

# Impact of Social Media Marketing on Consumer Behavior

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**Abstract:** The present study titled study of Impact of social media marketing on online retail stores in India, is conducted with an aim to identify and explore the impact of various social media marketing practices adopted by online retail store. The best practices identified and selected to access the impact. Impact assessment is done by recording consumer response towards the strategies and results are analyse with the help of undefended sample t-test. The paper adopted a model which shows that the social media marketing help in spreading awareness and prompt user divert on websites, where-in with another forms of strategies allure customer to buy products.

**Keyword:** *Social Media, Social Media Marketing, Online Store.*

## 1. Introduction

The use Social media has grown many folds in times. The rise of smart telephony, complimented by very affordable data services in India, make this very convenient for majority of the people to use social media. The time spent on social media is increasing day by day and its functions are increasing as well. Starting from research many functions like customer relationship management, customer satisfaction survey, information and communication, advertising, selling is being done with the help of social media. Social media is emerged as a well developed channel for many of the functions. ( TRAI, 2017) India currently have a tele density of 91.56 % with approx 400 Million smart phone users. (Zenith Media, 2017) The number of smartphone owners will increase by 7% year on year in 2018, compared to 10% growth in 2017, 14% in 2016 and 21% in 2015 globally and India has second largest base of 530 million smartphone users. The media is accepted by customer because of many features it provides to customer. The outmost is connectively with the friends and family. This allow users to watch communication of his interest and hobbies, which he can do by following the pages of his choices and subscribing to social media channels.

Social media also helpful for new startup and young entrepreneur for information sharing, communication, advertisement and promoting business ideas with many social media marketing tools like social media pages, micro blogging websites, making their personal channels and reaching to thousands of subscribers almost immediately. Many online retails stores in India has started there operation in India, which are using social media for fulfilling various marketing functions. (Hanna, Rohm, & Crittenden, 2011) The unique aspects of social media and its immense popularity have revolutionised marketing practices such as advertising and promotion. (Stephen, A.T, 2015) Marketers have responded to this fundamental shift of increase in number of user and time speed on social media by increasing their use of digital marketing channels.

## 2. Research Objective

The study is aimed to understand the conceptual framework, as how social media marketing strategies are impacting consumers behaviours and compelling them to buy product online. A analytical study for selected social media marketing tools is done to achieve the objective and observation and findings are drawn to form a conclusion in Indian perspective.

### 3. *Research Hypothesis*

Scientific statements inferred from research objective can be split into testable hypotheses. The hypothesis or prediction that comes from review of literature or theory is usually saying that an effect will be present. This hypothesis is called the alternative hypothesis and is denoted by  $H_1$ . (It is sometimes also called the experimental hypothesis but because this term relates to a specific type of methodology it's probably best to use 'alternative hypothesis'.) There is another type of hypothesis, though, and this is called the null hypothesis and is denoted by  $H_0$ . This hypothesis is the opposite of the alternative hypothesis and so would usually state that an effect is absent. Here in perspective of the paper, the review of literature suggested that there is an impact if social media marketing on consumer behaviour and the same is set as an alternate hypothesis. The null hypothesis is formed accordingly.

**Null Hypothesis ( $H_0$ ):** Social media Marketing does not have an impact on consumer perception and buying behaviour.

**Alternate Hypothesis ( $H_1$ ):** Social media Marketing have an impact on consumer perception and buying behaviour.

### 4. *Conceptual Framework*

To understand whether social media marketing tools and strategies have an impact of consumer behaviour, the ecosystem of smart telephony is reviewed at first instance. There are certain factors which give rise to increase in use of smartphones. The first factor is big and wide screen of phones, with superior quality display.

#### **A. Increasing size of screen:**

Analysis of correlation between screen size and time spend on social media is done in the study. The value of person correlation coefficient 0.76 denote a high correlation between the size of mobile screen and time spend on social media, which suggest that user with a big and wider screen spend more time on phone in comparison to customer with relatively small screen. simultaneously customer on wifi network and free data plans spend more time unlike using social media on paid mobile data and connection. Barredo.A ( May 2014) analysed the trends in size of screen from year 2007, found that it took five years for the average screen size to get from 3" to 4", but only two more to get to the current average of 5.

#### **B. Affordable Data Services.**

Another factors which increased the time spend on smartphone are affordable data services in India. (Shinde, J. January 2017) article titled " now is the best time to be an internet and cellular data user in India" showed that entry of reliance jio launched its 4G VoLTE service in September 2016 with free data till March 2017, has shaken up the telecom sector. This leads to average cost of 66 Rs for 1 GB of 4G data which is value for money. The competing companies also slashed the prices by 50%. There are other trends of free data services like google is offering free data to hundred platforms across country and many other practices make use of smartphone and social media very affordable. The affordable data services found to have a correlation of 0.69, which shows that the people with affordable data plans spend more time on social media platforms.

### **C. Evolution and feature potential of smart telephony.**

The time has evolved from era of basic phone without internet and wifi to featured phone with fix set of function and smartphone function similar to computer, touch screen, internet access and operation system which can download and run application. According to a survey done by pew research centre total 17% of Indian have smart phones, 61% have featured phone and 22% do not have a phone. Tough 17% is a less percentage but for a population of approx 1200 million, 17% is a huge number. Survey also shows a whopping 61% of potential phone users, who can be upgraded to smartphones. This is potentially a very huge customer base, who is in future upgrading to smart phone and having access to social media marketing. The ( Pew Research consulting, 2017) Pew survey revealed that social networking is growing in popularity among users in developing nations. “Majorities of adult Internet users in almost every emerging and developing nation surveyed say that they use social networking sites such as Facebook and Twitter,” it said. The report added that across the 40 countries it surveyed, a median of 76% of Internet users said that they used social networking sites.

### **D. Decreasing cost of smart telephones.**

The price of smart telephones in Indian is decreasing day by day. The competition in the marketing is tough and there are companies alike Samsung, who is a marketing leader in Indian mobile market, xiaomi, Chinese giant open and vivo, apple and micro max, Lenovo and many other companies are operating in the market. Recently Jio launched a smartphone in a price which almost practically free. The basic smartphone phone models which are available starting as low as 4,000 Rs. Simultaneously, the internet technology has give rise to many online platforms like OLX and quicker, where seller can sell the used items including smartphones and buyer can get the items in sometimes less than half of the cost. Majority of the seller and buyers use these online websites for selling snap buying smartphones. This has made owning a smartphone ever more affordable in India.

### **E. Capabilities of smartphones.**

From recent digital trends and government initiative increased the capabilities of smartphones. Many functions. Like digitals payments, banking services, shopping, social media, data sharing, clicking picture and recording videos and searching internet, reading books, entertainment music and movies, Playing games can be done with the help of smartphones. This is increasing the number of smartphone users in India and along with its acceptability to influence customer with social media marketing tools.

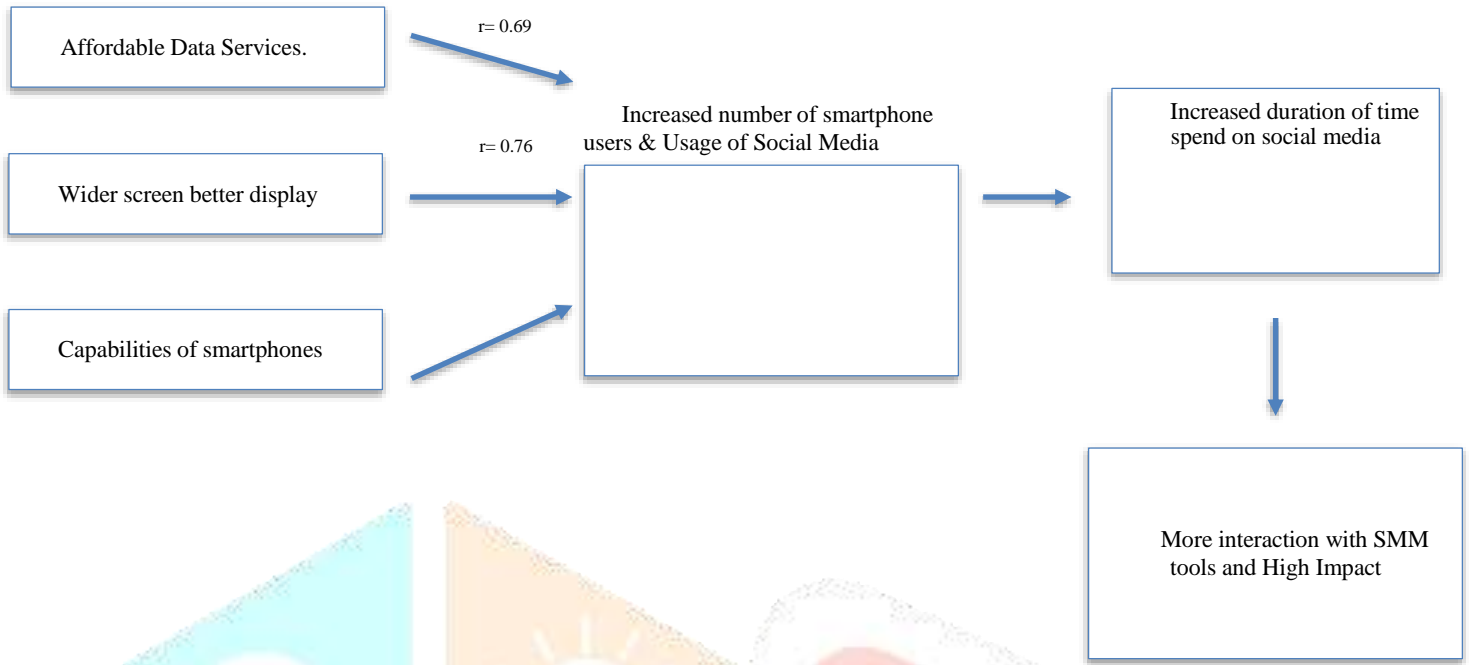


Figure 1: Proposed model showing relation between various factors making impact on social media.

**5. Research Methodology**

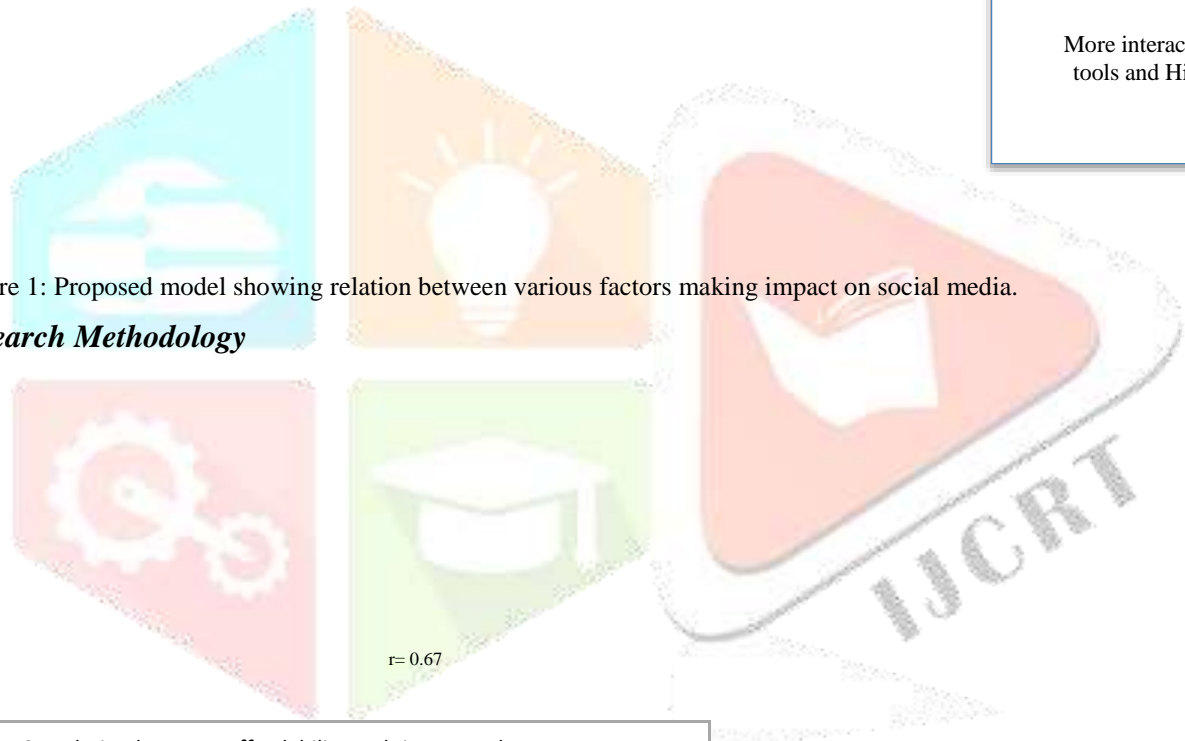


Table 1: Correlation between affordability and time spend

	Affordability of data plans	Time Spend on Social media
Affordability of data plans	Pearson Correlation Sig (2 tailed) 1	<b>0.69</b>
Time Spend on Social media	Pearson Correlation Sig (2 tailed) 0.69	1

Table 2:  
Correlation between screen size and time spend

	Widen screen and better display		Time Spend on Social media
Wide screen and better display	Pearson Correlation Sig (2 tailed)	1	<b>0.76</b>
Time Spend on Social media	Pearson Correlation Sig (2 tailed)	0.76	1

Table 3: Correlation between Capability of smartphone and time spend

	Capability of smartphone		Time Spend on Social media
Capability of smartphone	Pearson Correlation Sig (2 tailed)	1	<b>0.67</b>
Time Spend on Social media	Pearson Correlation Sig (2 tailed)	0.67	1

A sample of 300 respondent, selected with the help of non probabilistic stratified sampling are selected and suitable and relevant questions are asked in forms of multiple choice, dichotomous and close ended questions. With the help if Pearson correlation coefficient the value of correlation coefficient is calculated which determined how individual factors are associated with each other. The value for correlation between the widescreen and time spend on social media is calculated as 0.76, which proved the a wider screen and better resolution increased the time spect on social media, the value is calculated its 0.69 for affordable data plans and .92 for capabilities of smartphone. All three factors found to have an positive association with time spend on social media platforms. Which shows that increase in resolution of the screen and width of the screen, viewer spend more time on the phone because of viewing experience viewer gets on big screen. Likewise customer who have affordable data plans care less about data spent wise surfing and spend more time on social media. The hold true for capabilities of smartphone. Wherein the customer use the phone more and spend more time in advance phone, as they get a better viewing experience.

Score	1	2	3	4	5	6	7	8	9	10
Trust	Very Low		Low		Moderate		High		Very High	

Table 5 : Rating scale to record Level of trust customer develops on social media marketing tools.

The time spent on social media per day is correlated with the level of trust on social media advertising and other tools. With a rank scale the level of trust is recorder on a scale of one to ten. The respondent are asked to give rating as per the trust level of customer on these parameter. A rating scale of 1 to 10 is prepared, 1 being the lowest

Time spend	1-15 Min	15-30 Minute	30-45 Min	45-60 Min	60-90 Minute	90-120 Minute	120-150 Minute	150-180 Minute	180-240 Minute	> 240 Minute
Trust	Very Low		Low		Moderate		High		Very High	

Table 7: Correlation between Trust level and and time spend on social Media.

	Level of trust	Time Spend on Social media
Level of Trust	Pearson Correlation Sig (2 tailed)	1
Time Spend on Social media	Pearson Correlation Sig (2 tailed)	0.75

and 10 being highest level of trust on a given parameter. The score is also divided into five level of trust. Similarly for time the minute wise slots are set on a scale. First four slots are divided in 15 minute, next four are in slot of 30 minute, second last slot is kept for one hour, which is 3-4 hours a day and last slot is for more than 4 hours a day.

The value of person correlation coefficient is 0.75, which shows a positive relation of time spend on social media platform and level of trust, which customer develops. This trust lead to purchase decision of customer and the real purpose of diverting the customer to seller website is done from where customer can buy product.

## 6. Finding and suggestions

The presented analytical study explored many facets of social media marketing. The topic is very vast and technical in nature and can be studied in so many various forms. The present Study finds various reasons, which are accountable for acceptability and usage of social media on smartphones. They are the wider screen, which gives a superior resolution to customer and increase the viewing experience of customer. This experience leads to increase in time spend on social media and interaction of users with online advertisement. Access to social media also helpful in getting other personal information of users by various social media marketing tools like contest, access to valuable information, discount and other. The purchasing habit, time spent on particular type of website, product explored and pages shuffled can be find out and used for further personalised marketing purposes. Affordable data services catalyse the usage of internet and social media in smartphones, the cost of smartphone in india made this possible that a smartphone is reasonably affordable to masses.

The association of time spend on social media and the level of trust of customer on advertisement and online seller found to be positively correlated with each other, which advocate impact of social media marketing tools on trust and consumer buying behaviour.

## 7. Conclusion

With the help of statistical analysis and data observation, the paper concluded that social media marketing tools influence customer buying decision and should be used as a channel for digital advertisement. The observation lead to accept the alternate hypothesis, which states, social media Marketing have an impact on consumer perception and buying behaviour. India as a country have immense potential for smartphone users and still only 17% have smartphone and rest 61%, who have a feature phone will be upgrading to smartphone in coming 1-3 years. Social media in future have potential to immersed as one of the most trusted and effective channel for various function so marketing.

## 8. References

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