

A study of the effectiveness of social media marketing compared to traditional marketing methods

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Abstract

In this modern era of innovative technology and increasing social media apps and websites, every business strives to reach to its potential customers by marketing on various social media websites. Social media marketing is a form of internet marketing which uses social networking websites or apps as a marketing tool. The main aim of companies adopting social media marketing is to produce content that users will share with their social network to help the company increase brand exposure and broaden customer reach.

Social media has become ubiquitous and most significant for long range interpersonal communication; content sharing and web-based getting to. Because of its dependability, consistency and quick includes, web-based life opens a wide place for organizations, and for example, web-based advertising. Advertising which happens by means of web-based life is known as internet-based life promoting. Online life showcasing has made feasible for organizations to reach focused on buyers effectively, viably and immediately. Other than that, web-based social networking promoting likewise faces a few difficulties in the field.

Social media marketing helps the customers to know the brands, it's not just one-way communication from business to customers but also it involves customer's engagement. Social media has progressed from essentially giving a stage to people to remain in contact with their family and friends. Presently it is where buyers can get familiar with their preferred organizations and the items they sell. Advertisers and retailers are using these sites as another approach to arrive at buyers and give another approach to shop. "Technology-related improvements have expanded advertisers' capacity to arrive at customers through new touchpoints". A sample size of 100 respondents was chosen, Google forms were circulated to collect the primary data. Through the study, it was found that most of the customers are aware of the social media marketing and it was found that Social Media Marketing has helped respondents in making a purchase decision and majorly respondents accept Social Media Marketing rather than the traditional methods.

Key words: Social Media, Marketing Tool, Two Way Communication, Retailers, Advertising, Traditional Media, Technology.

Introduction

Social media sites have turned out to be progressively well known and are being utilized by an ever-increasing number of individuals each and every day. A few organizations have discovered that utilizing social media platform as a stage to bring their business can be extremely viable.

Social media marketing is a substantial method for organizations of all sizes to arrive at prospects and clients. The clients as of now are cooperating with brands through social networking, and in case if the marketers are not talking directly to the group of spectators through social sites like Facebook, Twitter, Instagram, and Pinterest then the marketer will be missing out the opportunity presented to .them. Marketing on social media can lead to a phenomenon of accomplishment to any business, making dedicated brand advocates and also driving leads and sales.

Social media marketing comprises activities such as posting text and picture updates, videos, and other content that drives crowd commitment, as well as paid social media publicizing.

Social media marketing can help with various objectives, for example,

- Expanding website traffic
- Building transformations
- Raising brand awareness
- Creating a brand identity and positive brand affiliation
- Improving communication and association with key spectators.
- The greater and increasingly engaged your audience is on social media networks, the simpler it will be for you to accomplish every other marketing objective on your list.

Literature review

Social media are likely to develop marketing strategies in firms through trust-building mechanisms and affecting customers' intention to buy online products[i]. Through FaceBook companies can increase brand awareness by advertising or creating their own profile where information can be shared[ii]. Instagram has taken a new advertising service to use, which enables marketers to buy advertisement space. However, this scene is not yet available in the Nordic countries[iii].Advertising on Twitter is efficient when a company wants to, for example, get more traffic on their website[iv]. Social media is 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[v]. Social media is a set of online word of mouth forums which includes blogs, discussion boards, forums or social networks to name a few[vi]. Media sharing sites (i.e. YouTube, Picassa and Flickr) or blogging platforms (i.e. blogspot, WordPress) are also members of this ecosystem called social media[vii]. Social media marketing to the relationship marketing where firms need to shift from “trying to sell” to “making connections” with the consumers[viii]. Social media marketing as the process that empowers individuals to promote their websites, products, or services through online social channels and tap into a much larger community that may not have been available via traditional channels[ix]. A Facebook page or Twitter account can notify all its followers of specific subject quickly and simultaneously[x].

Statement of problem

Few Companies are still facing challenges using a traditional form of advertising. The role of social media and its impact on branding. The challenges that companies face by using social media today for their business purpose and how they can be managed or reduced. Determining whether traditional advertising channels are still relevant in the era of social media. Determining whether social media marketing serves as the best tool for creating brand awareness.

Objectives of study

- The aim of this research is to study how effective has social media platform been to every business in creating its brand awareness and promoting its products and it has also been effective to those companies venturing into social media to increase their brand visibility through social media marketing.
- To study why traditional methods of advertising (newspapers, televisions, radio) are not that effective now due to the rise of social media.

Scope of the study

The scope of the study has been limited to social media marketing and its effectiveness. The study has been confined to all the age groups and to every individual. It includes marketing on all social media platforms.

Research methodology

The research on the effectiveness of social media marketing was based on both primary and secondary data. The survey was conducted through a questionnaire and it was done based on the convenience sample technique. A sample size of 123 was considered to carry out the research. Secondary data was collected from online websites. This data was tabulated and analyzed. Findings have been summarized and recommendations have been made.

Analysis and interpretation

Popular social media platforms

1. Using Facebook for Social Media Marketing

Facebook must possess an active social media marketing strategy and promoting methodology. Begin by making a Facebook Business Fan Page. One must give cautious consideration to layout, as the visual part is a key aspect of the Facebook experience. Facebook is a spot where people go to relax and talk with companions, so the tone should be kept light and friendly. And also remember natural reach on Facebook can be amazingly constrained, so consider cost-effective Facebook ad technique, which can have a big impact on an organic Facebook presence as well.

2. Using Google+ for Social Media Marketing

Google+ entered as a Facebook competitor, but it now serves a more niche audience. It doesn't work for everyone but few of them are still engaged in using google+. On Google+ one can upload and also share the videos, photos and links and view their +1s. Google+ circles, also permit to divide your followers into minor groups, allowing them to share information with some followers while keeping others aside. For example, one might make a "super-fan" circle, and share special discounts and exclusive offers only with that circle.

3. Using Pinterest for Social Media Marketing

Pinterest is growing drastically as being one of the social media marketing trends. Pinterest's seems to be perfect for a retailer but it's helpful for anyone and everyone from using Pinterest for social media cause or sales-driving advt. Pinterest enables every business to advertise the products that they offer while also developing brand personality using unique pin boards.

marketer to lose its interest in promoting its brand or product.

4. Customer preferences

There are lots of customers who still prefer in purchasing the product in hand and not through any social media site. For example Social media marketing enables a customer to view how a phone looks like and its specifications but most of them prefer having a look at the phone in the store to get hands-on experience.

5. Keeping up to date

Every Individual who thinks of marketing its product on social media must be focused on updating the information and that requires constant attention and monitoring to ensure that their marketing strategy does not look out-of-date.

6. Vulnerability to fraudulent activities

There are a lot of illegal or unauthorized websites which looks alike to original websites and try stealing customer's money in one or the other way and also confidential data can be stolen by hackers Spaming also takes place quite often which is also the biggest challenges for social media marketing. So they should give their attention to all of these in order to avoid any fraudulent activity.

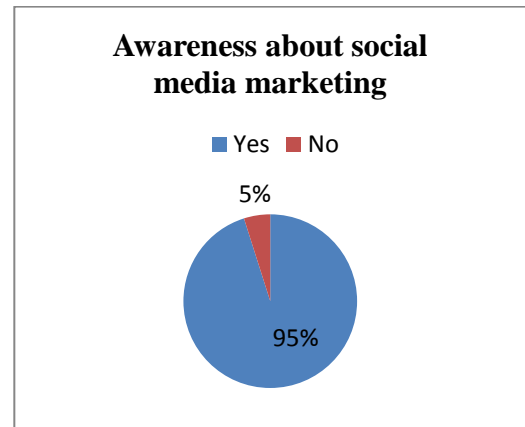
7. Lack of human touch

Social media marketing lacks the human touch that is involved when a customer buys a product from a salesperson. This hampers the prospects of relationship building which plays an important part in repeat sales and word-of-mouth publicity.

8. Depending upon technology

Social media marketing depends on technology to a greater extent which is liable to technical faults. For example, if a customer clicks on your advertisement but due to a technical glitch when he is unable to process further to buy the product, he may easily get irritated and switch onto or take his business somewhere else.

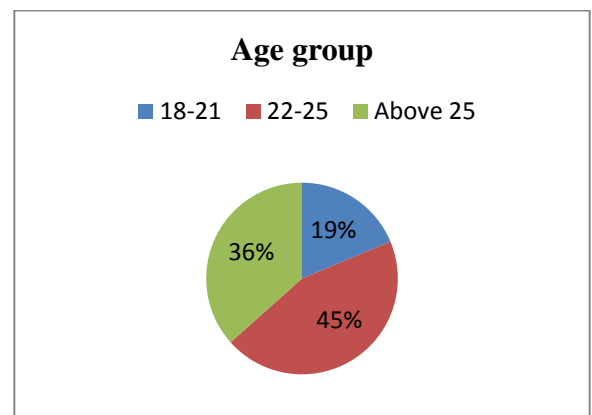
Awareness of social media marketing



Interpretation: From the above mentioned pie chart it is seen that 95.1% of them are aware of social media marketing whereas only 4.9% of the respondents are unaware of the concept. Therefore we can infer that majority of them are familiar with social media marketing as that is the on going trend in the market followed by majority of them.

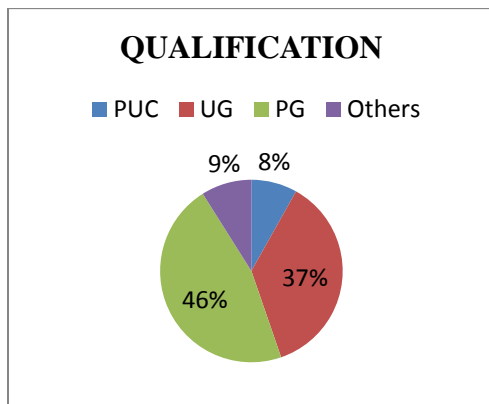
Awareness of social media based on the age group of the respondents

AGE GROUP	PERCENTAGE
18-21	18.70%
22-25	44.70%
Above 25	36.60%



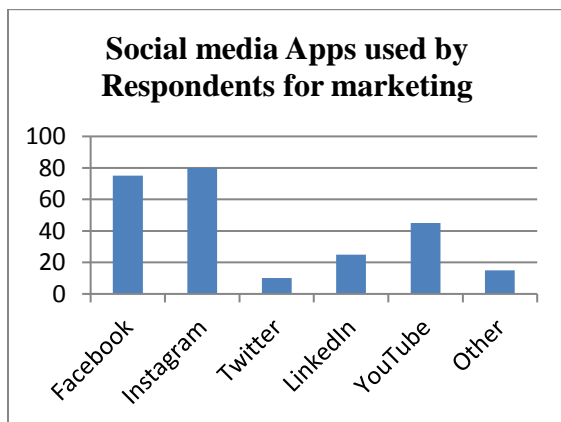
Interpretation: From the above pie chart it is seen that 18.70% of the respondents are in the age group of 18-21, 44.70% of them are in the age group of 22-25 and the remaining 36.60% belong to the age group of 25 and above. Therefore it can be inferred as majority of the respondents are from the age group of 22-25 who are aware about social media marketing as those gains much of the attention of youth and is helpful in many ways.

Qualifications pursued by respondents.



Interpretation: Based on the analysis done we see that majority of them who have responded to our questionnaire are from PG background.

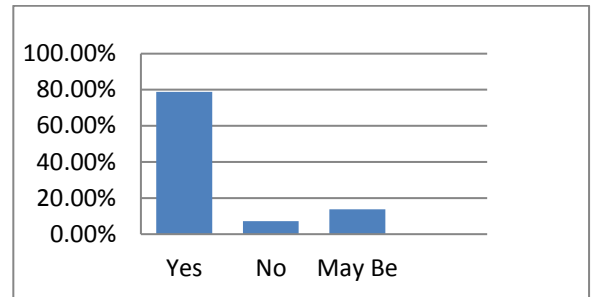
Which social media sites or apps do respondents use quite often for marketing.



Interpretation: From the above bar graph it is inferred that majority of respondents use Instagram as a social media platform for marketing as they can promote their products or services in a quick manner and because of its

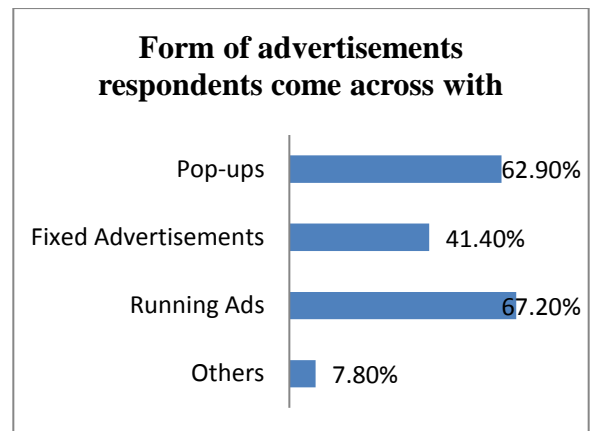
viral nature whereas others use Facebook, Twitter, LinkedIn, YouTube and others.

Does respondents see the advertisements on the sites that they daily interact with.



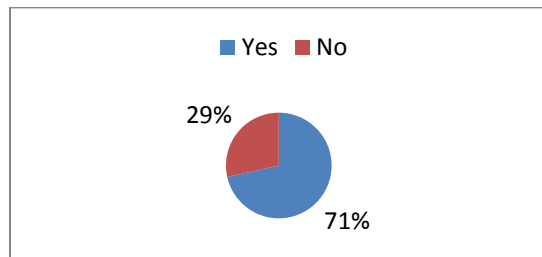
Interpretation : From the above bar graph it is said that 78.9% respondents watch the advertisements on social media sites that they daily deal with as their interest lies in it and only 7.30% of them don't watch the advertisements and 13.80% of them may or may not see the advertisements.

If yes which form of advertisements have respondents looked into.



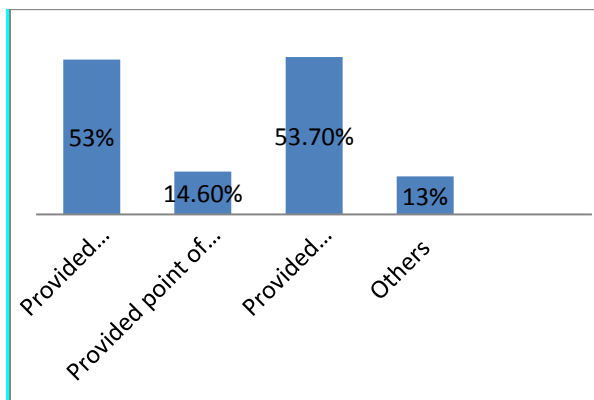
Interpretation: Therefore it is seen that majority of them come across with running ads rather than other forms such as fixed advertisements, pop ups and others. Based on the survey done 67.20% of the respondents mostly encounter with running ads , 62.90% with pop up ads, 41.40% with fixed advertisements and others just by 7.80%.

Have such ads been beneficial for the respondents in their purchases decision.



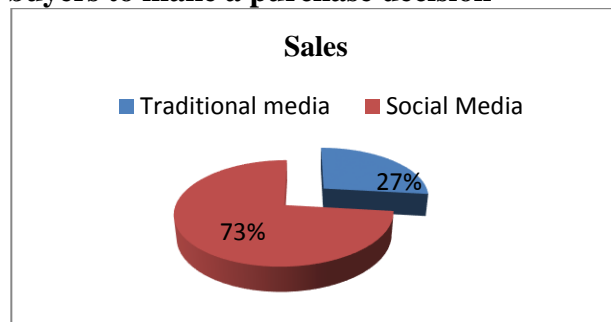
Interpretation: From the above pie chart we can say that ads have been beneficial for majority of the respondents i.e 72% are benefited wherein the ads have met their expectations, whereas only for few of them i.e for 29% it's not that helpful where customers feel unsatisfied with their purchase decision.

If yes, what kind of information has it conveyed to the respondents that helped them in their purchase decisions.



Interpretation: From the above bar graph we see that information regarding deals discounts and offers have helped 53.70% of the respondents substantially in their purchase decisions whereas information in relation to the product have attracted 53% of the respondents, 14.60% focus on information like point of sale address and just 13% gives attention to other kind of information.

In comparison of traditional and social media which platform has helped an individual in marketing and also for buyers to make a purchase decision



Interpretation: In order to conclude majority of them i.e 73.20 % prefer social media marketing rather than traditional media which is just 27%.

Findings

- It is inferred that the majority of them are familiar with social media marketing as that is the ongoing trend in the market followed by the majority of them.
- It is found that majority of the respondents from the age group of 22-25 are aware of social media marketing as social media is been used much by that age group as they are much interested in that and is also helpful in many ways.
- It is also found that the majority of respondents use Instagram as a social media platform for marketing as they can promote their products or services in a quick manner by posting their product content, images, and videos on their Instagram page. Communication plays a major role here.
- Majority of the respondents encounter with the running ads.
- 72% of the respondents are benefited by various ads.
- We also see that information regarding deals discounts and offers have helped 53.70% of the respondents substantially in their purchase decision.
- Respondents feel that Advertising on social media is less time consuming and increases brand visibility.

- Through social media marketing the individuals get to know the brands, it's not just one way communication from business to customers but also it involves customer's engagement.
- Effectiveness of social media as a marketing tool has helped in knowing the customer's taste preferences and demand personally.
- And lastly, it is seen that 73.20 % prefer social media marketing rather than traditional media which is just 27%. In the near future, there seems to be a paradigm shift from traditional advertising to social media platforms.

Recommendations

- Since this is a very important shift in the marketing arena it is recommended that there should be furthermore research done to study this phenomenon to understand detailed aspect. There is a huge potential for every company in social media so they must focus on expanding their social media strategies to a greater extent
- Every organization who thinks of social media marketing should implement strategies like online surveys and blogs for product reviews which enables the company to communicate effectively that enhances the level at which individuals want to engage or associate with the brand
- Engaging customers online to ask them for suggestions would also give the company an insight to adapt to the latest methodology of innovation
- Companies that are still using a traditional form of advertising can adapt to social media marketing which consumes lesser time, the lesser cost for advertising, and an increase in sales.

Conclusion

By doing this research we saw how social media is slowly becoming a marketing tool for every company and how it's grabbing the attention of everyone. By doing a survey we understood that majority of the students and others prefer social media marketing rather than the traditional form. Through social media, the information reaches to every individual regarding the looks, features or specifications of the product etc. Social media marketing platforms can pose a threat as well as an opportunity for every company out there who wants to advertise or publicize their product or service online. The social network effect can also influence the purchase decision because of its viral nature. Effectiveness of the traditional form of marketing is falling henceforth social media is considered to be an effective tool for marketing.

Limitations of the study

- The analysis and findings are based on the responses of respondents and is assumed to be accurate.
- The findings of the study cannot be generalized to other areas of research.

References

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