

Effectiveness of Social Networking Sites in Marketing

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I. Introduction

Social media marketing is the process of gaining awareness, driving traffic and engaging your customers and prospects using social media channels. Despite the current boom of Social networking sites for marketing, this study reveals that effectiveness of advertising through social networking sites. However, Social networking sites provides the ideal platform for direct communication between organizations and customers. Marketing on social network sites has to follow new rules and principles and each organization has to clearly determine if social media marketing is appropriate for them or not.

Communication through internet is more specified, with effective interactive strategy among its users. In recent days, internet advertising has taken new forms which have more advantages over the traditional mediums like print media, television and radio. Marketing communication is becoming precise, personal, interesting, interactive and social. Different strategies of communication are followed in various social networking sites like Facebook, Twitter, LinkedIn and Orkut etc., they not only create effect over the users but also make them interact with the marketing statistics created. People get attached to brand communication in social networking sites than usual banner and pop up ads.

Advertising On Social Networking Sites

The best use out of social networks is not to make money 'directly' off them, but to harness their marketing potential and to use them to market your own business. We put forth the concerned networking features, friend focus, search, security, help & support. Social networks provide the ability to set profiles to private in some way or another. Additionally they have the ability to report and block users. A good social network goes above and beyond just allowing users to post profiles and update pictures. Additional features includes music sections, video uploads, groups and more. The object of a social network is to find friends and expand relationships. Top social networking websites allows members to search for other members in a safe and easy to use environment. Common search functions include search by name, city, school and email address. Social network sites are self-explanatory. No doubt social network is a significant new way of reaching people, but the market is far from being mature.

Statement Of The Problem

The present study identifies the outcomes of using social networking sites in promoting the business. In this research we need to further know how effective and convenient on the part of young marketers and entrepreneurs to use social networking sites as their tool for advertising and marketing their goods and services and also the average business owners or marketers do not fully understand the risks and challenges in it. The field is still so fresh that it is difficult to evaluate the qualifications of social media "experts" who offer their services online. So, before a company step into the field of social media marketing, they have to complete full research on social media practices. An organization has to master basic principles and tactics of using social media as an effective tool in order to survive in the field of social media marketing.

Objectives Of The Study

- To study the trend and growth of social networking site users.

II. Review Of Litratue

In any study, the review of previous studies are considered as important for getting understanding the problem, the methodology followed to identify the unexplored part of field of study under consideration. In this regard some of the relevant studies have been reviewed in the present study.

In the Social networking sites, Marketers have realised the effectiveness of having people interact the way they do using Social networking sites in relation to products and services. Advertising on SNS is taking the advertising world by storm. Businesses use the social websites to promote their offerings, share news and interact with their customers.

Silva *et.al.*, (2006)¹ conducted a survey on “Advertising on social networking sites” with the objective of ascertaining the effectiveness of users towards advertisement messages. It also aimed at assessing the influence of social networking sites on the consumer buying behavior. An amount of 39% increase in advertising spend on Social networking sites has been forecasted for 2006. Results from the analysis indicated that social media is a very important tool for networking among youngsters.

Hindshaw, (2006)² has studied on “Effectiveness of advertisement in social networking sites” with aim to measure both the positive and negative aspects of advertisements. He concluded that the advertisement creators must concentrate more on the information and social aspects in any advertising and must avoid for harm products. A questionnaire measuring motivation, knowledge and effectiveness of advertisements.

Bashar *et.al.*, (2007)³ have done an empirical research to understand the effectiveness of social networking sites as a marketing tool and an effort has been made to analyze the extent social networking sites helps consumers in buying decision making. Results of paper suggested that the medium is growing very fast and holds huge potential but is still in its nascent stage in India. Therefore, it is time for the companies to make effective strategies and execute them to win larger share of business through this revolutionary medium and become the innovative firm of coming future.

Vijai, and Sharma, (2007)⁴ have done a study on social networking sites experience of consumers and marketers in the State of Punjab. Based on the results of the study and reviewed literature, the paper suggested the measures for effective of advertising on Social networking sites (SNS) strategies that Above all, social networking sites marketing content should be ‘interesting’, ‘informative’, ‘interactive’ and ‘reliable’. Marketers should align their social marketing effort with the changing tastes and preferences of customers. They suggested that the advertisement promotes competition in the market which leads to supply better quality products for consumers.

Yadav, (2008)⁵ has made an attempt to set up the significance of social networks as an advertising medium and evaluated the existing advertising methods that are in trend via certain case studies and concluded that social websites are not just a tool to interact with the different people but also medium to reach the prospective customers.

III. Hypothesis Of The Study

There is insignificant growth in users of Social networking sites.

Scope Of The Study

The scope of the study has limited to social marketing only. The study has been confined to Erode District in Tamilnadu, as this area has greater penetration in the recent few years and plenty of social network sites users.

IV. Research Methodology

The study is based on both primary data and secondary data. This first hand information collected from the sample respondents with the help of an interview schedule prepared and pre-tested for its suitability through pilot study. The necessary secondary information have been collected from various Journals, Newspapers, Magazines, Books and Websites.

¹Sliva, Bhuptani, Menon and Sliva., “Advertising on social networking sites”, *The Journal of Marketing*, vol-XXI, No.1-4 sep-Dec, 2006, pp.47-57

²Hindshaw. T., “Effectiveness of advertisement in social networking sites”, *The Journal of advertising research*. Vol-VI, No.3, July-September, 2006, pp.3-6.

³Bashar, Ahmad and Wasiq., “Effectiveness of social networking sites”, *Journal of current issues and research in advertising*. Vol.42, No.5, May 2007, pp.30-38.

⁴Vijai.K&Sharma.N., “social networking sites experience of consumers and marketers in the State of Punjab”, *Indian journal of marketing*, Vol.XXXIII, No.10, October 2007.

⁵Yadav.E.V., “social networks as an advertising medium”, *TheElon Journal of Undergraduate Research in Communications*. Vol. 1, No. 1, May 2008, pp.22-36.

Sampling Design

For analyzing the effectiveness of advertisements through social networking sites, primary data have been collected from 100 social networking users in Gobichettipalayam town. The sample respondents have been selected by using Non-probability convenience sampling technique.

Data Collection

Required primary data for the present study have been collected from sample respondents by using pre-tested and well-structured interview schedule.

Data Analysis

For analyzing the data collected from secondary sources, mean, standard deviation, LGR and t-test have been used. For analyzing data collected from primary sources, percentage analysis and ranking analysis have been used.

Social Networking Sites (SNS)

Marketers may pay for advertising on social networking sites to drive consumers to opt into the sites, community building tools, using a free link as their primary connection link. Until recently Facebook was synonymous with social networking sites. However, the number and variety of platforms is expanding, and with them multiple opportunities for brands. The current "household" names include Facebook, YouTube, Twitter, and Google+. To the extent these tools enable brand and user generated content, these tools could expose your business to risk. Appropriate steps should be taken to minimize these potential risks.

Facebook

Facebook launched Gifts on February 8, 2007, which allows users to send virtual gifts to their friends that appear on the recipient's profile. On May 14, 2007, Facebook launched Marketplace, which lets users post free classified ads. Facebook Ads gives a hospital extraordinary precision in reaching exactly the audiences they want.

Twitter

Twitter has begun adding advertising tools, many of which have attracted the entertainment industry. Generally, however, a marketer can create and maintain a Twitter account to attract "followers," which is very similar to a Facebook "group" or "fan page". With this in mind, Twitter currently provides the advertising options for direct marketers.

LinkedIn

LinkedIn is a business-oriented social networking site. Founded in December 2002 and launched in May 2003, it is mainly used for professional networking. LinkedIn provides the advertising solutions as per the advertising budget of a hospital Direct Ads: - Small to medium advertisers, who are looking for deeply-targeted text ads LinkedIn advertising sales: - Large advertisers who are looking for rich LinkedIn advertising solutions whose budget is more than 25000\$

Trend In Users Of Social Networking Sites

Introduction

Since their introduction, social network sites (SNSs) such as Facebook, Twitter, LinkedIn Cyworld, and Bebo have attracted millions of users, many of whom have integrated these sites into their daily practices. As of this writing, there are hundreds of SNSs, with various technological affordances, supporting a wide range of interests and practices. While their key technological features are fairly consistent, the cultures that emerge around SNSs are varied.

Most sites support the maintenance of pre-existing social networks, but others help strangers connect based on shared interests, political views, or activities. Some sites cater to diverse audiences, while others attract people based on common language or religious, or nationality-based identities. Sites also vary in the extent to which they incorporate new information and communication tools, such as mobile connectivity, blogging, and photo/video-sharing.

TREND ANALYSIS OF FACEBOOK USERS FROM 2004 TO 2014

YEARS	USERS (IN LAKHS)	TRENDS
2004	52	100.00
2005	120	230.76
2006	600	1153.85
2007	1170	2250.00
2008	2540	4884.62
2009	3600	6923.08
2010	6080	11692.34
2011	8450	16250.00
2012	10560	20307.70
2013	11280	21692.30
2014	13930	26788.46
Mean	5519.09	
Standard deviation	4824.73	
LGR	1415.00	
*t	12.575	

SOURCE: SECONDARY DATA.

*Level of significance 1%.

Interpretation

As far as the Facebook under social networking sites is concerned the results depicted in table 1 shows that the number of users of the Facebook under this social networking sites are declined substantially during the years from 2004 to 2014 and only in 2010 there was a sudden increase in it (6080 lakhs in the base year) with mean number of users of 5519.09 lakhs in tenyear.

Trend Analysis Of Twitter Users From 2006 To 2014

Years	Users (in lakhs)	Trends
2006	300	100.00
2007	490	163.33
2008	540	180.00
2009	680	226.67
2010	950	316.66
2011	1170	390.00
2012	1850	616.66
2013	2410	803.33
2014	2920	973.33
Mean	1256.66	
Standard deviation	928.68	
LGR	322.50	
*t	8.140	

SOURCE: SECONDARY DATA *Level of significance 1%.

Interpretation:

TheTable 2 indicates various years and number of users of Twitter under Social networking sites. During the time period 2004 to 2010, the number of users of Twitter in 2010- 950 lakhs. Then after four years (2014) the users of Twitter largely increased to 2920 lakhs.

Summary Of Findings

The findings of present study are as follows:

- It is found that 15% of respondents are belonging to Below 19 years group, 30% of respondents are belonging to 19 - 24 years group, 55% of respondents are belonging to above 24 years group. Hence, it is understood that majority are belonging to Above 24 years respondents group.
- It is found that 57% of respondents are Female, and 43% of respondents are Male. Hence, it is concluded that majority of the (57%) respondents are Female.

V. Conclusion

This study was to understand the impact of changes in consumer behavior and the emergence of new media such as SNS communication model. In order to verify the hypothesis, products are selected high-involvement products or low-involvement products according to their involvement. SNS advertising and virtual brand for granted on selected products made three types of groups in the survey was conducted. Research and analysis of the results is as follows. First, the results of analyzing the difference in effect according to the involvement and the types of advertising, the purchase of low-involvement products were higher than those of high-involvement products from all types of ads. For the purchase intention of all types of advertising on the t-test results, a statistically significant difference was observed .

Between involvements. As a result, advertising for low-involvement products can be more important than the high-involvement product. If you can choose SNS advertising which is suitable for the characteristics of the product, the effect of marketing have relatively higher the high-involvement product rather than low-involvement product