

Impact of Social Media Marketing on Buying Behaviour of Consumers: With Special Reference to Indian Smart Phone Industry

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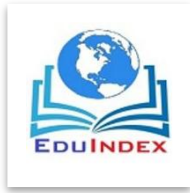
ABSTRACT

Adoption and use of Social networking sites have increased at a good pace in last few years as it plays a role of word of mouth which in turn results in increasing brand awareness, gaining competitive edge and building corporate image. Mobile phone industry is the leading and most developing industries in last few years. India is the world's second leading mobile manufacturer after china, in the first quarter of 2018. The objective of the paper is to study the impact of social media marketing on buying behavior of consumers belonging to distinct demographic variables such as gender, age, qualification, annual income, occupation etc, quantitative survey investigates up to what degree experiences are altered by the use of social media. The study revealed that material available and searched on social media is used actively by individuals in their buying process. In order to achieve the purpose, data has been collected from both the primary and the secondary sources. Questionnaire has been made filled by 249 respondents from residents of Rajasthan state by direct survey method for gathering primary data. Research papers and Journals on related topics has been used to collect Secondary data. It can be concluded that there is a major influence of social media marketing tools i.e. Face Book, YouTube, Instagram and Twitter on various buying behaviors of smart phones users. The result shows that Face Book has the most significant impact on buying decision followed by Instagram, YouTube and Twitter. From the due research conducted, it can be recommended that findings of the study can be used by companies and marketing media planners for gaining better customer base.

Keywords: Social networking, Social media marketing, Demographic factors, Complex buying behavior, Impulsive buying behavior

INTRODUCTION

Since early 2000's businesses have brought a revolutionary change in marketing its product and dealing its customer through Social Media, before the introduction of which ordinary sources like television, radio, and newspapers were used. In today's world social media has become essential element of marketing which most excessively includes Face Book, WhatsApp, Instagram, Twitter etc. Today social media platforms such as Twitter and Face Book enable the creation of virtual customer environments (VCEs) where online communities of interest form around specific firms, brands, or products. (Culnan et al., 2010). There are many forms of social media, including blogs, micro-blogs, wikis, social



networking sites, photo-sharing sites, instant messaging, video-sharing sites, virtual worlds, and more. Companies frequently focus on three of the most widely used social media platforms for use in product marketing and branding: Facebook, YouTube and Twitter (Muntinga, Moorman, & Smit, 2011; Shi, Rui, & Whinston, 2014). Apart from brand awareness there are following reasons why companies are spending money and time shift their business online and of for social media as one of the marketing strategy. First, Social media grants low cost, easily accessible platform to communicate to its stakeholders. Second, It has become an crucial aspect in marketing mix and it is used as tools for customer relationship and marketing. Third, it leads to massive exposure to company due to worldwide access, sharing capabilities and straightforward feedbacks from customers. Just a decade ago, the number one online activity was pornography, but just a decade later, this has shifted to social networking (Shen & Bissell, 2013). As a result, about 93% of businesses use some form of social networking for marketing and branding (Shen & Bissell, 2013).

India is the world's second leading mobile manufacturer after china. According to the Indian Cellular Association (ICA), the annual production of mobile phones within the country has increased from 3 million devices in 2014 to 11 million devices in 2017. From 3 percent India has jumped to 11 percent in counts of global mobile production. India has attained the level of world's developing market for mobile applications and software's. In the first quarter of 2018 Today, with the expansion of social media and SNSs, a study of consumer behavior on these platforms is a research agenda (Liang & Turban 2011) because social media are likely to develop marketing strategies in firms through trust-building mechanisms and affecting customers' intentions.

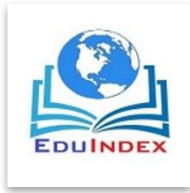
Consumer buying behavior is a particular manner in which the consumers behaves or reacts in the process of buying a product. The consumers of products or services perform different types of buying behavior which are as follows:

Complex buying behavior (which involves greater price and risk and are not purchased often), Habitual buying behavior (Consumer gains habit of using product for long time), Impulsive buying behavior (when consumer cannot resists buying a product when he sees it), Consumer buying behavior (Identification of product, study features, knowing pros and cons) and Dissonance reducing buying behavior (when there are number of brands that have very less or no difference and are expensive and risky). In this study, three buying behaviors i.e. Impulsive, Complex and Consumer buying behavior are analyzed to identify the impact of social media marketing. This study is a modest effort to analyze the impact of social media sites on buying behavior in buying smart phones. Various Demographic factors have been studied in context to purchase behavior of residents of Rajasthan state.

REVIEW OF LITERATURE

1. Arindam Gupta, Subhadeep Mukherjee (2018), "The empirical study on the impact of social media marketing on brand loyalty: case study of reliance jio infocomm limited"

This paper highlights the impact of Social Media Marketing on brand loyalty with reference to Reliance Jio Infocomm in Silchar metropolitan region of Cachar district. Aim is to identify the relationship between social media marketing factors adopted by Jio and brand loyalty of consumers of Jio telecommunication. Results shows that social media marketing have an impact on brand loyalty of consumers and it has been considered as significant instrument for marketing which majorly includes brand campaigns on social media sites, promotions on social media channels, brand presentations on social media platforms.



2. Walid Nabil Iblasi, Dr. Dojanah M.K. Bader, Sulaiman Ahmad Al-Qreini (2016), “The Impact of Social Media as a Marketing Tool on Purchasing Decisions”

The study talks about the importance and benefits of Social media marketing in influencing the buying behavior of consumers through a Case Study on SAMSUNG for Electrical Home Appliances. The major objective for which the study was conducted, was to identify the impact of Social Media as a marketing tool on consumer buying decisions. Results showed that consumers spend long time using social media websites before purchasing decision and proved that there is an impact of using social media websites as a marketing tool on the different stages of purchasing decision of a consumer.

RESEARCH GAP

On the basis of Review of literature specific to social media, it has been find that most of the studies has been conducted on Social media but few of them has been conducted on smart phone industries. There is no study in Rajasthan which highlights the role of social media in influencing the consumer behavior. Also, even though many people use Social media for buying smart phones however no major study has been conducted on role of social media with respect to Smart phone industry in Rajasthan. There has been no study conducted so far which focuses on the other and distinguished marketing factors and dimensions to study the impact on consumer buying behavior such as Impulsive buying behavior and Complex buying behavior.

RESEARCH OBJECTIVE

To study the impact of Social media marketing on buying behavior of consumers of smart phone industry.

RESEARCH DESIGN

Data analysis and evaluation are based on the research problem and research objectives. The study conducted a survey on individuals in order to validate the impact of social media on consumer buying behavior. The target individuals were members of social networking sites such as Face Book, Instagram, Twitter, YouTube and users of smart phones. Participants ranged from 18 to 60 years old.

➤ **Sampling**

Sampling Method: Convenience sampling is used to collect the data from the respondents.

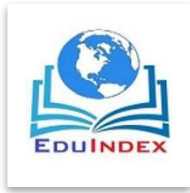
Convenience sampling is one kind of non probability sampling, in which sample is chosen according to the own convenience of researcher and which is close handed.

Sample size: Sample size is 249 respondents of Rajasthan state.

➤ **Data Collection**

Data collection process for the study was carried on by gaining data from primary and secondary sources.

Primary Data was collected from the users of social media marketing with the help of survey method. For the purpose of this study, structured questionnaire was used to collect the required information. Total 270 close ended



questionnaires were distributed, out of which 249 were properly filled by the respondents which were valid for SPSS analysis. Questionnaire comprised of every possible determinant which measured the impact of social media marketing on consumer buying behavior of smart phone users.

Secondary Data was collected from various sources such as research papers, journals, reports, books and other published sources.

➤ **Variable of Study**

There are two variables used in the study to identify the relationship of social media and buying behavior

Independent Variable: Social media marketing

Dependent Variable: Buying behavior which includes Consumer buying behavior, Complex buying behavior and Impulsive buying behavior.

Statistical tools and technique: The statistical tools used for this study were Mean, Standard Deviation and Multiple Regression Analysis to study the relationship between social media marketing and consumer buying behavior.

HYPOTHESIS

From the Objective of the study the following Hypothesis was formed:

H_{0a}: There is no significant impact of social media marketing (Face Book) on buying behavior of customer.

H_{1a}: There is significant impact of social media marketing (Face Book) on buying behavior of customer.

H_{0b}: There is no significant impact of social media marketing (YouTube) on buying behavior of customer.

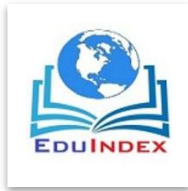
H_{1b}: There is significant impact of social media marketing (YouTube) on buying behavior of customer.

H_{0c}: There is no significant impact of social media marketing (Instagram) on buying behavior of customer.

H_{1c}: There is significant impact of social media marketing (Instagram) on buying behavior of customer.

H_{0d}: There is no significant impact of social media marketing (Twitter) on buying behavior of customer.

H_{1d}: There is significant impact of social media marketing (Twitter) on buying behavior of customer.

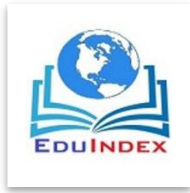


FINDINGS AND CONCLUSION

Characteristics of Study Sample (demographic variables):

		Face Book	YouTube	Instagram	Twitter	Others
Gender	male	90	70	78	24	8
	female	134	109	123	19	0
Total		224	179	201	43	8
Age	18-20 years	180	92	156	12	6
	20-25 years	121	114	122	31	0
	25-30 years	54	36	48	7	6
	30-35 years	19	25	15	0	0
	above 35 years	12	12	5	0	6
Total		386	279	346	50	18
Education	up to school	34	30	28	6	17
	graduation	78	60	66	24	6
	post graduation	70	57	71	13	3
	Ph.D.	34	34	21	4	6
	professional degree	18	11	14	7	5
Total		234	192	200	54	37
Occupation	service	45	38	42	6	9
	self employed	16	6	12	4	6
	business	42	36	30	2	8
	others	24	18	12	6	0
	student	107	101	114	37	6
Total		234	199	210	55	29
Income	0-1 lakh	114	101	109	43	16
	1-5 lakh	120	70	97	27	11
	5- 10 lakh	83	62	72	13	3
	10-15 lakh	24	18	28	8	3
	above 15 lakh	18	8	12	2	0
Total		359	259	318	93	33

Hypotheses Testing



1. First Hypothesis

H_{0a}: There is no significant impact of social media marketing (Face Book) on buying behavior of customer.

H_{1a}: There is significant impact of social media marketing (Face Book) on buying behavior of customer.

Model Summary

Table of Model Summary for Face Book

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.859 ^(a)	.713	.614	.55641

From the above table it is observed, The R^2 value for the model is 0.713 which indicate that there 71.3% variation in the Buying Behavior (which includes Consumer buying behavior, Complex buying behavior and Impulsive buying behavior) of consumers due to Face Book.

ANOVA

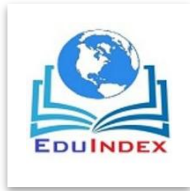
Table for Anova to determine the level of significance of R^2

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.607	4	.337	9.021	.000 ^(b)
	Residual	26.779	648	.040		
	Total	28.386	652			

From the above table it is observed that, the $p < (0.05)$, so null hypothesis is rejected and alternative hypothesis is accepted, therefore it can be concluded that there is significant impact of Face Book on Different buying behavior of consumers i.e. Consumer buying behavior, Complex buying behavior and Impulsive buying behavior.

2. Second Hypothesis

H_{0b}: There is no significant impact of social media marketing (YouTube) on buying behavior of customer.



H_{1b}: There is significant impact of social media marketing (YouTube) on buying behavior of customer.

Model Summary

Table of Model Summary for YouTube

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.681 ^(a)	.523	.509	.55293

From the above table it is observed, The R^2 value for the model is 0.523 which indicate that there 52.3% variation in the Buying Behavior of consumers due to YouTube.

ANOVA

Table for Anova to determine the level of significance of R^2

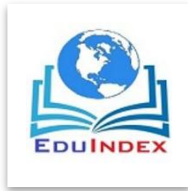
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.965	5	.965	13.157	.003 ^(b)
	Residual	15.820	448	.306		
	Total	16.785	453			

From the above table it is observed that, the $p < (0.05)$, so null hypothesis is rejected and alternative hypothesis is accepted, therefore it can be concluded that there is significant impact of YouTube on Different buying behavior of consumers i.e. Consumer buying behavior, Complex buying behavior and Impulsive buying behavior.

3. Third Hypothesis

H_{0c}: There is no significant impact of social media marketing (Instagram) on buying behavior of customer.

H_{1c}: There is significant impact of social media marketing (Instagram) on buying behavior of customer.



Model Summary

Table of Model Summary for Instagram

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.710 ^a	.568	.465	.50748

From the above table it is observed, The R^2 value for the model is 0.568 which indicate that there 56.8% variation in the Buying Behavior of consumers due to Instagram.

ANOVA

Table for Anova to determine the level of significance of R^2

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.916	6	.316	10.152	.003 ^(b)
	Residual	23.869	448	.058		
	Total	26.785	454			

From the above table it is observed that, the $p < (0.05)$, so null hypothesis is rejected and alternative hypothesis is accepted, therefore it can be concluded that there is significant impact of Instagram on Different buying behavior of consumers i.e. Consumer buying behavior, Complex buying behavior and Impulsive buying behavior.

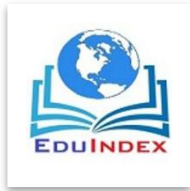
4. Forth Hypothesis

H_{0d}: There is no significant impact of social media marketing (Twitter) on buying behavior of customer.

H_{1d}: There is significant impact of social media marketing (Twitter) on buying behavior of customer.

Model Summary

Table of Model Summary for Twitter



Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.227 ^(a)	.113	.319	.55293

From the above table it is observed, The R^2 value for the model is 0.113 which indicate that there 11.3% variation in the Buying Behavior of consumers due to Twitter.

ANOVA

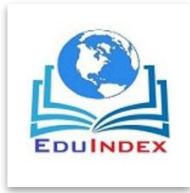
Table for Anova to determine the level of significance of R^2

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.965	5	.465	13.157	.004 ^(b)
	Residual	15.820	548	.006		
	Total	16.785	553			

From the above table it is observed that, the $p < (0.05)$, so null hypothesis is rejected and alternative hypothesis is accepted, therefore it can be concluded that there is significant impact of Twitter on Different buying behavior of consumers i.e. Consumer buying behavior, Complex buying behavior and Impulsive buying behavior.

CONCLUSION

It can be concluded that there is a significant impact of social media marketing tools i.e. Face Book, YouTube, Instagram and Twitter on various buying behaviors (which includes consumer buying behavior, complex buying behavior and impulsive buying behavior) of smart phones. It has been concluded that there is a strong association between social media marketing tools and purchasing behavior of consumers of smart phones. The result shows that Face Book has the most significant impact on buying decision followed by Instagram, YouTube and Twitter. Majorly young customers between age group of 18-25 years are influenced by social media marketing as they spend more time on internet. The results also indicate that all members of study sample spend hours with different percentages using social media websites, which shows that these websites are considered a fertile place for marketing electronically and for influencing the buying



decisions of buyers. There is a strong influence of social media websites as marketing tool on purchasing decisions which encourages the firms to opt for social media in E-marketing and consider these tools in making future plans and strategies.

LIMITATIONS

The study was conducted based on the data collected from Rajasthan and therefore findings of this study may not be applicable to other states and countries of the world because of the socio-cultural and economic differences.

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