

# Growing Influence of Social Media on Businesses in the Last 10 Years

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## ABSTRACT

*The paper looks into the growing influence of Social Media specifically its impact on the businesses, increasing customer engagement and subsequently influencing sales. We noticed that traditional ways of advertising - the print media is losing to digital media on many fronts. According to a secondary research, we spotted that 70% of the buying process takes place even before the consumer buys a product or service. "Consumer is the king" phenomenon is more than ever true in this big data times. Personalising is increasing. Social media usage in-sights leads to formulate effective strategies and utilise their resources for brand growth, loyalty, reputation and increase in revenue generation. Social media is in the process of becoming the new market place with WhatsApp and Facebook using the consumer information more aggressively. If brands and businesses wish to be successful in present times and in the future, it is essential for them to adapt to digital changes.*

**KeyWords :** #whatsApp #facebook #SocialMediaAndBusiness #SocialMediaAndBuying #DigitalMarket-ing #ProductMarketing #eMarketing #eCommerce #SMEs #SmallBusinesses

## DIGITISATION - TAKING THE WORLD BY STORM!

The ripple effects of the growth of the internet in the past decade have been felt worldwide. With the birth of Web 2.0, the consumer landscape has also seen a change in consumer awareness and their buying behaviour. Web 2.0 is also been called the 'participatory web' or the social web. This phenomenon of exploding social web has and is still affecting both consumers and businesses alike. The launch of countless new apps and tools has made businesses work around the clock - 24/7 to cater to their customers with an immense opportunity to grow. The social web includes in a way, social media has become an inescapable part of our daily lives representing the most transformative impacts of technology on businesses.

## GO DIGITAL OR GO HOME!

Social media has changed the structure and availability of information to reach the present as well as future customers. Even the most traditional businesses have realized that an online presence in the internet-driven age is essential to the survival and growth. And it must be noted that not only bigger business firms are choosing an online presence but the small businesses are as enthusiastically adopting social media for visibility, viability and sustainability.

The traditional ways of advertising- the print media, is losing its importance. With the internet, information is at the customer's fingertips. This has helped brands to attract a larger number of customers.

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The transformed business landscape can be attributed to social media. Digital marketing in particular has provided incredible benefits to businesses all over the world. Globalisation and digitisation have diluted territorial boundaries presenting a wider pool of customers to business organisations all over the world. The present-day customer has a plethora of options not only in terms of brands and products but also in different online platforms where people buy things. What makes a brand stand out is how they present themselves and its products to the current and prospective customer.

#### **Information is available anywhere, anytime - More power to the consumer**

The biggest factor for any business to be successful is its clarity on the target audience. A brand must have a clear understanding of where they want their products/services to be visible, reached, known and ultimately, bought. Understanding the potential customer is the basic element of marketing. One of the major benefits that the 'participatory web' provides to business firms is the ability to funnel their target audience.

It must be noted that the advent of social media and digital marketing has been a boon for consumers. Information is everywhere and the more aware generation of consumers can re-search the products within seconds. This transformation of consumer awareness and transparency through the internet has proven to be quite a challenge for businesses.

How so? According to a research, 70% of the buying process takes place even before the consumer ends up in a store to buy the product. Thus brands have to be more transparent about the information they put out in the market and how their brand needs to be perceived. It is here that brands need to step up and engage the consumer, keep the conversation going, create relationships and brand loyalty. It must be understood that information availability helps customers know brands, and vice-versa. It is a two-way street. And both parties are benefited highly in this technology-driven scenario.

#### **Big Data: Paving Way for Personalisation**

The evolved consumer is running the markets. Information sharing is an integral part of the present-day buyer community. Within minutes to a span of a few hours a brand/business could reach the pinnacle of popularity or become disreputable. As digitisation in the market is high-speed, businesses have to become customer-oriented through personalisation. A short attention span of customers has called for real-time personalisation through big data, both structured and unstructured. Businesses need to act on available data to gain an advantage as well as relevance.

#### **Social Media and Brand Value creation**

Facebook, Instagram and Twitter are at the core of business activities and provide a world of sharing to people. Businesses find it imperative to be present on social media. User-generated content is the only way forward. While there is an overload of available content, businesses are driven to apply big data techniques to create customer relationships. For many, strategies have become more focused on social media incorporation. A wide range of user-oriented content, promotional activities and customer engagement has become one of the major goals of business firms as they face stiff competition.

Social media insights and various performance measure applications are a guiding light to activities on digital platforms. Customer engagement is tracked through likes, comments and shares on Facebook. Detailed demographic attributes are also available on Facebook analytics. Thus helping them to formulate effective strategies and utilise their resources for brand growth, loyalty, reputation and increase in revenue generation.

#### **The Age of Influencer Marketing**

Marketing through digital media is more than just advertising through creatives and ads on social media handles. Brands are coherently taking up influencer marketing. In this day and age, consumers want content that is attractive yet relatable. A few years ago, brands only concentrated on celebrities for advertisements and TVCs. Instagram and YouTube have provided regular people to gain influence over a large number of people

worldwide. These influencers have the power to influence consumers by simply endorsing a product. People look up to these social media influencers for honest product opinions and they hold weightage. However, don't be mistaken that only big influencers hold this power. Micro-influencers with less than 100k followers on Instagram drive higher engagement rates. Businesses that have been early adopters of the digital marketing wave have gained a major advantage. Every business is required to think out of traditional ways to survive in an ever-growing and changing marketplace.

### **Social Network is the new marketplace**

Social behaviour continues to evolve over years with the growing importance of social networking in the daily lives of people all over the world. Social networking has transformed the way people take the internet to be. From a place of social interaction, it has converted into the biggest market-place for businesses big and small. Facebook is not only a community, it is a market community. People have converted this social web into stores. These new virtual marketplaces put people and their pain points and desires at their center. And even though we have come far from traditional market and marketing practices, it can be said it's only the beginning of a new era of amalgamation of business, information technology and the changing psychology of the future generations of consumers.

## **CONCLUSION**

In essence, if brands and businesses wish to be successful in present times and in the future, it is essential for them to adapt to digital changes. The way consumers and businesses interact now is changed forever. Customer relationships have become a dominant part of how businesses operate. The customer holds power and customer satisfaction is paramount. Influencers have become the celebrities of the new social-digital age. However, one must understand that digital marketing and social media can both be a blessing and a disadvantage. The "Participatory Web" provides huge flows of information, expression and voice to the consumers. They make or break a business. Keeping in mind all the precautions, businesses need to get on this rollercoaster to benefit and make themselves grow and prosper.

In conclusion, digital marketing has transformed marketplaces into consumer-oriented place. Earlier the consumers had to choose only what they were offered. Now, businesses are majorly driven by what consumers want. Instant communication, personalization and convenience through E-commerce has revolutionized the shopping experience. Communication has become more direct and transparent between buyers and sellers. Personal messages, emails and special discounts have helped connect businesses to their customers. Digital marketing is helping through targeted and segmented marketing helping businesses to put their unique characteristics forward for the potential customer.

Digital marketing has been an evolution of the worldwide community of both buyers and sellers.

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