

Use of Social Media as a Marketing Tool

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ABSTRACT

Online marketing refers to promoting or we can say creating awareness about a particular brand with a group of devices connected to each other over a network. Some examples of social media platforms where online branding can be performed are LinkedIn, Facebook, and YouTube, etc.

On the other hand, offline marketing is mostly done through meeting people face-to-face or in-person to give him/her knowledge about the brand. It can also be done through advertisements in newspapers, magazines, telephone, etc. Basically, it can also be termed as a traditional method of marketing.

This paper begins with an explanation of the term social media marketing, accompanied by its power values and features. Also tells how this online marketing is different from traditional marketing and its impact on customers.

KEYWORDS: *Social media, online and traditional branding, impact on consumers*

INTRODUCTION

In this digital era, where the world is guided by technology, social networking sites have become an avenue where retailers/sellers can expand the reach of their brand to a wider range of customers. The technique of reaching potential market/customer has changed so much with the introduction of social media platforms; therefore, business firms must acquire the knowledge for using social media platforms in such a way that is consistent with their business plans. These social media platforms are very economic and save the cost of operation, are easy to handle and bring great benefit to those having consistent business plans. Primarily these social media platforms, with respect to marketing, were considered all about sharing content and publishing about a product on digital media to captivate as many customers as it can. But in today's scenario, it is much more than that.

This literature review looks into the existing gap within social media research and also tells why future studies are needed to explore the benefits added by promoting and marketing products on social media platforms, especially for small businesses.

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OBJECTIVE

The main objective of this paper is to know about social media platforms as a marketing tool. The supportive objectives are the following:

- To know about various social media platforms
- To know the basic difference between online and traditional marketing
- To know the impact of social media marketing on consumers

RESEARCH METHODOLOGY

The study has been done on secondary and primary data. The Primary data was procured through questionnaire, interview and the secondary one was taken from journal, magazine, newspaper and books.

Hypothesis: Null

HO: Social media is a bad tool for marketing and creates a negative image of the brand

HA: Social media is a good tool for marketing and creates a positive image of the brand

LITERATURE REVIEW:

Defining Social Media

Haenlein and Kaplan (2010) stated social media as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and allow the creation and exchange of user-generated content." They said that web 2.0 is a stage where all the operators alter the information in association with each other. **Faulds and Mangold** (2009) described social media as the set of online word-of-mouth forums which includes discussion boards, forums, and blogs to name a few.

Social media is an electronic or we can say internet-based platform which facilitates one to share his/her thoughts, ideas, and innovations etc. with the virtual community. Examples of social media include facebook, LinkedIn, WhatsApp and many more. These social media platforms can be accessed through computer, mobile, or tablet via web-based software or application. These social media platforms have a wide reach and can be used as a good source to spread awareness about a brand that too in less time and with a small amount of money.

The Power and Value of Social Networks

Networks are a collection of devices, network servers connected to each other over any network, say the internet, to share any kind of data. Or we can say that networks are relationships built between two or more devices. Therefore, a social media platform is required for the interaction between an online marketer and the customers and to build a relationship on B2C [business to consumer] level. Business firms go online to cut existing costs, increase sales, reach as many people as they can to build brand image and for various other reasons. Whatever the reason being, the role and value of networks is primarily important to be captured.

Following are the 3 value-governance laws that are applicable to social networking and communities. It is important to have enormous complex 26 patterns on a relationship is drawn by these laws. Originally, Metcalfe's law and Sarnoff's law weren't made by the inventors, particularly for the social media networks, but they have been given equal importance like others due to their appearance they bear with the social media networking structure.

Sarnoff's Law

Sarnoff's law was invented to relate the worth of any radio station to the number of listeners. From Sarnoff's point of view, the worth of the radio network is directly proportional to the number of its listeners. As the number of listeners increases, the worth of the radio network will also increase. So a radio network with 1000 members will be considered 100 times more worthy when compared to a radio network having only 100

members. In context with the social network, this law equally implies that a brand's effect depends on how many members are associated with a brand through social networking. The more people connected, the more the effect. Following is the proof of how Sarnoff's law applies to a network of individuals.

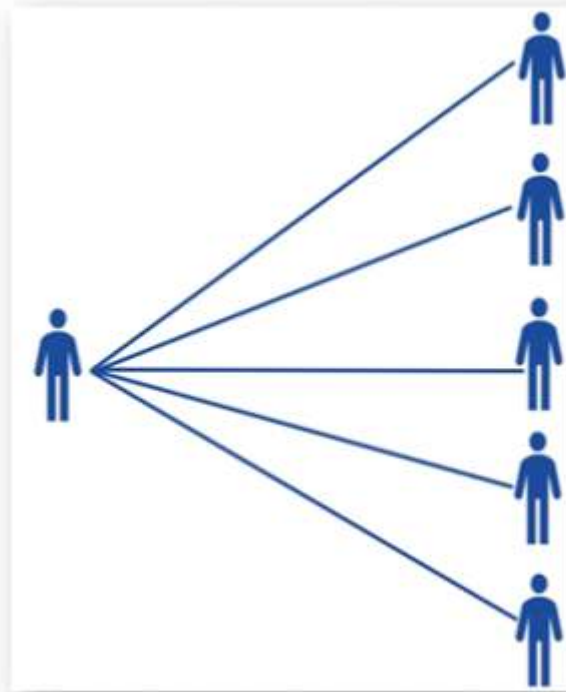


Figure 1: **Sarnoff's Law** (Source- socialmediaonline.com)

Metcalfe's Law

Metcalfe's law states that higher the number of users of the service, the more trustworthy the service becomes. If we talk in context with the social network, then this law may denote that a user's profile becomes more valuable with every newly added member on the social networking site in terms of the law. People feel connected towards the things from which they get any kind of value and the things they love; they talk about the things they enjoy to their colleagues and friends. Sharing expands the further connectivity with others and thus it can be done on social networks too and hence the chain of connectivity can be increased further. The following picture represents this law; the expanded chain of connectivity impacts how far is the reach of the message.



Figure 2: **Metcalfe's Law** (Source- mshare.net)

Reed's Law

Reed's law states that with the size of the network, the function of a large network can increase. Reed's law relates to the currently used social networks. The law emphasises the impact on network value by supporting all kinds of members of the group. In a perfectly connected network, communication flow and strong subgroups are formed that focus on suitable or, we can say, relevant information within the networks. The supporting groups of the members can be built by creating opportunities for each person added to the network to be in a position to connect with each other. New connections are expanded when a new person is added and thus more subgroups are formed. Following is the picture representing this law:

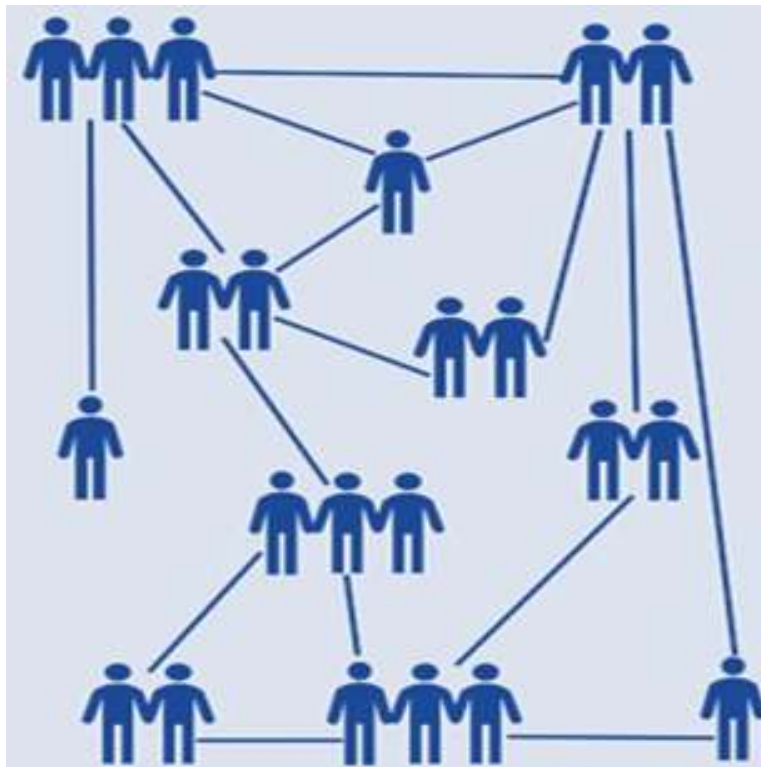


Figure 3: Reed's Law (Source-socialmediaonline.com)

Online Versus Offline Marketing

Online marketing refers to promoting, or we can say creating awareness about, a particular brand with a group of devices connected to each other over a network. Social media platforms, such as Facebook, LinkedIn, YouTube, emails, etc. are some examples where online branding can be performed.

On the other hand, offline marketing is mostly done through meeting people face-to-face or in person to give him/her knowledge about the brand. It can also be done through advertisements in newspapers, magazines, telephone, etc. Basically, it can also be termed as a traditional method of marketing.

Though offline marketing has a more personal approach and higher credibility as people are able to see physical aspects of your business, but at the same time one can promote a brand to only a limited number of people at a time. Also, it is a very expensive source of marketing and requires a lot of labour to perform marketing functions.

Online marketing, on the other hand, can reach the masses through social media networks or over any other networks very easily to promote a brand. It is a very cheap source of marketing as compared to offline marketing and requires very little labour to manage online marketing. Also, it not only focuses on reaching new customers, but existing customers can also communicate through online platforms.

The Rise of Social Media

Today, most of the companies want to operate from social media as a survey suggests that around 70% of the population spend their time on social media platforms. The company's promotion and marketing trend has now shifted to platforms like YouTube, Emails, Facebook etc. Nowadays, companies use social media to give knowledge about upcoming products, interact with customers, market and sell products, etc. Hence, it can be said that if a company isn't using social media platforms, then it is already operating 10 years behind from the current world.

Strategies on Social Media Marketing

Business firms should include online marketing as a part of their functions and set their business goals high in order to be successful. In social media marketing, trust is very important in any kind of communication on social media and to earn that trust, business firms are required to have transparency and authenticity in their communication. Social media marketers are needed to do hard work in order to establish credibility in the social media space. Innovative strategies are required to be introduced and implemented so that a firm can add to its business value and also those strategies should help in retaining customers.

To perform social media marketing and promote a product/brand on social media platforms, a business firm needs to work strategically. It is required to design strategies to perform social media marketing. Selecting the best suitable social media platform for marketing among various options available [Facebook, LinkedIn, YouTube etc.], and appointing people who have good knowledge of handling social media and can handle the firm's social media accounts effectively and efficiently are some strategies which a business needs to focus on. Handling social media strategically can help a business firm in marketing and reach the masses easily.

Impact of Social Media Marketing on Consumers

Customers have to deal with the end numbers of decision-making every day to cope with information overload. They, therefore, have adopted certain patterns which are nothing else but an easy way of making decision to cope with this information overload. When a consumer makes a decision to buy a product or service, that process includes several steps to make a decision of purchasing a product.

A business firm while performing social media marketing should keep in mind that how it will impact the consumer behaviour. Social media platforms advertise thousands of advertisements which create an overload in the minds of the consumers. Thus, a firm needs to advertise or use social media platforms for marketing in such a way that it becomes easy for a consumer to identify his/her preferable product advertisement. A consumer minds react according to what it sees. It is therefore required that companies advertise on social media platforms in such a way that it gives all the necessary information about the product a consumer should know so that it can attract potential consumers and can create a positive impact about the product.

CONCLUSION

This research concludes that to reach the masses or we can say to spread awareness about the brand to the masses, business firms need to be creative as much as they can while engaging customers on social media platforms. Business firms should not see social media platforms as a means for advertising only because they offer much more than that. They need to find innovative ways to use these platforms.

Unlike traditional means like newspapers, magazines etc., which provide only a one-way communication with customers and involve huge costs and time, social media platforms provide two-way communication with customers and that too in less time and money. Customers can directly communicate with business firms. Social media platforms provide all the necessary information to both business firms and customers. To customers, it transparently provides all the information about the product and to business firms. These platforms provide data about the taste and preferences of the customers so that firms can know their target customers easily. Social media platforms (like Facebook, and Instagram) are far better than any other platforms of advertising as if they store all the information of their users, which facilitates a retailer to target a specific market. Social media platforms are very good platforms for retailers to gain experience and also retailers can make use of data of users available on social media platforms to make the experience of the user better with their brand.

Social media platforms need to be used strategically by business firms for marketing. Business firms should choose the social media platform strategically among various options available and hire people who can handle the company's account on social media effectively and efficiently. Customers no more show interest in receiving marketing messages, instead, they directly give their opinion, both negative and positive, on social media platforms like Facebook, YouTube, LinkedIn, etc. These reviews should be considered by the business firms and work on it to achieve the trust of customers and built a good image of the brand.

Most of the studies examine social media as a tool for marketing in terms of suggesting for how to do business on these social media platforms, how to deal with customers and their responses. It is important that further research addresses which strategies work. Previous research does not clearly state whether this type of marketing which is done on social media platforms is valuable to business firms in terms of return on investment.

Moreover, research related to small retailers is limited. Whether they are able to utilize it properly or not? Will using social media as a tool for marketing will increase their sales, and customer reach? Social media platforms open up a whole new world for small retailers as it provides the infinite potential to interact with customers, which is the main reason that there is a need to increase the studies examining the impact of using these social media as a tool for marketing on small retailers.

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