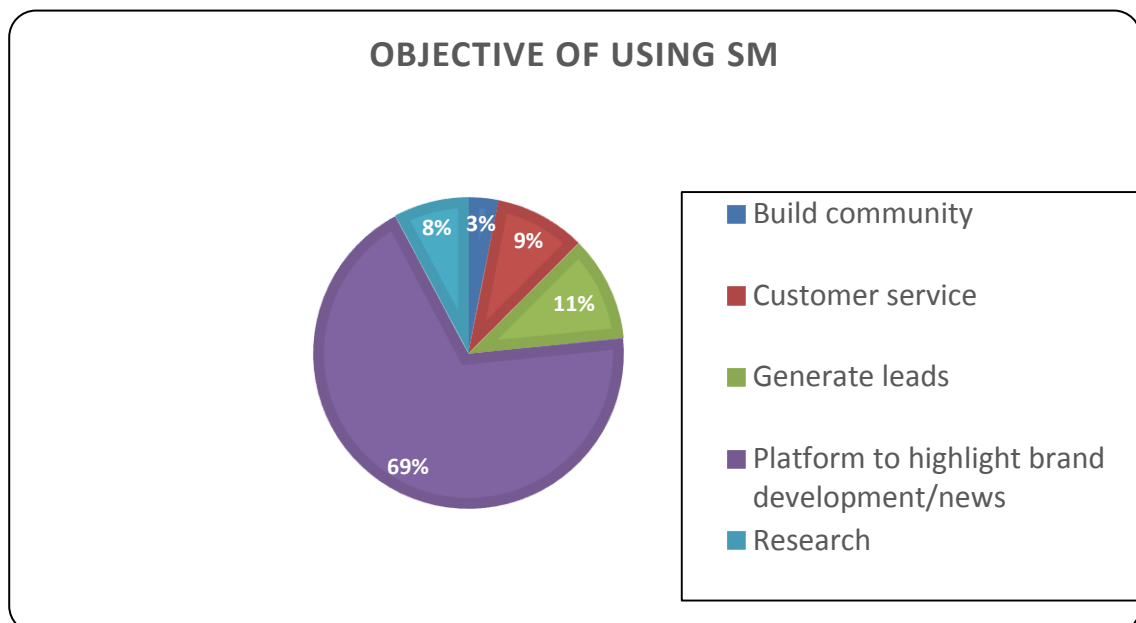
**Table 6.6 Objective of Using Social Media**

Objective of Using Social Media		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Build community	2	3.1	3.1	3.1
	Customer service	6	9.4	9.4	12.5
	Generate leads	7	10.9	10.9	23.4
	Platform to highlight brand development/news	44	68.8	68.8	92.2
	Research	5	7.8	7.8	100.0
	Total	64	100.0	100.0	

*Source: Researchers Analysis*

The above table shows that 44 respondents are using social media for highlighting brand and 7 respondents for generating leads which indicates the main purpose of using social media is highlighting all the information about their product or service and increase brand awareness and visibility.

**Figure 6.6**



## 7. Frequency of using Social Media

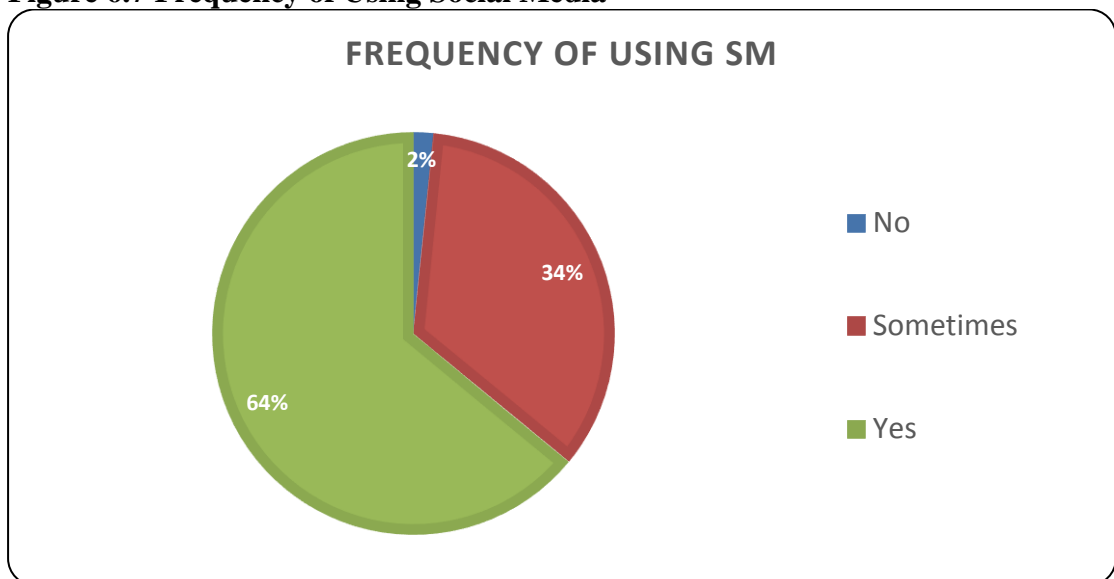
**Table 6.7 Frequency of Using Social Media**

Frequency of using Social Media	Frequency	Percent	Valid Percent	Cumulative Percent
No	1	1.6	1.6	1.6
Sometimes	22	34.4	34.4	35.9
Yes	41	64.1	64.1	100.0
Total	64	100.0	100.0	

*Source: Researchers Analysis*

The above table shows that 41 respondents are using social media frequently and only one respondent has denied it which clearly indicates that the frequency to engage with social media tools is more and thus it can be used to spread brand visibility

**Figure 6.7 Frequency of Using Social Media**



## 8. Use of other media along with Social Media

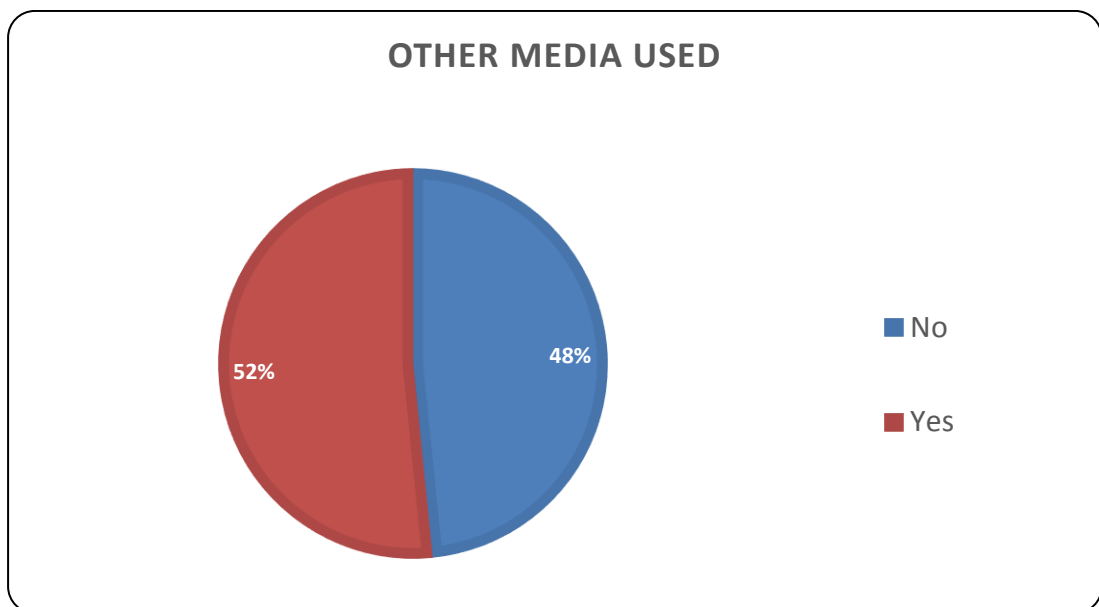
**Table 6.8 Other Media used along with Social Media**

Other Media used	Frequency	Percent	Valid Percent	Cumulative Percent
No	31	48.4	48.4	48.4
Yes	33	51.6	51.6	100.0
Total	64	100.0	100.0	

*Source: Researchers Analysis*

The above table shows that 31 out of 64 respondents do not use other media and 33 out of 64 use other media supplementing social media which shows that almost 50% respondents use traditional media along with social media

**Figure 6.8 Other Media Used**





## 9. Use of Organized Promotional deals

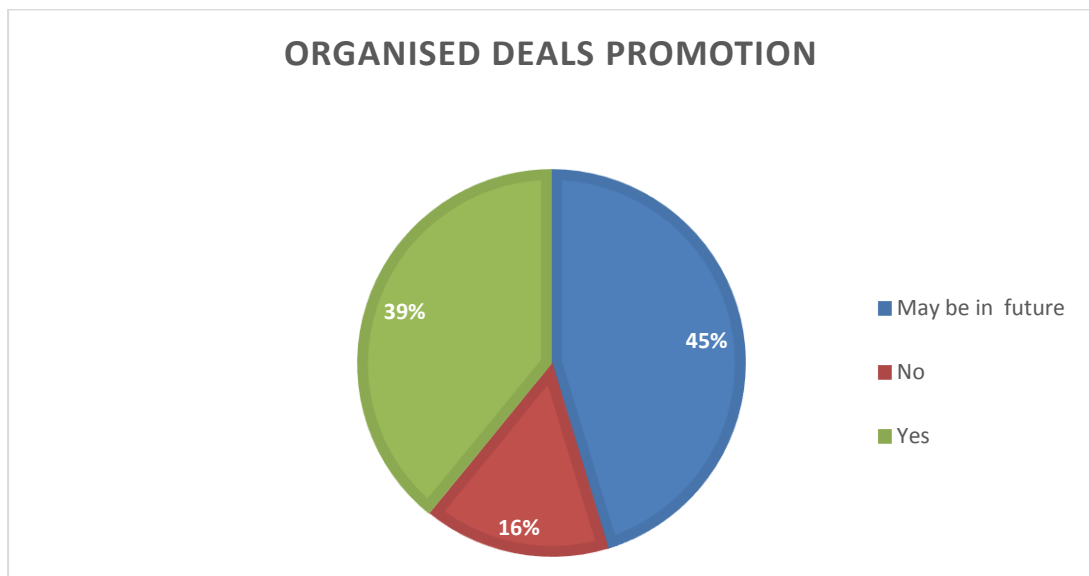
**Table 6.9 Organized deals promotion**

Organised deals	Promotion	Frequency	Percent	Valid Percent	Cumulative Percent
	May be in future	29	45.3	45.3	45.3
Valid	No	10	15.6	15.6	60.9
	Yes	25	39.1	39.1	100.0
	Total	64	100.0	100.0	

*Source: Researchers Analysis*

The above table shows that 29 respondents said that they might organize deals and promotion in future and close to these 25 respondents have said yes which indicates that it is the oldest and tested method to attract customers.

**Figure 6.9**



## 10. Use of Social Media for Campaigning

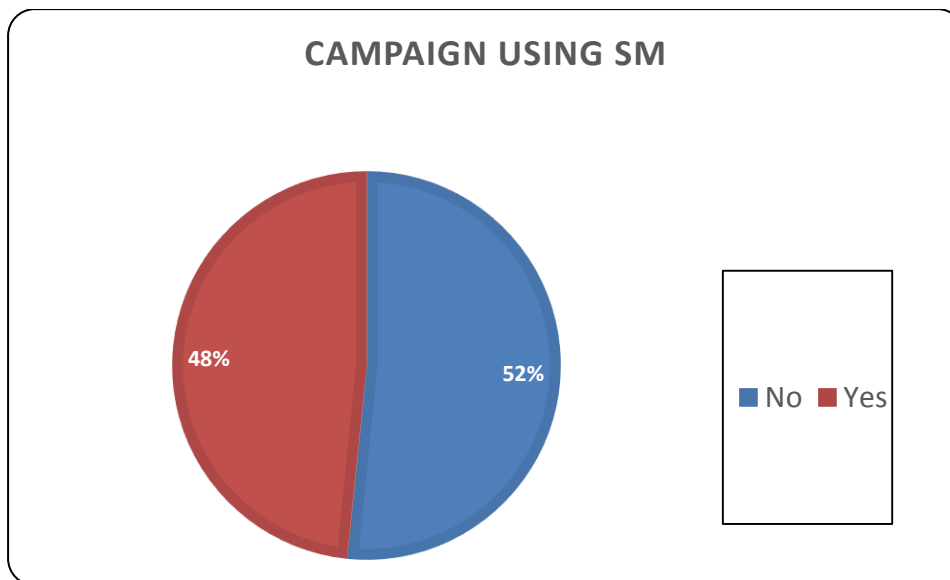
**Table 6.10 Campaign using social media**

Campaigns using social media	Frequency	Percent	Valid Percent	Cumulative Percent
No	33	51.6	51.6	51.6
Valid Yes	31	48.4	48.4	100.0
Total	64	100.0	100.0	

*Source: Researchers Analysis*

The above table shows 33 respondents have not used social media but its closest 31 respondents have used social media for various campaigns may be some cause or promotion

**Figure 6.10 Campaign Using Social Media**



## 11. Frequency of Updates

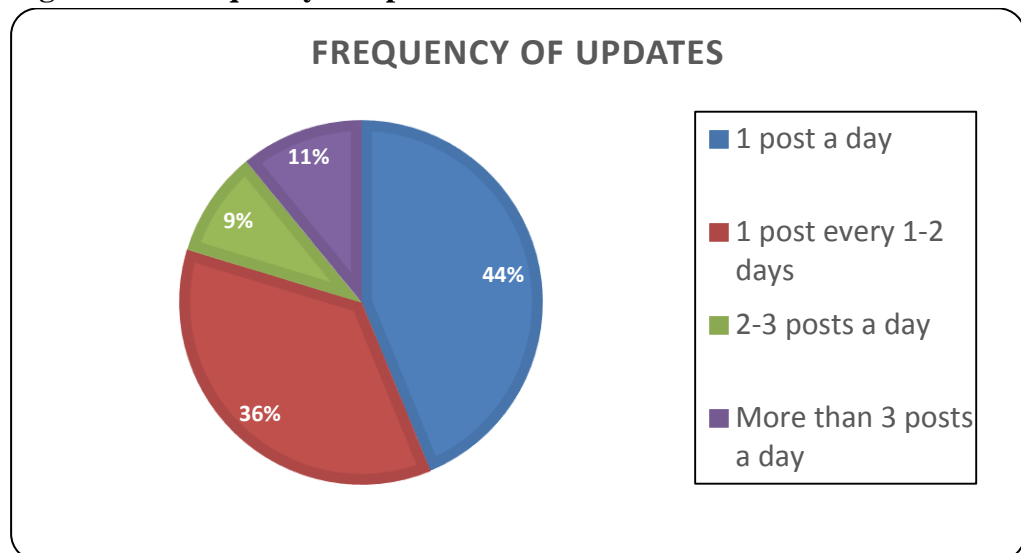
**Table 6.11 Frequency of updates**

Frequency of updates	Frequency	Percent	Valid Percent	Cumulative Percent
1 post a day	28	43.8	43.8	43.8
1 post every 1-2 days	23	35.9	35.9	79.7
Valid 2-3 posts a day	6	9.4	9.4	89.1
More than 3 posts a day	7	10.9	10.9	100.0
Total	64	100.0	100.0	

*Source: Researchers Analysis*

The above table indicates that 28 respondents post updates everyday and near one 23 respondents post it in 1-2 days which indicates that people regularly engage themselves with social media to update about the brand, news, resolving queries, answering comments and many more reasons

**Figure 6.11 Frequency of Updates**



## 12. Increase in Revenue

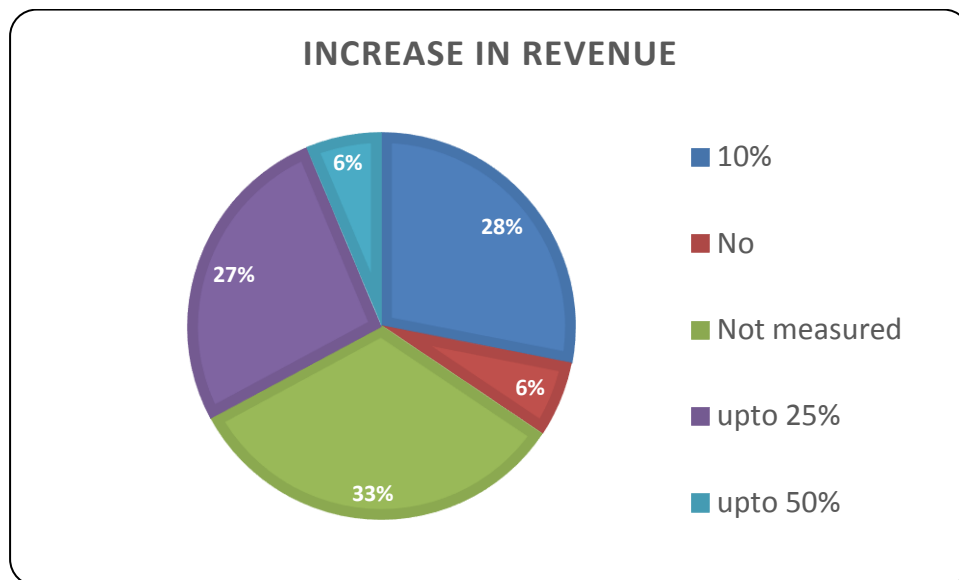
**Table 6.12 Increase in Revenue**

Increase in Revenue	Frequency	Percent	Valid Percent	Cumulative Percent
10%	18	28.1	28.1	28.1
No	4	6.3	6.3	34.4
Not measured	21	32.8	32.8	67.2
Valid upto 25%	17	26.6	26.6	93.8
upto 50%	4	6.3	6.3	100.0
Total	64	100.0	100.0	

*Source: Researchers Analysis*

The above table shows that 21 respondents have said they have not measured the increase in revenue and 17 respondents have said by 25 % which indicates that it difficult to give actual credit only to social media only for increase in revenue as there can be be other factors also, but 25% increase is the big thing to get noticed.

**Figure 6.12 Increase in Revenue**



### 13. Benefits to Business

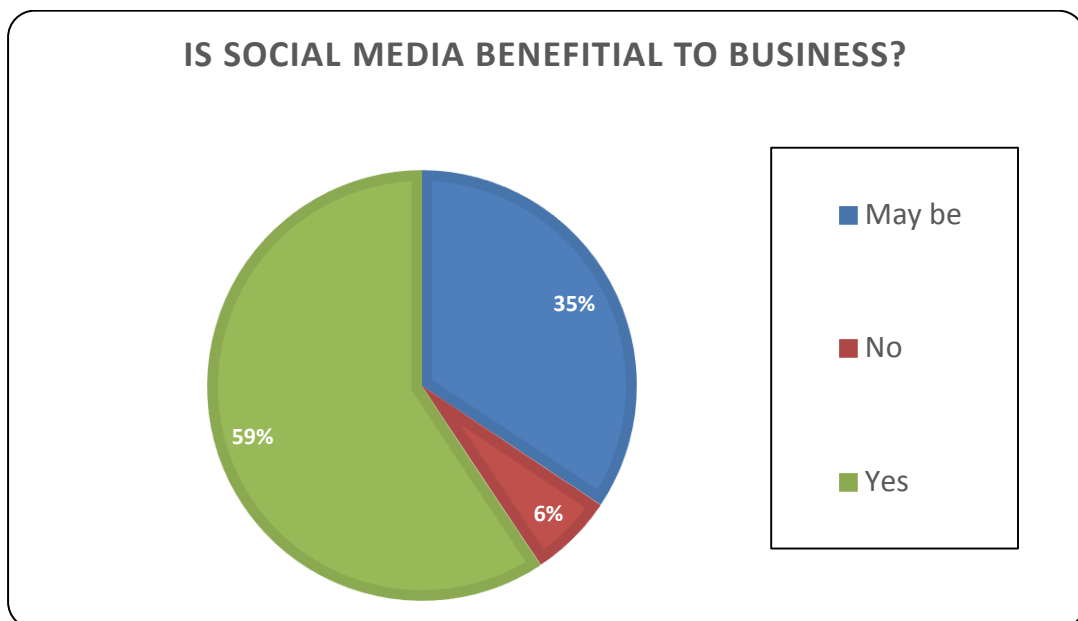
**Table 6.13 Beneficial to Business**

Beneficial to business		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	May be	22	34.4	34.4	34.4
	No	4	6.3	6.3	40.6
	Yes	38	59.4	59.4	100.0
	Total	64	100.0	100.0	

*Source: Researchers Analysis*

The above table indicates 38 people found social media beneficial and only 4 respondents have denied it which indicates there is majority to believe social media benefits their business though actual reasons are difficult to gauge

**Figure 6.13 Beneficial to Business**



## 14. Measurement of Success

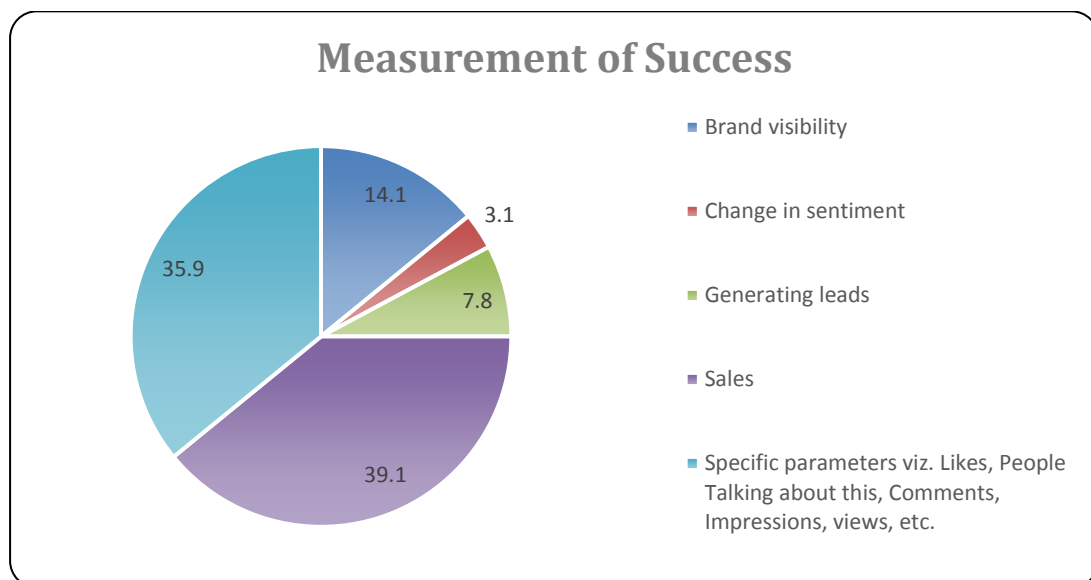
**Table 6.14 Measurement of Success**

Measurement of Success		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Brand visibility	9	14.1	14.1	14.1
	Change in sentiment	2	3.1	3.1	17.2
	Generating leads	5	7.8	7.8	25.0
	Sales	25	39.1	39.1	64.1
	Specific parameters viz. Likes, People Talking about this, Comments, Impressions, views, etc.	23	35.9	35.9	100.0
	Total	64	100.0	100.0	

*Source: Researchers Analysis*

The above table shows 25 measure the success by increase in sales and 23 respondents talk about likes, comments, talking about this, views as the measurement of success.

**Figure 6.14 Measurement of Success**



## 15. Social Media Investment

**Table 6.15 Social Media Investment**

Social Media Investment		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Upto 10%	7	10.9	10.9	10.9
	Upto 20%	12	18.8	18.8	29.7
	Upto 5%	27	42.2	42.2	71.9
	zero investment	18	28.1	28.1	100.0
	Total	64	100.0	100.0	

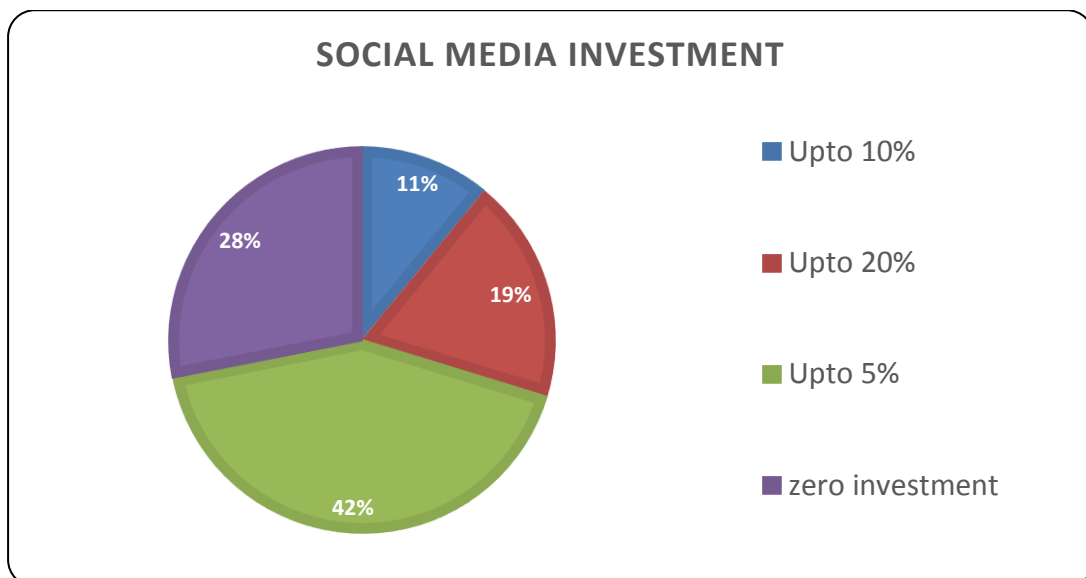
*Source: Researchers Analysis*

Above table indicate that out of total 64 respondents 7 respondents have invested upto

10%, 12 respondents have invested upto 20%, 27 respondents have invested upto 5%

This information is presented using pie diagram as shown below.

**Figure 6.15 Social Media Investment**



## Testing of Hypothesis

- **H<sub>01</sub>**: There is no association between use of social media and type of business.
- **H<sub>11</sub>**: There is association between use of social media and type of business.

To test above hypothesis bivariate frequency table is obtained and presented as shown below.

### Crosstab Count

Type of business	Use social media for business		Total
	No	Yes	
Customer service	18	30	48
Distribution	9	2	11
Manufacturing	3	5	8
Retailing	5	27	32
Total	35	64	99

Source: Researcher's Analysis

Results of chi-square test are as follows.

### Chi-Square Tests

	Value	Df	p-value
Pearson Chi-Square	15.954 <sup>a</sup>	3	.001

Above table indicate that p-value is 0.001 which is less than standard value 0.05. Therefore Chi-square test is rejected. Hence Null hypothesis is rejected. Alternate hypothesis is accepted.

**Conclusion:** There is association between use of social media and type of business.



- **H<sub>02</sub>**: There is no association between frequency of use of social media and Benefit to the business.
- **H<sub>12</sub>**: There is association between frequency of use of social media and Benefit to the business

**Crosstab count**

Frequency of using social media	Beneficial to business			Total
	May be	No	Yes	
No	0	0	1	1
Sometimes	11	3	8	22
Yes	11	1	29	41
Total	22	4	38	64

*Source: Researcher's Analysis*

Results of chi-square test are as follows.

**Chi-Square Tests**

	Value	Df	p-value
Pearson Chi-Square	10.652 <sup>a</sup>	4	.040

Above table indicate that p-value is 0.040 which is less than standard value 0.05. Therefore Chi-square test is rejected. Null hypothesis is rejected. Alternate hypothesis is accepted.

**Conclusion:** There is association between frequency of use of social media and Benefit to the business.

- **H<sub>03</sub>**: There is no association between organization deal promotion on social media and Benefit to the business.
- **H<sub>13</sub>**: There is association between organization deal promotion on social media and Benefit to the business.

**Crosstab count**

Organized deals promotion	Beneficial to business			Total
	May be	No	Yes	
May be in future	13	3	13	29
No	3	1	6	10
Yes	6	0	19	25
Total	22	4	38	64

*Source: Researcher's Analysis*

Results of chi-square test are as follows.

**Chi-Square Tests**

	Value	df	p-value
Pearson Chi-Square	6.524 <sup>a</sup>	4	0.163

Above table indicate that p-value is 0.163 which is greater than standard value 0.05.

Therefore Chi-square test is accepted. Null hypothesis is accepted.

**Conclusion:** There is no association between organization deal promotion on social media and Benefit to the business.

- **H<sub>04</sub>**: There is no association between frequency of updates and increase in customer base
- **H<sub>14</sub>** There is no association between frequency of updates and increase in customer base

To test above hypothesis bivariate frequency table is obtained and presented as shown below.

**Frequency of updates and Increase in customer post social media**

Frequency of updates	Increase in customer post social media				Total
	100 - 200	50 - 100	less than 50	more than 200	
1 post a day	4	10	10	4	28
1 post every 1-2 days	3	6	9	5	23
2-3 posts a day	1	2	0	3	6
More than 3 posts a day	1	3	2	1	7
Total	9	21	21	13	64

Results of chi-square test are as follows.

**Chi-Square Tests**

	Value	df	P -value
Pearson Chi-Square	6.263 <sup>a</sup>	9	.713

Above table indicate that p-value is .713 which is greater than standard value 0.05.

Therefore Chi-square test is accepted. Hence Null hypothesis is accepted. Alternate hypothesis is rejected.

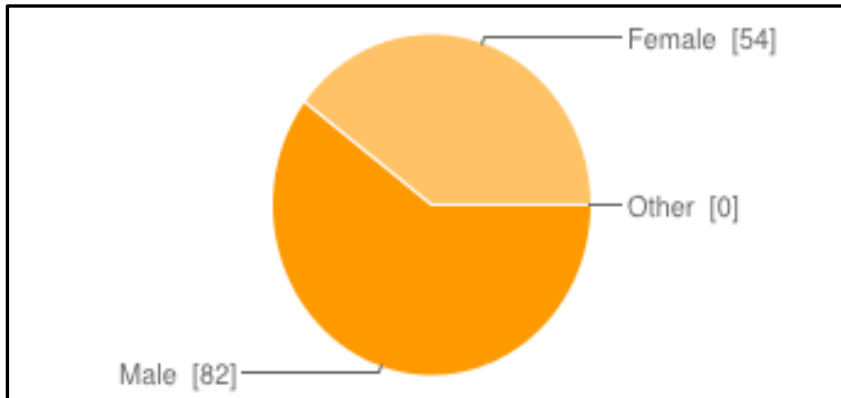
**Conclusion:** There is no association between frequency of updates and increase in customer base

## To Study the Influence of Consumer on Online Buying Behaviour

Demographic details

### 1. Use of Social Media Sites

**Figure 6.16** Use of Social Media Sites

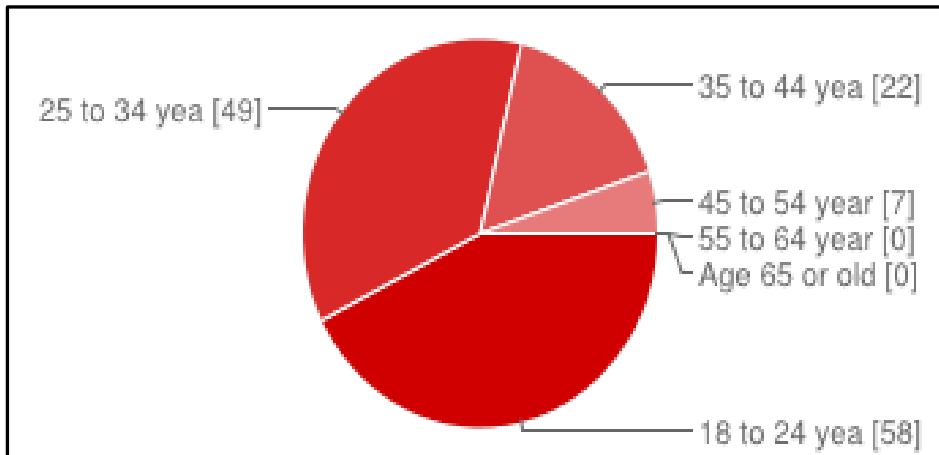


Male	82	60%
Female	54	40%
Other	0	0%

The above pie chart indicates that out of the total number of participants 60% of the respondents were men while remaining were females. This may indicate that men may be active on the social media sites that women. This finding is consistent with findings by other marketing researchers (see for example NM Incite, State of Social Media Survey (2011), available at - <http://goo.gl/gN1FAi> ).

## 2. Age Distribution

**Figure 6.17 Age Distribution**

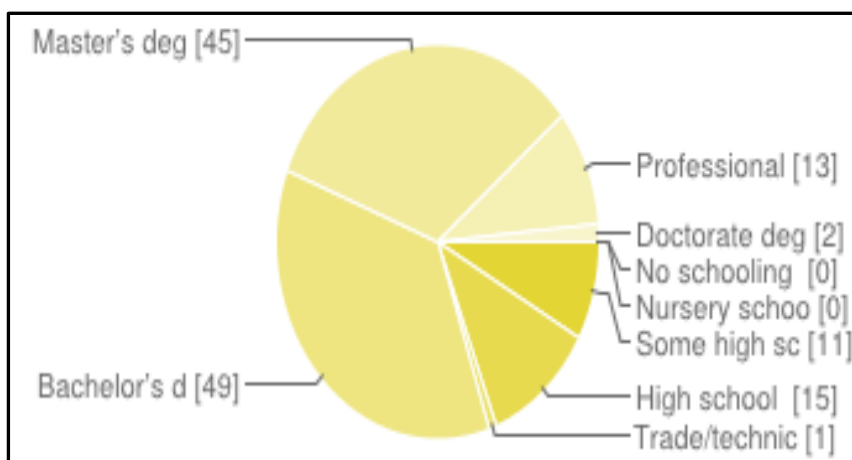


18 to 24 years	58	43%
25 to 34 years	49	36%
35 to 44 years	22	16%
45 to 54 years	7	5%
55 to 64 years	0	0%
Age 65 or older	0	0%

The above figure shows a strong preponderance of youth and middle aged population on social networking sites. Out of the total population, 43% of the respondents belonged to the age group of 18 to 24 years followed by 36% of the respondents who are from the age group 25 to 34 years. This unequal access could be explained on the basis of the fact that younger population may be more comfortable with using internet based services including social networking sites.

### 3. Education Level

**Figure 6.18 Education Level**

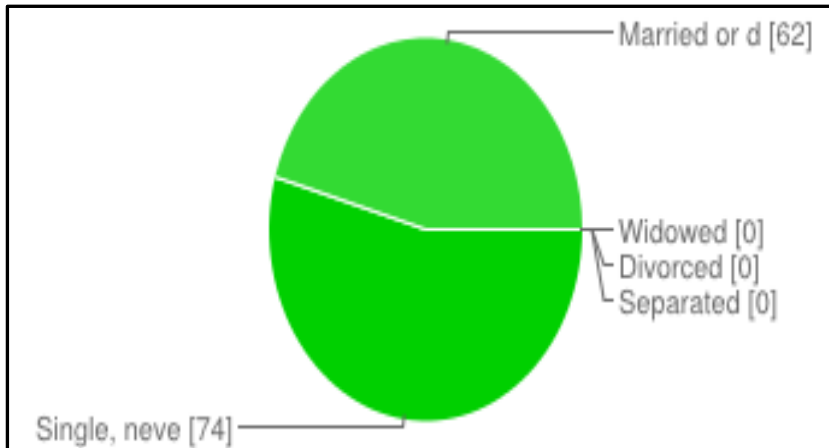


No schooling completed	0	0%
Nursery school to 8th grade	0	0%
Some high school, no diploma	11	8%
High school graduate, diploma or the equivalent	15	11%
Trade/technical/vocational training	1	1%
Bachelor's degree	49	36%
Master's degree	45	33%
Professional degree	13	10%
Doctorate degree	2	1%

Out of the total number of respondents, 36% of the respondents held some bachelor's degree followed by 33% of the respondents who were holding master's degree. This indicates that more of the educated people are active on social media sites, this is easily explained as some sort of basic educational orientation may be necessary for using internet based services like social networking sites.

#### 4. Marital Status:

**Figure 6.19 Marital Status**

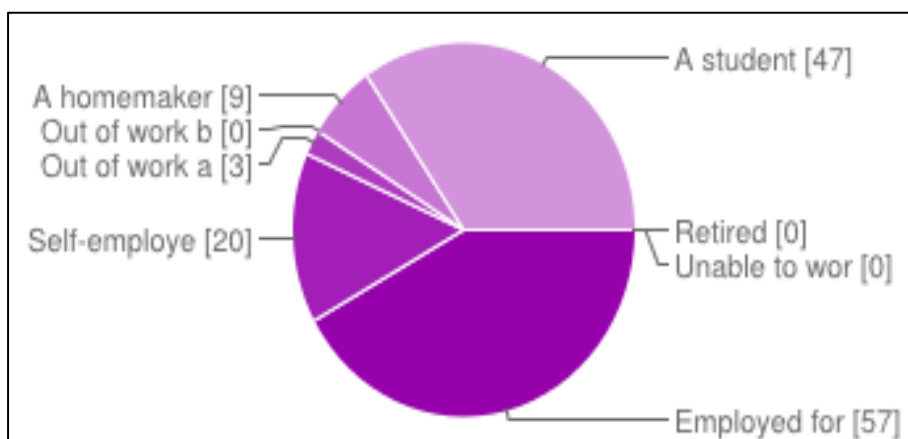


Single, never married	74	54%
Married or domestic partnership	<b>62</b>	46%
Widowed	<b>0</b>	0%
Divorced	<b>0</b>	0%
Separated	<b>0</b>	0%

The above figure indicates that the people active on social media sites were more or less equally distributed in terms of their marital distribution. Out of the total number of participants, 54% of the respondents were single/never married while the rest 46% were married or in a domestic partnership.

## 5. Employment Status

**Figure 6.20 Employment Status**



Employed for wages	57	42%
Self-employed	20	15%
Out of work and looking for work	3	2%
Out of work but not currently looking for work	0	0%
A homemaker	9	7%
A student	47	35%
Retired	0	0%
Unable to work	0	0%

The above figure indicates that majority of respondents were either employed/working (42%) followed by students 35%. This may indicate that the working class or students may be more active on social networking as compared to others.

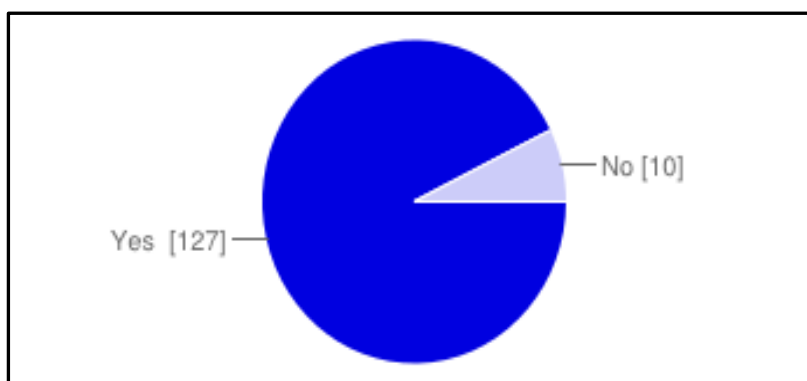


## 6. City

Based on the responses obtained, it was observed that most of the respondents were based in metropolitan cities. Most participants indicated that they were either based in Mumbai and satellite cities. This unequal distribution may be because of the fact that the researcher is also based in Mumbai and did not access to people residing in far off places. However the finding is consistent with the fact that internet penetration in India, though is fast growing, it is still in its infancy. Many villages still are not connected by internet hence the presence of population residing in these areas may be missing from the conventional social networking sites.

## 7. Social media/networking website Account holding status

**Figure 6.21 Social media and Website account holding status**

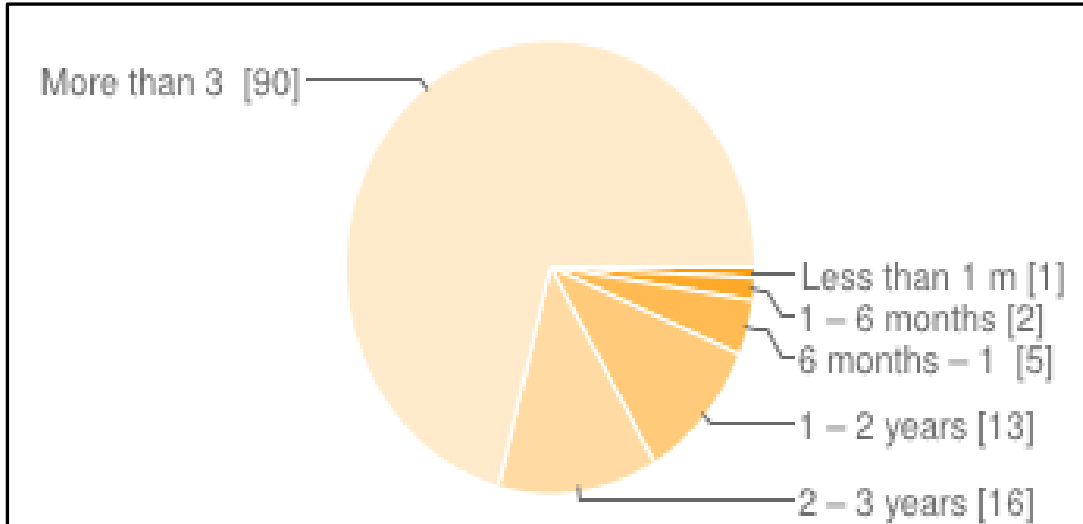


Yes	127	93%
No	10	7%

About 93% of the respondents were holding their accounts on social media sites. This may indicate that most people active on the internet are active on social media sites.

## 8. Social media - Usage Pattern

**Figure 6.22 Social media – Usage Pattern**

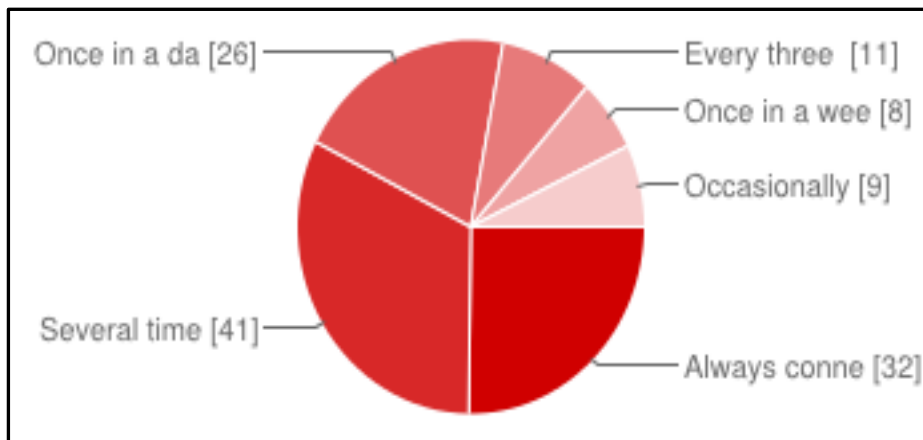


Less than 1 month	1	1%
1 – 6 months	2	2%
6 months – 1 year	5	4%
1 – 2 years	13	10%
2 – 3 years	16	13%
More than 3 years	90	71%

Out of the total number of participants 71% of the respondents were using their current account on social media sites for more than 3 years and 13% are using for 2-3 years. This may indicate that most people in the study were aware of the social media sites for considerable period of time.

## 9. Login Patterns

**Figure 6.23 Login Patterns**

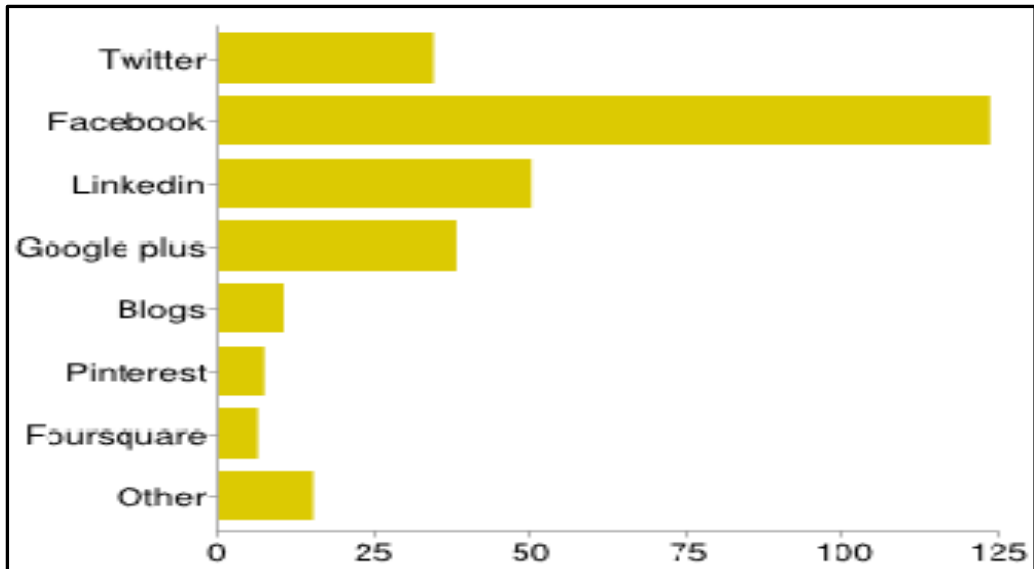


Always connected	32	25%
Several times a day	41	32%
Once in a day	26	20%
Every three days	11	9%
Once in a week	8	6%
Occasionally	9	7%

Out of those active on social media about 32% of the respondents used their social media sites several times in a day and about 25% were almost always connected to the social media via internet. This indicated that the usage of social media sites amongst the participant pool was fairly high.

## 10. Social media sites followed

Figure 6.24 Social media sites followed

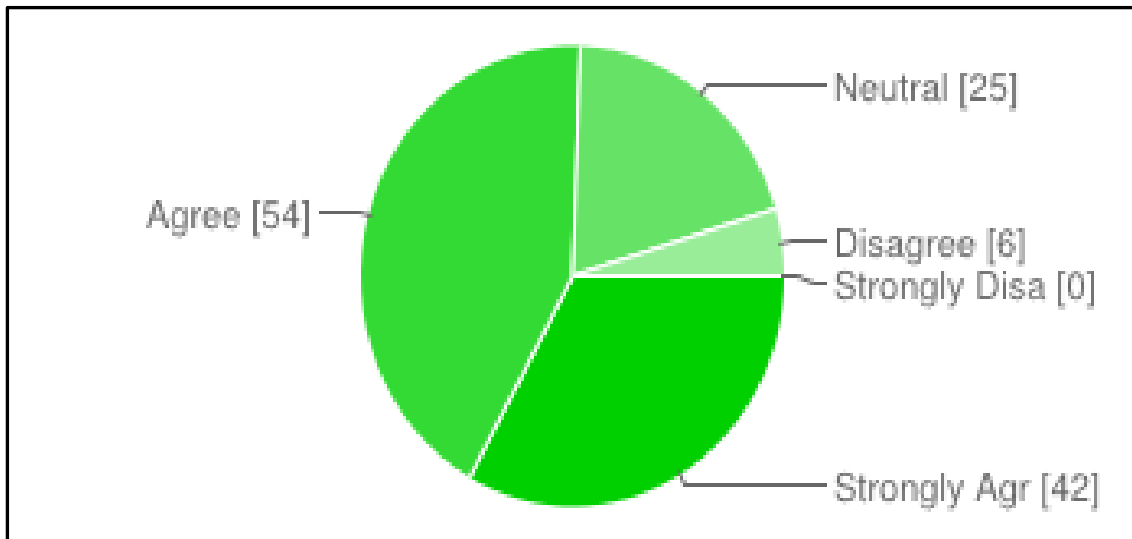


Twitter	34	12%
Facebook	123	43%
LinkedIn	50	18%
Google plus	38	13%
Blogs	10	4%
Pinterest	7	2%
Foursquare	6	2%
Other	15	5%

Results of collected data clearly indicated that some of the social media sites are more preferred and favourite over others by the participants. For example, 43% of the respondents were holding account on Facebook, followed by LinkedIn at 18%.

## 11. Confidentiality and Privacy

Figure 6.25 Confidentiality and Privacy

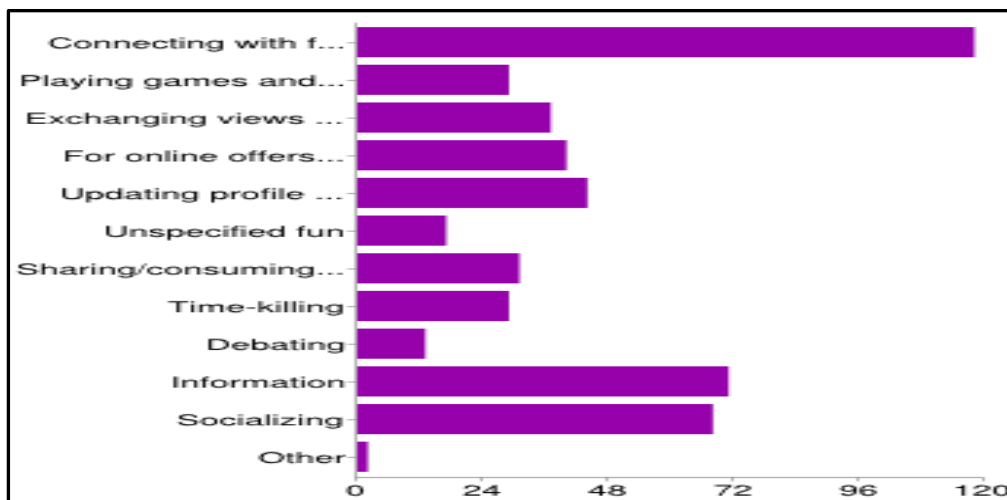


Strongly Agree	42	33%
Agree	54	43%
Neutral	25	20%
Disagree	6	5%
Strongly Disagree	0	0%

Data from this study indicated that in general concern over the confidentiality and privacy of the personal information is fairly higher amongst the users of social media. Out of the total number of participants, 43% agree and 33% strongly agree and are concerned regarding confidentiality and privacy of the personal information.

## 12. Purpose of using social media/networking sites

Figure 6.26 Purpose of using social media sites



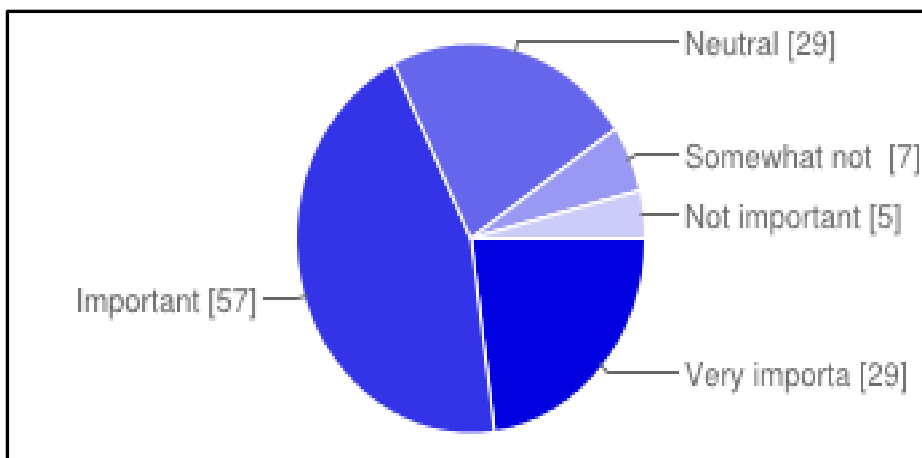
Connecting with family and friends	118	24%
Playing games and contests	29	6%
Exchanging views about the product and services	37	7%
For online offers and discounts on products and services	40	8%
Updating profile on social media/networking sites	44	9%
Unspecified fun	17	3%
Sharing/consuming content	31	6%
Time-killing	29	6%
Debating	13	3%
Information	71	14%
Socializing	68	14%
Other	2	0%

Above figure indicated that 24% of the respondents used social media sites for connecting with family and friends, followed by 14% of the respondents using it for gathering information and another 14% used exclusively for socializing. This indicates that amongst the participant pool more people were on social media sites for

connecting to friends and family but the after that the reasons are widely distributed and it can be concluded that people used social media for varied reasons .

### 13. Influence of opinion/reviews posted on social media/networking sites on buying decisions

**Figure 6.27 Influence of opinion/reviews posted on social media/networking sites on buying decisions**

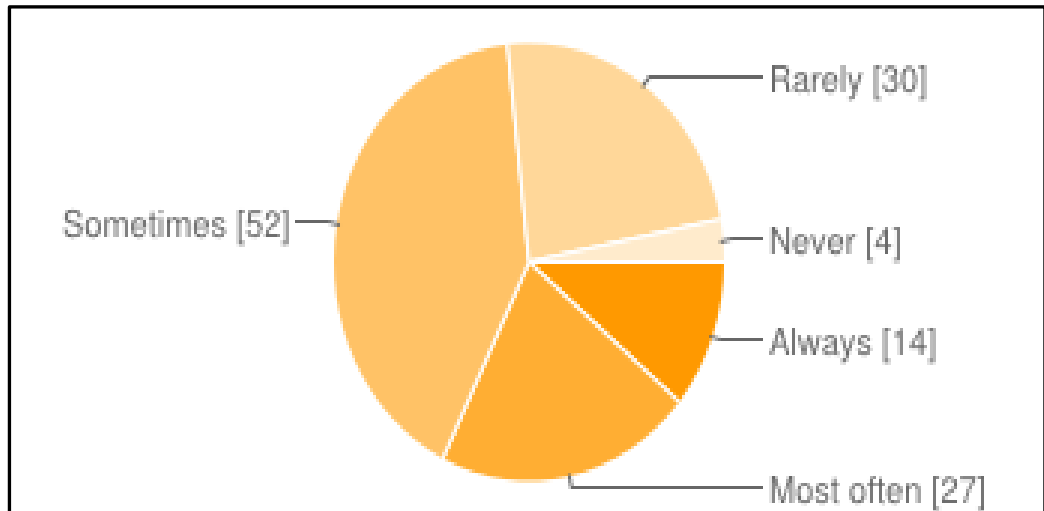


Very important	29	23%
Important	57	45%
Neutral	29	23%
Somewhat not important	7	6%
Not important at all	5	4%

It is clear from the above figure that for 45% of the respondents, social media was important for social life followed by 23% who feel that it was very important and another 23% who were neutral. This may indicate a slow and steadily rising trend of using social media sites.

**14. Influence of opinion/reviews posted on social media/networking sites on buying decisions**

**Figure 6.28 Influence of opinion/reviews posted on social media/networking**



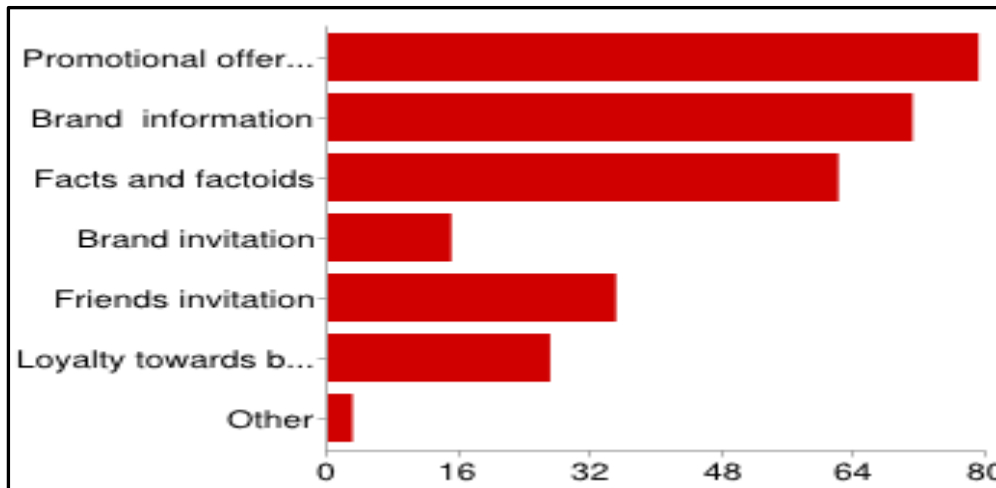
Always	14	11%
Most often	27	21%
Sometimes	52	41%
Rarely	30	24%
Never	4	3%

From the above figure it is clear that online opinions and reviews did not affect the buying decisions of the participants. About 41% of the respondents indicated that they were sometimes influenced followed by only 21% who were more often influenced than others. This may also indicate that more participants may get influenced by the opinions/reviews posted on social media/networking sites in the future.



## 15. Reason for brand attraction through social media/networking marketing

**Figure 6.29 Reason for brand attraction through social media/networking marketing**

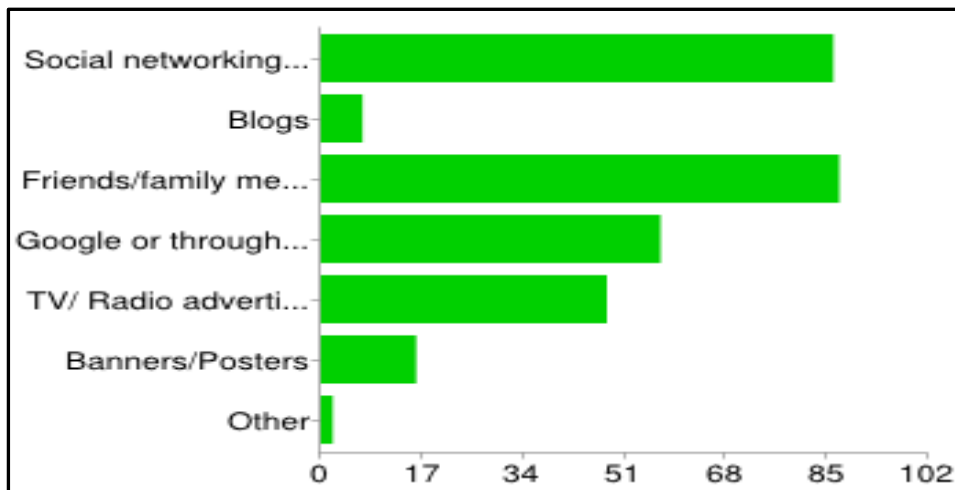


Promotional offers such as discounts and coupons	79	27%
Brand information	71	24%
Facts and factoids	62	21%
Brand invitation	15	5%
Friends invitation	35	12%
Loyalty towards brand	27	9%
Other	3	1%

Analysis indicates that more people are attracted to a brand/advertisement because of promotional offers. Out of the total participants about 27% of respondents were attracted by promotional offers, 24% of the respondents were attracted by brand information followed by 21% of the respondents for facts & factoids.

## 16. References for online retailer

**Figure 6.30**References for online retailer

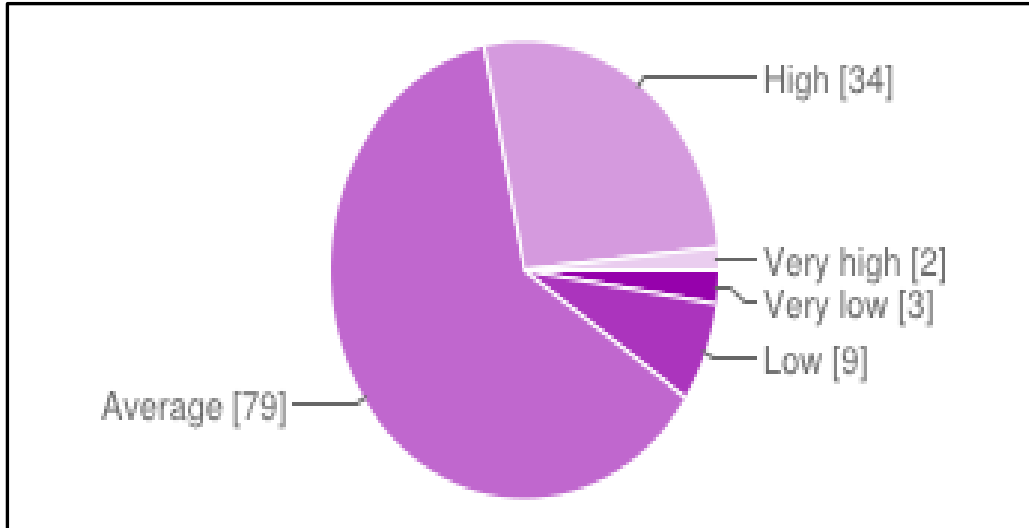


Social networking/media	<b>86</b>	28%
Blogs	<b>7</b>	2%
Friends/family members	<b>87</b>	29%
Google or through other search engines	<b>57</b>	19%
TV/ Radio advertisements	<b>48</b>	16%
Banners/Posters	<b>16</b>	5%
Other	<b>2</b>	1%

Results indicate that Friends and family members are more likely to influence shopping from online retailers as against other sources. About 29 % of the respondents reported to be influenced by Friends/Family members and 28% of the respondents are influenced by social networking/media.

**17. Level of trust on information about online marketing (Family and friends)**

**Figure 6.31**Level of trust on information about online marketing

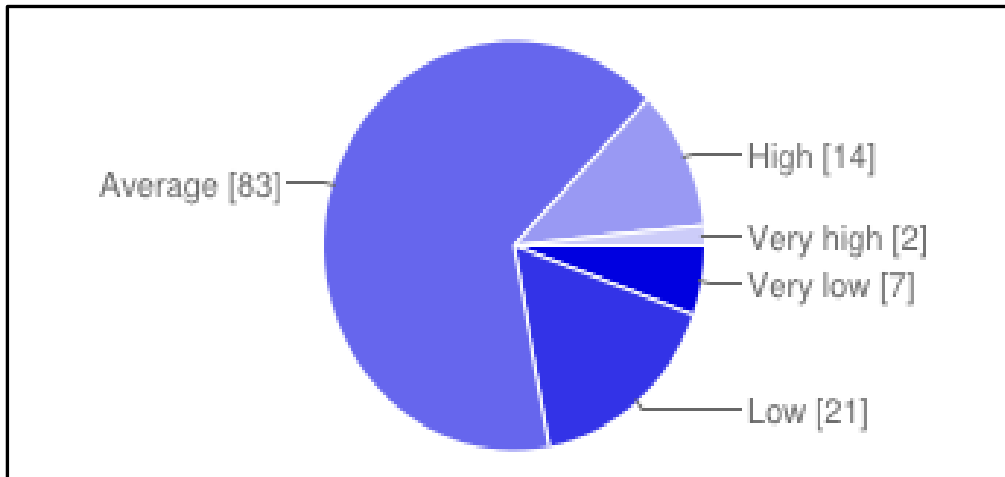


Very low	3	2%
Low	9	7%
Average	79	62%
High	34	27%
Very high	2	2%

Above results indicate that majority of participants may not have a strong belief/trust over information offered via advertisements through online marketing. The above Pie Diagram shows that 62% of the respondents showed average level of trust, followed by 27% showing a high level of trust.

**18. Level of trust in information on online marketing from outside sources  
(community, brand profiles)**

**Figure 6.32 Level of trust**

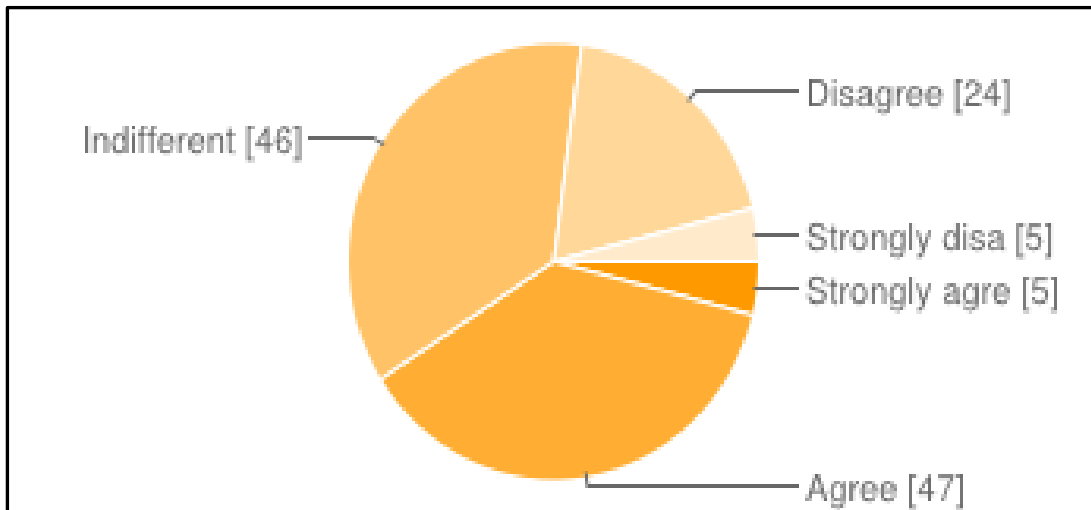


Very low	7	6%
Low	21	17%
Average	83	65%
High	14	11%
Very high	2	2%

The above figure shows that 65% of the respondents showed average level of trust, followed by 17% showing a low level of trust. This indicates that majority of the participants believed and trusted the information about online marketing shared by outsiders as well but the trust is not very high.

## 19. Relevance of social media advertisements

**Figure 6.33** Relevance of social media advertisements

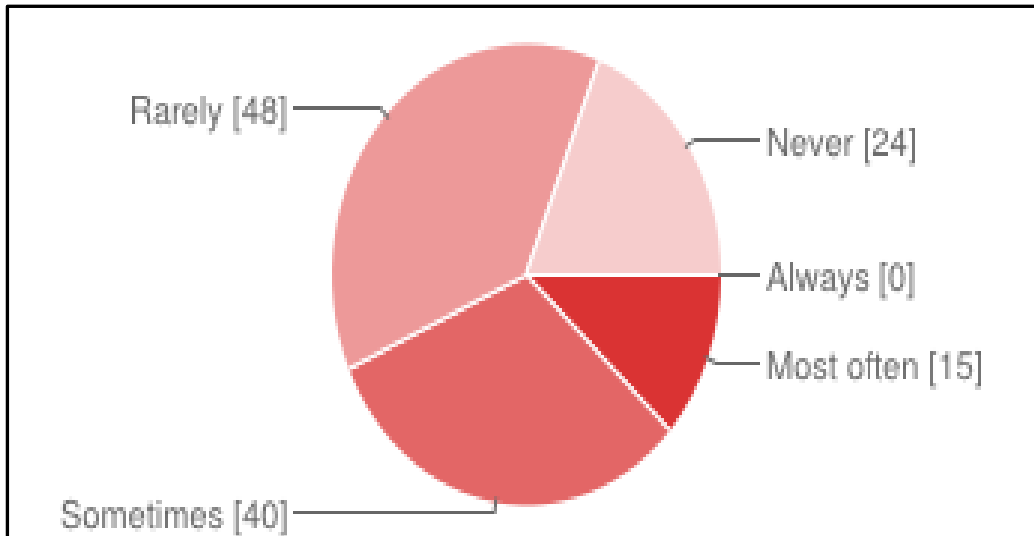


Strongly agree	5	4%
Agree	47	37%
Indifferent	46	36%
Disagree	24	19%
Strongly disagree	5	4%

About 37% of the respondents agreed that the advertisements shown on their social media home pages were relevant to them followed by 36% of the respondents who are indifferent about this (neither agree nor disagree). This may indicate that most of the participants were not looking at the advertisements with interest or carefully.

## 20. Frequency of clicks on the social media advertisements

Figure 6.34 Frequency of clicks on the social media advertisements

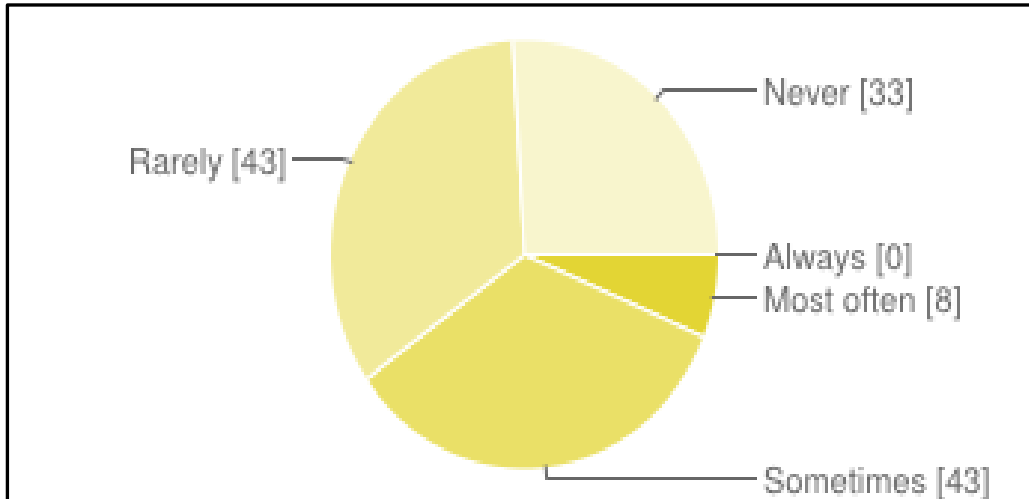


Always	0	0%
Most often	15	12%
Sometimes	40	31%
Rarely	48	38%
Never	24	19%

From the above figure it is clear that about 38% of the respondents were rarely interested in clicking on the advertisements seen on the social media home pages followed by 31% of the respondents who clicked only sometimes. This may indicate that most of the times the advertisements were ignored or seen with much less interest.

**21. Frequency of purchasing products/service based on the advertisement clicked**

**Figure 6.35** Frequency of purchasing products/service based on the advertisement clicked

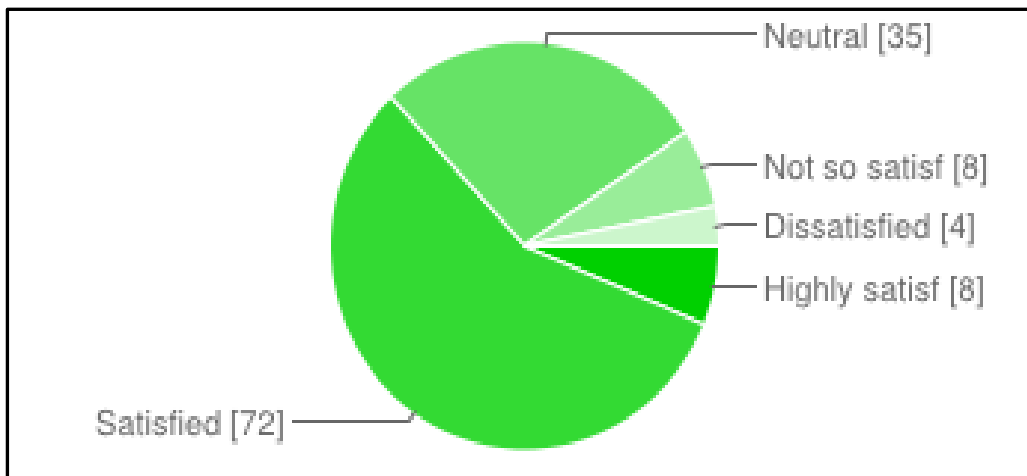


Always	0	0%
Most often	8	6%
Sometimes	43	34%
Rarely	43	34%
Never	33	26%

The above results strongly indicate that the buzz about the online purchases is more but the actual sale/purchase happening online still has a long way to go. About 34% of the respondents purchase articles online sometimes, followed by another 34% who purchase only rarely.

## 22. Experience of shopping online

**Figure 6.36** Experience of shopping online



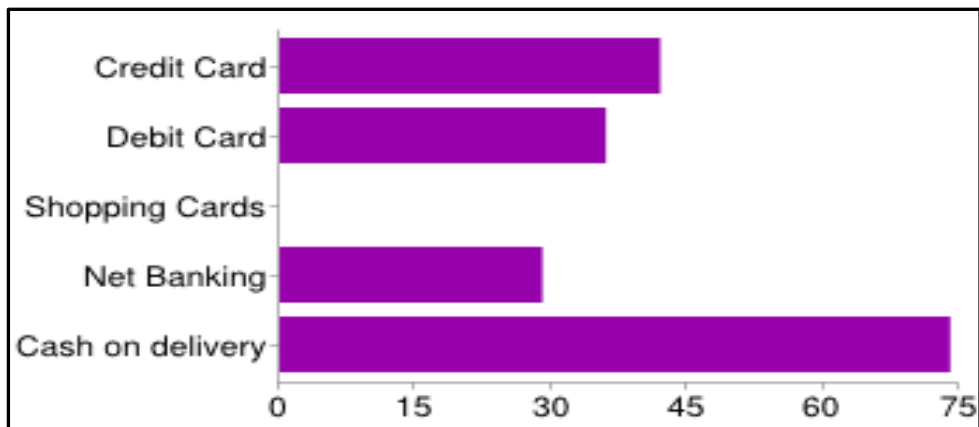
Highly satisfied	8	6%
Satisfied	72	57%
Neutral	35	28%
Not so satisfied	8	6%
Dissatisfied	4	3%

This above indicated that 57% of the respondent were satisfied with their online purchases and while rest were either neutral (28%) while a small fraction indicated dissatisfaction. This may hint that the people who made online purchases were overall satisfied with their choices.



### 23. Mode of payments

Figure 6.37 Mode of payments

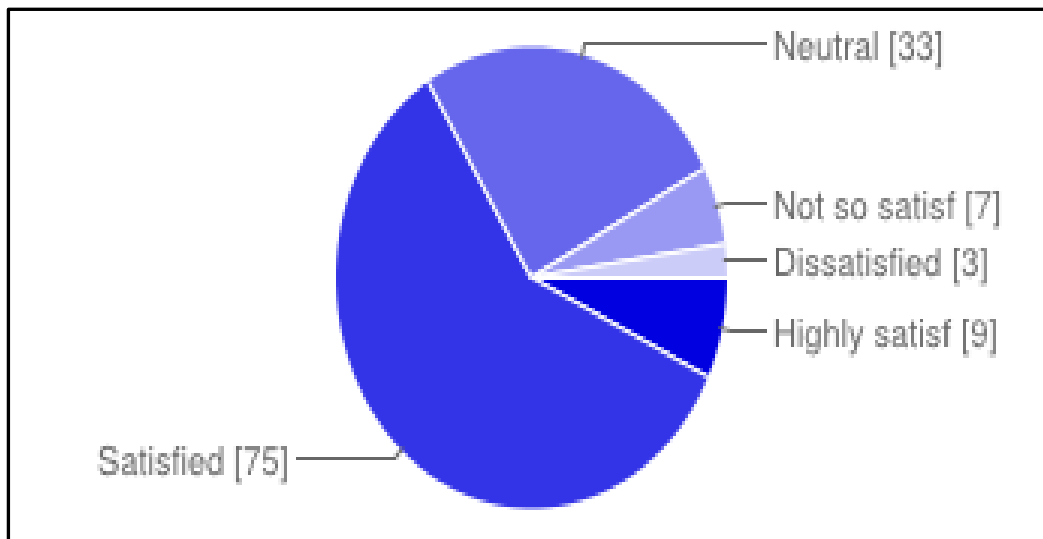


Credit Card	42	23%
Debit Card	36	20%
Shopping Cards	0	0%
Net Banking	29	16%
Cash on delivery	74	41%

The above figure indicates that 41% of the respondents prefer cash on delivery as mode of payment followed by 23% respondents who preferred Credit Card. This indicates that most participants were more comfortable making payments only on receipt of the product further indicating less trust on the retailer.

## 24. Satisfaction level with product purchase/services availed online

**Figure 6.38** Satisfaction level with product purchase/services availed online

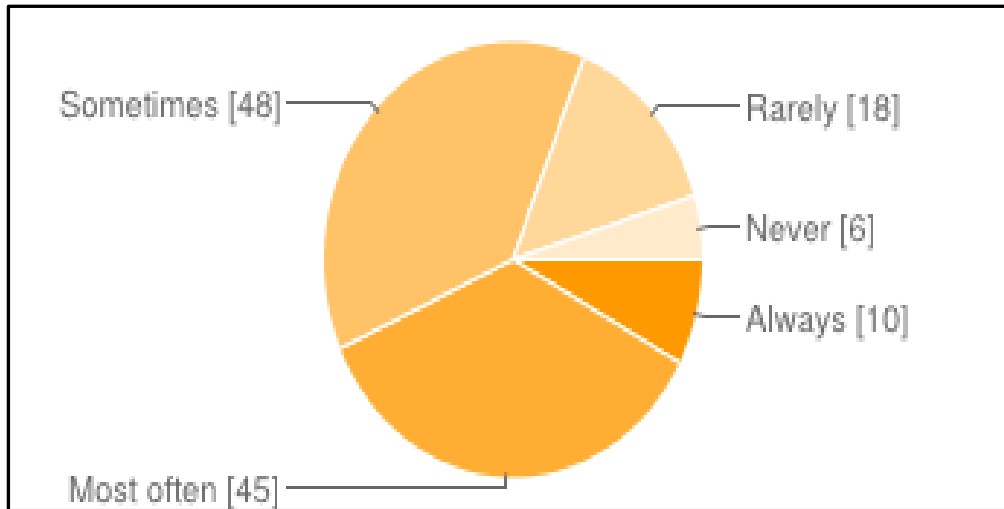


Highly satisfied	9	7%
Satisfied	75	59%
Neutral	33	26%
Not so satisfied	7	6%
Dissatisfied	3	2%

Above figure indicates that about 59% of the respondents were satisfied and 26% of the respondents were neutral. This indicates a higher level of satisfaction and more participants seemed happy with the products and services offered online.

## 25. Satisfaction level with the aftersales services on online purchases

**Figure 6.39** Satisfaction level with the aftersales services on online purchases

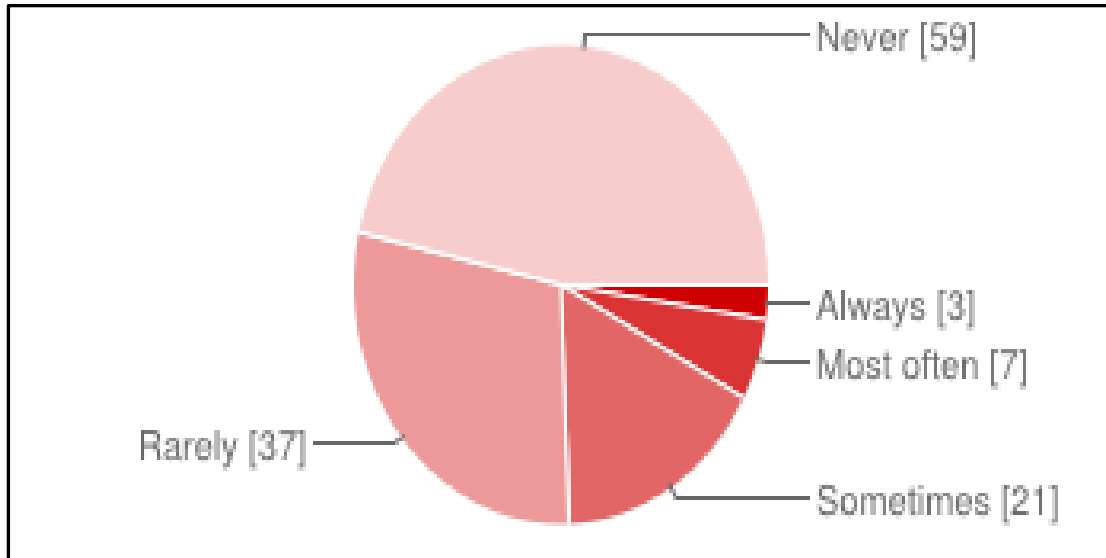


Always	10	8%
Most often	45	35%
Sometimes	48	38%
Rarely	18	14%
Never	6	5%

The above figure shows that 38% of the respondents were sometimes satisfied with the aftersales services followed by 35% of the respondents who were satisfied most often. This indicates that there is still a scope for improvement in the aftersales services provided by the online retailers for the products sold.

## 26. Grievances/complaints on the retailer’s website/ social networking page

**Figure 6.40 Grievances/complaints on the retailer’s website/ social networking page**

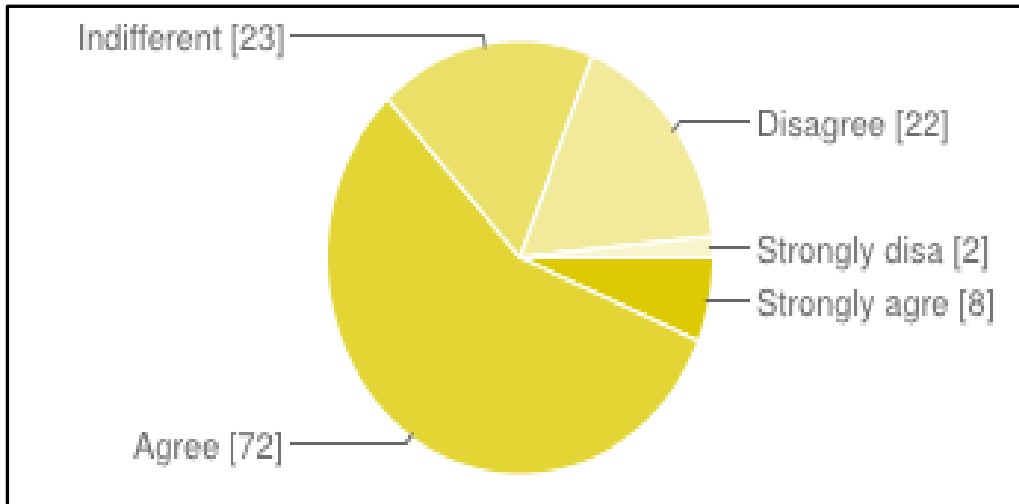


Always	3	2%
Most often	7	6%
Sometimes	21	17%
Rarely	37	29%
Never	59	46%

The above pie diagram shows that 46% of the respondents had never complaint against the online retailer followed by 29% of the respondents having rarely complained. This may indicate that most of times people don't have complaint or the same have not been reported.

## 27. Effect of social media marketing on frequency of purchases made

**Figure 6.41**Effect of social media marketing on frequency of purchases made



Strongly agree	8	6%
Agree	72	57%
Indifferent	23	18%
Disagree	22	17%
Strongly disagree	2	2%

The above results indicate that Social Media had increased the frequency of the products being bought online. The above Pie diagram shows that 57% of the respondents agreed followed by 18% who are indifferent and did not have any effect on their overall purchasing.

## **Findings**

### **Micro and Small Businesses**

1. Awareness of social media is certainly very high among small businesses – it has become the “talk of the town.” As it was found that nearly 70% of respondents use social media for their business and to increase their visibility.

2. But simultaneously, on the other side of the coin nearly 30% of the respondents are still not using social media and hence are missing out on a tremendous opportunity to connect and engage with potential customers.

3. Small businesses have been slower to adopt, mainly because they feel social media is not significant for their type of business.

4. Many respondents perceive their customers base do not use social networks or not suitable for their type of business. In fact, this sentiment was echoed by 30% of respondents in a recent survey which mostly included distributors and manufacturers.

6. Majority of the respondents found social media marketing very important for their business and were certain about its bright future potentials, when asked for their opinions about social media.

7. It was found that majority of micro and small business had done initial investment from zero up to 5 lakhs of budget to engage in social media for business.

8. The main reason for social media marketing was to create a platform for highlighting their brand and create brand awareness as it would be difficult for the small business to advertise their product by other expensive and paid mediums with limited resources.

9. The brand highlighting was done through various social media tools like facebook, twitter, pinterest, linkedin by using various engagement methods.

10. Majority have responded that they have not measured the increase in the revenue after the inclusion of social media as a marketing tool, as there can be numerous other factors which have an impact on the revenue generation of businesses.

## **Consumers**

1. Social media in today's times, is the number one activity on the web, as majority of the respondents of the study have been found to be using social media for more than 3 years and spend on an average 4-5 hours on it a day.

2. People of all ages are not actively using social media. Respondents of the age group from 15 to 35 are the most active while respondents above age group 45 are generally not engaged in social media for buying decisions as they prefer traditional method of shopping.

3. Demographic details can be surmised as the respondents of the age group 15-35 lead the survey, indicating that the younger generation is spending more time on social media sites as they are logged in quite frequently.

4. Majority of the respondents found that social media is important for their social life and they engage in it mostly for connecting with family and friends, socializing and collecting the information.

5. Facebook is the most favored and popular social networking site of the respondents followed by linkedin and twitter, thus information on these social networking sites seems to be relevant and of matter of interest to them.

6. Majority of the respondents hardly got influenced by the views and reviews of the family and friends and also the external source, this may indicate that the decision making is influenced to the extent of procuring information.

7. Respondents do find the relevance in the advertisement they see on social media sites and also click on them sometimes indicating they get attracted towards the brand and want to collect information about the same though it may not convert into a purchase.

8. They find contests, promotions, pictures, offers interesting and like to participate, which shows that brand information do influence the respondents.

9. As far as the shopping experience is concerned, majority of the respondents who have shopped online responded positively and were satisfied with the overall experience.

10. The level of trust for shopping online is building gradually as majority respondents agreed to have shopped sometime or the other after clicking on the advertisement.

11. Respondents are satisfied with the after sales service provided by the companies selling online and they have rarely addressed the grievance, which can be a step towards trust building and relationship management for shopping online.

12. Overall, the factors help to conclude that the consumers do get influenced by social media marketing to some extent for making purchase decisions.

Consumers interact with businesses or brands via social media, for getting discounts or coupons, reading reviews as part of purchasing process as customers research product information before deciding to transact. Consumers are willing to interact



with businesses if they believe it is to their benefit, help create trust for the company and decide social media is the right channel to use to get the value they seek. That value could be in the form of a coupon or specific information. Engaging with a company via social media may result in a feeling of connectedness for consumers – an emotional, intangible gain – but the wish for intimacy is not what drives most of them. For most consumers, social media is about engaging with friends and family and accessing news and entertainment – not interacting with brands. When asked why they go to social media or social networking sites, most of consumers chose, connecting with network of friends and family, In fact, most of consumers surveyed say they do not engage with brands via social media at all. Businesses are betting that social media interactions will engender increased customer loyalty. However, many consumers say they need to be passionate before they will engage, and they are split regarding how much influence they think these interactions will have.

# CHAPTER VII

## CONCLUSION

Social media marketing is important because it aligns with the way consumers make purchasing decisions. Study indicates that increasing numbers of consumers are using internet services and research to carry out preliminary product and price research before making final decisions. Social media marketing enables to build relations with customers and prospects through regular, low-cost personalized communication, reflecting the move away from mass marketing. Marketing products through social media costs less than marketing them through a physical retail outlet. Social media marketing enables to personalize offers to customers by building a profile of their purchasing history and preferences. Most entrepreneurs use social media marketing to build communities around their businesses. These communities are then used as owned media to spark conversations, spread awareness, increase following, reward fans and on the whole have a better relationship with their online audience. These active and loyal communities fit right into company's online/offline marketing and communication campaigns. Facebook is still the most used social network in India and advertisers love it. It gives them access to segment, reach and advertise to over 96,000,000 active Facebook users. Pinterest, Twitter, LinkedIn and Google Plus are a few fast growing social platforms brands have an eye on. As these networks grow brands are more likely to use these emerging platforms to connect, advertise and nurture social relationships. Compelling generic content which people like to consume and share with their friends is what businesses crave and love to post multiple times a day to keep their communities active, interesting and fun to hang out at. Businesses measure results from social network specific metrics like followers, re-tweets, likes, shares, comments, etc. More than half of the businesses surveyed find it difficult to measure results from their social media efforts. On the brighter side there

are businesses that are continuously measuring sales or leads generated from social traffic, brand visibility on social platforms, user engagement and more. Businesses usually spend zero or mostly around 1 to 5% of their marketing budget on social media advertising. This most likely will go up as marketers figure out how to optimize their social media efforts in a way that they contribute to a business objective and how to measure conversions or other useful metrics from social media marketing campaigns. With many affordable smartphones in the market and the mobile penetration rate ever increasing, it is likely that internet and social media will be accessible to many more in urban as well as rural India. The growth of social media is inevitable and early adopters are already driving profits and brand exposure from social relationships. Consumers who engage already have an affinity for that brand or company, and mere participation via social media may not necessarily result in increased loyalty or spending. But a recommendation from a friend or family member could make a difference. The power of the social community's endorsement and influence can be felt each time someone "likes" a company on Facebook or re-tweets a company's message on Twitter. Companies can take advantage of this dynamic by designing social media programs with the explicit goal of touching customers emotionally and motivating them to share their experiences with others. Organizations need to carefully consider how they can create a social media experience that is unique to their brand, offers customer value and exploits the power of the social community. Thus it can be concluded:

1. Social Media has become an important part of our lives. All businesses big or small, one man or large scale organizations are using the power of Facebook, Twitter etc. to engage with their customers, its impact is unprecedented.

2. 'High popularity does not imply high influence and vice-versa' Social media is an emerging industry and like any other industry it is going through a churn before best practices. At this point of time, there are several tools which give an automated influence score but accuracy of these is still a question mark for several reasons.

3. There are no credible ways to measure return on investment in social media. They also contend there is no definitive data showing that social media creates business, or that the number of followers you have on Twitter or friends on Face book translates into revenue.

4. Both traditional and social media have strong effects on marketing performance, though a single unit of social media has a much smaller effect than a single unit of traditional media. However, because social media is created in larger volumes than traditional media, it has a sizeable effect on performance (i.e., social media is high-volume, low-margin, whereas traditional media is low-volume, high-margin).

5. Social media isn't about statistics of hard numbers (likes, posts, comments, number of visitors, links). It's about good, old-fashioned relationship building.

6. With social media evolving at an incredible speed, it's vitally important for micro and small businesses to stay on top of the changes in order to get the most value from their social marketing initiatives and investments.

It is understandable why companies want to use social media to interact with customers. The benefits are real and deep. First, there is the social interaction itself, which can provide direct value to the business through revenue from social commerce and cost savings when used for customer care or research, in addition social

networking enables rapid, viral distribution of offers and content that may reach beyond what could be done in traditional channels – all with endorsement from connections people trust. But that is just the beginning. Companies also can use social platforms to mine data for brand monitoring and valuable customer insights, which can spark innovations for improved services, products and customer experiences. In a constant cycle of listen-analyze-engage-evolve, organizations can optimize their social media programs to continually enhance their business. With so much to gain, companies need to invest the effort to understand how to break through the noise and offer current and potential customers a reason to reach out to them via social media. Businesses, eager to get closer to customers, are building pages on social networking sites, posting videos and microblogging; however, if they don't focus on what the majority of their customers value in social media, they may be missing the boat. In fact, offering tangible value to consumers may be the strongest incentive to attract the casual participants who need a good reason to interact. For companies that have been taking a “build it and they will come” approach to social media, these consumer findings are a wake-up call that much more needs to be done if they want to attract more than the most devoted brand advocates. Social media is ultimately about interacting with others with an expectation of getting something in return. Even if that “something” is intangible, such as a feeling of connectedness or affection, participants are actively, purposefully seeking value. For businesses, the challenge is unlocking what their customers care about and creating social media experiences that deliver that value. But first, companies need to understand the dynamics of consumer growth and activity on social sites and take stock of consumer attitudes and the triggers that compel them to seek out for the company.

# CHAPTER VIII

## **SUGGESTIONS & RECOMMENDATIONS**

Social media has matured to the point where marketers are no longer asking whether it should be part of their marketing mix but how and where they should participate. A clear strategy for the channel is now necessary. The low external costs of doing social media can lull business owners into creating their own solutions. However, taking into account the time spent debating, formulating, managing and executing social media campaigns and creating contents makes it clear that money is at stake and a well-thought-out plan is necessary. Instead of researching the best ways to engage in the social networks and/or reaching out to an experienced person in the marketplace, many businesses just start creating accounts and putting out content without much of a plan or purpose. That is a recipe for spending a lot of time and not getting much for it. An important part of an effective social media plan is deciding the following:

1. The brand message to be known through the social media space.
2. The competitive differences and unique qualities and capabilities that are worthy of communicating about business via the social networks.
3. Integrate social media into other marketing efforts.

These important elements and working with a knowledgeable person, one can avoid the pitfalls many small businesses have experienced thus far, save some time and/or money, and learn how to succeed doing social media marketing. Following ideas can help to achieve the success desired:

1. Social Media Marketing is a very effective way of nurturing relationships and maintaining them with new and existing clients, which will bring in more work.
2. Online search queries focused on local businesses continues to accelerate with people using social media, with an even greater growth in local search via mobile



devices. It is imperative that small businesses stake their claim now on basic local channels, like Google Places, and populate those sites with the types of information consumers are most likely to search for -- products and services, hours of operation, contact phone number, physical address, etc.

3. To better increase business results, micro and small business owners must understand their digital needs or take help from expertise to save time and help achieve success online -- all start within a small budget.

4. Micro and Small businesses must deliver some value-added services, like online shopping, booking or electronic billing and lead to the direction of ecommerce.

5. Presence on Facebook, and other social media channels such as Pinterest, Twitter, etc., is highly recommended to micro and small businesses to increase awareness among prospects, create and strengthen personal relationships with current and potential customers and for a stronger brand recall too.

6. As the portion of a URL to the right of the dot (.com, .org, .net), specialized TLDs, such as ".florist," ".cakes" and ".library," will have a significant impact on where small businesses can be found on the web. It is an opportunity to cut through the clutter of the usual ".com," ".net" or ".org" domains and convey an immediate description of a business.

7. Social media has come to the point where marketers are no longer asking whether it should be part of their marketing mix, but how and where they should participate-- a clear strategy for the channel is now pertinent.

8. Social media can be effective, but in order to work its magic, small businesses have to choose the kinds of social sites they use wisely for their business.

9. It can be suggested that small businesses can tie up with online marketing sites for bolstering their business as creating their own websites and other social media engagements alone cannot make market soon.

# CHAPTER IX

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# QUESTIONNAIRE FOR CONSUMER

## **Studying the influence of social media on online buying decisions Informed Consent Form**

**Purpose of the Study:** This is a study in marketing and social networking that is being conducted by Ms. Shilpa Chheda, M.Phil Research Scholar, at D.Y. Patil Management Institute, Mumbai. The purpose of this study is to analyse the impact of marketing on social media and networking sites on purchasing decision of customers.

**What will be done:** You will complete a survey, which will take around 10 minutes to complete. The survey includes questions about your social media and networking history. Other survey questions will address your perceptions of shopping online via online retailers. We also will ask for some demographic information (e.g., age, marital status, number of children, education level) so that we can accurately describe the general traits of the group of participants participating in the study.

**Benefits of this Study:** Though you will not gain any direct advantage through the participation in this study, you will be contributing to knowledge about consumption of online marketing through social media and networking. **Risks or discomforts:** No risks or discomforts are anticipated from taking part in this study.. If you decide to quit at any time before you have finished the questionnaire, your answers will NOT be recorded.

**Confidentiality:** Your responses will be kept completely confidential. We will NOT know your IP address when you respond to the Internet survey. Only the researchers will see your individual survey responses. After we have finished data collection and analysed the collected data we will destroy after a period of 7 years. Decision to quit

at any time: Your participation is voluntary; you are free to withdraw your participation from this study at any time. If you do not want to continue, you can simply leave this website. If you do not click on the "submit" button at the end of the survey, your answers and participation will not be recorded.

**How the findings will be used:** The results of the study will be used for scholarly purposes only. The results from the study will be presented in educational settings and at professional conferences, and the results might be published in a professional journal in the field of marketing/management studies.

**Contact information:** If you have concerns or questions about this study, please contact Ms. Shilpa Chheda at [shil.hir77@gmail.com](mailto:shil.hir77@gmail.com) or Dr. R. Gopal- the supervisor of the study at +9122 27565618

**\*Required**

1. By beginning the survey, you acknowledge that you have read this information and agree to participate in this research, with the knowledge that you are free to withdraw your participation at any time without penalty.

\* Select only one.

a. Yes, I would like to proceed

b. No, I would not like to participate in this study. Stop filling out this form.

## Section A

### Demographic details

2. Please indicate your gender

a) Male

b) Female

c) Other

3. What is your age?

- a) 18 to 24 years
- b) 25 to 34 years
- c) 35 to 44 years
- d) 45 to 54 years
- e) 55 to 64 years
- f) 65 or older

4. Please indicate the level of education you achieved

- a) No schooling completed
- b) Nursery school to 8th grade
- c) Some high school no diploma
- d) High school graduate, diploma or the equivalent (for example: GED)
- e) Trade/technical/vocational training
- f) Bachelor's degree
- g) Master's degree
- h) Professional degree
- i) Doctorate degree

5. Marital Status: What is your marital status?

- a) Single, never married
- b) Married or domestic partnership
- c) Widowed
- d) Divorced
- e) Separated

6. Please indicate your current employment status

- a) Employed for wages
- b) Self-employed
- c) Out of work and looking for work
- d) Out of work but not currently looking for work
- e) A homemaker
- f) A student
- g) Retired
- h) Unable to work

7. Please indicate the city of your residence

\_\_\_\_\_

8. Do you have an account on any social media/networking website?

- a) Yes
- b) No Stop filling out this form.

## Section B

**(Information about your social media/networking participation)**

9. For how long have you been using social media sites?

- a) Less than 1 month
- b) 1 – 6 months
- c) 6 months – 1 year
- d) 1 – 2 years
- e) 2 – 3 years
- f) More than 3 years

10. How would you describe your log in pattern on social media/networking sites?

- a) Always connected
- b) Several times a day
- c) Once in a day
- d) Every three days 4
- e) Once in a week
- f) Occasionally

11. Which social media sites do you explore? (Select as many as applicable) \* Tick all that apply.

- a) Twitter
- b) Facebook
- c) Linkedin
- d) Google plus
- e) Blogs
- f) Pinterest
- g) Foursquare
- h) Other: \_\_\_\_\_

12. Do you experience concern regarding the confidentiality and privacy of your personal information?

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

13. What is the Purpose of using social media/networking sites? (select as many as applicable) \* Tick all that apply.

- a) Connecting with family and friends
- b) Playing games and contests
- c) Exchanging views about the product and services
- d) For online offers and discounts on products and services 4
- e) Updating profile on social media/networking sites
- f) Unspecified fun
- g) Sharing/consuming content
- h) Time-killing
- i) Debating
- j) Information
- k) Socializing
- l) Other: \_\_\_\_\_

14. How important do you think social media is for your social life?

- a) Very important
- b) Important
- c) Neutral
- d) Somewhat not important
- e) Not important at all

## Section C

### (Impact of social media marketing on your buying decisions and your experience of online purchasing)

15. How often do you consider opinion/reviews posted on social media/networking sites for buying decisions?

- a) Always
- b) Most often
- c) Sometimes
- d) Rarely
- e) Never

16. What attracts you towards brand through social media/networking marketing?

(select as many as applicable) \* Tick all that apply.

- a) Promotional offers such as discounts and coupons
- b) Brand information
- c) Facts and factoids
- d) Brand invitation
- e) Friends invitation
- f) Loyalty towards brand
- g) Other: \_\_\_\_\_

17. Which online retailer do you prefer to shop from? (Select as many as applicable) \*

Tick all that apply.

- a) Myntra.com
- b) Flipkart.com



- c) Amazon.in
- d) Junglee.in
- e) Yebhi.com
- f) Freeculture.com
- g) 100bestbuys.com
- h) Ebay.in
- i) Small scale non-branded sellers
- j) Snapdeal.com
- k) Zovi.com

18. From where did you hear about the online retailer you selected in the above question?(Select as many as applicable) \* Tick all that apply.

- a) Social networking/media
- b) Blogs
- c) Friends/family members
- d) Google or through other search engines
- e) TV/ Radio advertisements
- f) Banners/Posters
- g) Other: \_\_\_\_\_

19. What is the level of trust you have in information on online marketing from personal sources (family, friends and their connections)?

- a) Very low
- b) Low
- c) Average
- d) High
- e) Very high

20. What is the level of trust in information on online marketing from outside sources (community, brand profiles)?

- a) Very low
- b) Low
- c) Average
- d) High

21. Do you think advertisements appearing on your social media profile are relevant for you?

- a) Strongly agree
- b) Agree
- c) Indifferent
- d) Disagree
- e) Strongly disagree

22. How frequently do you click on the advertisements seen on social media (in terms of accessing the site or buying the product)?

- a) Always
- b) Most often
- c) Sometimes
- d) Rarely
- e) Never

23. How frequently do you purchase products/service based on the advertisement clicked?

- a) Always
- b) Most often
- c) Sometimes
- d) Rarely
- e) Never

24. How would you rate the experience of shopping online?

- a) Highly satisfied
- b) Satisfied
- c) Neutral
- d) Not so satisfied
- e) Dissatisfied

25. What mode of payment do you commonly use? Tick all that apply.

- a) Credit Card
- b) Debit Card
- c) Shopping Cards
- d) Net Banking
- e) Cash on delivery

26. Are you satisfied with product purchase/services availed?

- a) Highly satisfied
- b) Satisfied
- c) Neutral

d) Not so satisfied

e) Dissatisfied

27. Are you satisfied with the aftersales services on products purchase online?

a) Always

b) Most often

c) Sometimes

d) Rarely

e) Never

28. How many times have you posted your grievance/complaints on the retailers website/ social networking page?

a) Always

b) Most often

c) Sometimes

d) Rarely

e) Never

29. Please indicate your agreement/disagreement with the following statement -  
“Social networking/media has increased my frequency of buying products online or use of online services.”

a) Strongly agree

b) Agree

c) Indifferent

d) Disagree

e) Strongly disagree

## QUESTIONNAIRE FOR RETAILERS

### Impact of Social Media Marketing on performance of Small Businesses Informed Consent Form

**Purpose of the Study:** This is a study in marketing and social networking that is being conducted by Ms. Shilpa Chheda, M.Phil Research Scholar, at D.Y. Patil Management Institute, Mumbai. The purpose of this study is to analyse the impact of Social Media Marketing on performance of Small Businesses.

**What will be done:** You will complete a survey, which will take about 10 minutes to complete. The survey includes questions about your social media and networking history. We also will ask for some basic information pertaining to your business (e.g. type of business, no. of employees, investment done etc) so that we can accurately describe the general traits of the business group with respect to social media.

**Benefits of this Study:** Though you will not gain any direct advantage through the participation in this study, you will be contributing to knowledge about impact of Social Media Marketing on performance of Small Businesses. **Risks or discomforts:** No risks or discomforts are anticipated from taking part in this study. If you decide to quit at any time before you have finished the questionnaire, your answers will NOT be recorded.

**Confidentiality:** Your responses will be kept completely confidential. We will NOT know your IP address when you respond to the Internet survey. Only the researchers will see your individual survey responses. After we have finished data collection and analysed the collected data we will destroy after a period of 7 years. **Decision to quit at any time:** Your participation is voluntary; you are free to withdraw your

participation from this study at any time. If you do not want to continue, you can simply leave this website. If you do not click on the "submit" button at the end of the survey, your answers and participation will not be recorded.

**How the findings will be used:** The results of the study will be used for research purposes only. The results from the study will be presented in educational settings and at professional conferences, and the results might be published in a professional journal in the field of marketing/management studies.

**Contact information:**

If you have concerns or questions about this study, please contact Ms. Shilpa Chheda at shil.hir77@gmail.com or Dr. R. Gopal- the supervisor of the study at +9122 27565618

**\*Required**

1. By beginning the survey, you acknowledge that you have read this information and agree to participate in this research, with the knowledge that you are free to withdraw your participation at any time without penalty.

- a) Yes, I would like to proceed
- b) No, I would not like to participate in this study. Stop filling out this form.

**Basic information about your business**

2. Please indicate the type of business you own \* (select as many as applicable) Tick all that apply.

- a) Manufacturing
- b) Distribution

- c) Retailing
- d) Customer service
- e) Other: \_\_\_\_\_

3. Please indicate the initial investment done in the business

- a) 00-05 lakhs
- b) 05-10 lakhs
- c) 10-15 lakhs
- d) 15-20 lakhs

4. Do you use social media/networking for marketing/promoting your products/services?

- a) Yes
- b) No Skip to question 27.

## **Section 1a**

5. Since how long are you using social media / networking for business promotion and marketing?

- a) less than 6 months
- b) 6 months - 1 year
- c) 1 year - 2 years
- d) 2 years - 3 years
- e) more than 3 years

6. State the average number of customers prior participation in social media marketing

- a) less than 50
- b) 50 - 100
- c) 100 - 150
- d) 150 - 200
- e) more than 200

7. What is the objective of your social media engagement? (Select as many as applicable) Tick all that apply.

- a) Research
- b) Platform to highlight brand development/news
- c) Customer service
- d) Generate leads
- e) Build community
- f) Other: \_\_\_\_\_

8. Which are the platforms you used for your social media marketing efforts? (select as many as applicable) \* Tick all that apply.

- a) Facebook
- b) Twitter
- c) YouTube
- d) Blog
- e) LinkedIn
- f) Other: \_\_\_\_\_



9. Do you regularly engage with customers/influencers?

- a) Yes
- b) Sometimes
- c) No

10. Do you include information about your social media campaigns in your print/TV advertising campaigns?

- a) Yes
- b) No

11. Have you organised any exclusive deals/promotions for online fans online?

- a) Yes
- b) May be in future
- c) No

12. Have you run a campaign using only social media or has social media been the leading component in any campaign?

- a) Yes
- b) No

13. Have you speeded up processes, or shown a special favour to any of your online fans, followers that you would normally not do for your customers who are not online?

- a) Yes
- b) No

14. What are the topics related to your brand that you post on your Social Media / Networking Sites vis-à-vis totally unrelated topics? \* Tick all that apply.

- a) Interesting pictures
- b) Videos
- c) Factoids
- d) Quiz
- e) Industry news

15. What is the average frequency of updates you have on your Social Media / Networking Sites

- a) 1 post a day
- b) 1 post every 1-2 days
- c) 2-3 posts a day
- d) More than 3 posts a day

16. What is your average response time with which you attempt to reply to a fan query on Social Media / Networking Sites

- a) 1 to 30 min
- b) 30 min to 60 min
- c) More than 60 min
- d) Within 6 hrs.
- e) Within 12 hrs.
- f) Within 24 hrs.
- g) More than 24 hrs.

17. On Social Media/ Networking Sites, how often on an average necessary to have contests/giveaways, promotions for fans, besides the regular day to day interaction?

- a) Every week
- b) Every fortnight
- c) Every month
- d) Once in a quarter
- e) Once in 6 months

18. What is the type of contest you have found to be the most successful on your social media platform? \* select as many as applicable Tick all that apply.

- a) Picture game
- b) Quiz contest
- c) Game
- d) Video contest
- e) Other: \_\_\_\_\_

19. What has been the average value of the prize you have offered ever for your online contests? This is the prize that one individual winner get, and not the overall amount

- a) Less than Rs. 1000
- b) Rs. 1000 - Rs. 2000
- c) Rs. 2000 - Rs. 3000
- d) More than 3000
- e) I have never offered online prize

20. Have you conducted any social media research for your organisation? Can you share what kind of research have you conducted? \* Tick all that apply.

- a) To understand customer behavior
- b) Competitive Benchmarking
- c) To get customer feedback
- d) Other: \_\_\_\_\_

21. Are you finding social media advertising beneficial for your business

- a) Yes
- b) May be
- c) No

22. How do you measure your success/ ROI on social media? \* Tick all that apply.

- a) Specific parameters viz. Likes, People Talking about this, Comments, Impressions, views, etc.
- b) Sales
- c) Change in sentiment
- d) Brand visibility
- e) Generating leads
- f) Other: \_\_\_\_\_

23. State the average number of customers post participation in social media marketing

- a) less than 50
- b) 50 - 100

- c) 100 - 150
- d) 150 - 200
- e) more than 200

24. Are you able to see increase in revenue from your social media engagements? \*

Mark only one oval. Not measured No Maybe 10% upto 25% upto 50% more than it

25. How much percentage of your marketing budget do you spend on your social media initiatives?

- a) zero investment
- b) 1 to 5 %
- c) 5 to 10 %
- d) 10 to 15 %
- e) more than 15%

26. Comments on future of Social media in few lines \*

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Stop filling out this form.

## **Section 1b**

27. State the number of Average number of customers without engaging in social media

- a) less than 50
- b) 50 - 100
- c) 100 - 150
- d) 150 - 200
- e) more than 200

28. Please indicate the reasons that prevent you from using social media/networking for marketing/promoting your products/services (Select as many as possible) Tick all that apply.

- a) Not aware of social media/networking sites
- b) Cost factor
- c) Too much time required to maintain the page/ads
- d) I don't think marketing on social media/networking sites work
- e) Lack of expertise to use social media/networking sites
- f) Plans to use social media/networking sites in the future
- g) Social media/networking is not effective for the type of business I run
- h) My customer base is not familiar with social media/networking sites
- i) Other: \_\_\_\_\_