Major Project on

RELATIONSHIP MARKETING USING SOCIAL MEDIA AND ITS IMPLICATIONS ON CUSTOMER RETENTION

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CERTIFICATE

This is to certify that the major project report titled **"Relationship Marketing Using Social Media and Its Implications on Customer Retention"** is a work carried out by **Ms. Akansha Saxena** of **EMBA 2017-19** and submitted to Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 in partial fulfillment of the requirement for the award of the Degree of Master of Business Administration.

Signature of Guide   **Signature of Head (DSM)**

                                                Seal of Head

Place:
Date:

DECLARATION

I, **Akansha Saxena**, student of **EMBA 2017-19** of Delhi School of Management, Delhi Technological University, Bawana Road, Delhi – 42, hereby declare that the dissertation report **"Relationship Marketing Using Social Media and Its Implications on Customer Retention"** submitted in partial fulfillment of Degree of Master of Business Administration is the original work conducted by me.

The information and data given in the report is authentic to the best of my knowledge.

This report is not being submitted to any other University, for award of any other Degree, Diploma or Fellowship.

Place: **Akansha Saxena**
Date:

ACKNOWLEDGEMENT

ABSTRACT

In the new era, companies are gradually consuming social media as part of their marketing and brand building initiatives although only a trivial number of companies have actively progressed in this space.

Most of the academic studies consider social media as a new marketing tool that increases marketing communication effectiveness and there is very less focus on how firms are benefitted from them. Increased usage of social media is a persuader for marketers to enhance their customer engagement processes in this space.

An exploratory section of this study is to determine if customer loyalty is obstructed by effective relationship marketing initiatives and whether there are any impacts on actual customer buying behavior, customer acquisition and retention.

A module of Narrative research shall help us to comprehend various metrics where we can see the evolving tools and factors related to social media that most companies use and leverage to get enhanced customer engagement and leads.

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1.Introduction

The rapid evolution of the internet in the last decade has been overwhelming in terms of multiple new opportunities to customers. It not only provides as a humongous database of information but also provides for a platform for seamless interaction. One may communicate freely all over the world to express his/her feelings and opinions through social media. As well-laid out by Kaplan and Hoenlein (2010, p. 61), social media are "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."

Companies are gradually using social media as part of their marketing and brand building initiatives although only a small number of companies have actively evolved in this space. Due to the expansion of internet users, high speed connection, ease of use and the quick distribution more companies have applicable marketing strategies. Increased usage of social media is a motivator for marketers to enhance their customer engagement processes in this space. (Carim & Warwick 2013). In the customer manner that one knows as "internet users," searching product information, online reviews, rating of goods and services, and pre-purchase decision- making can be obtained from social media tools (Wang & Chang, 2013). Social media gives the opportunity to connect with customers using richer means with a greater reachability (Georgios Tsimonis and Sergios Dimitriadis, 2013).

When it comes to naming the most powerful tools for relationship marketing, social media tops the list (Georgios Tsimonis and Sergios Dimitriadis, 2013), there is a lack of understanding in terms of how and why firms are using them. Most of the academic researches consider social media as a new marketing tool that increases marketing communication effectiveness (e.g. Dholakia and Durham, 2010; Kozinets et al., 2010; Trusov et al., 2009) and there is very less focus on how firms are benefitted from them. Considering this gap there are two focus points in this study: how companies are using brand pages (or fan pages) on social media, what are the expected upshots and second to investigate the user's perception of the benefits they get by using the social media tools and engaging in interaction from the companies.

An investigative section of this study is to discover if customer trustworthiness is impacted by effective relationship marketing initiatives and whether there are any influences on actual customer buying and retention.

1.1.Relationship Marketing

The concept of relationship marketing is developing a feeling of a personal or emotional connect with a brand or company. This connection is focused on steady delivery of products or services that surpass customer expectations and create a feeling of belongingness with the brand.

It focusses on making the most of your already existing customers rather than just concentrating on creating new sales or pure selling. It's a long-term strategy that looks at creating and enhancing

brand loyalty, make strong customer connects and encourage continuous repeat purchase behavior from your existing client base.

These days with the advent of social media, it's an emerging trend to create brand ambassadors-customers who loved what you do and sell and are now ready to market, promote and share the content and their experiences with others all on their own. We can see many companies showing their brand ambassadors promoting their product on their fan pages or conducting events where these brand ambassadors present or perform activities that lead to effective sales generation and word of mouth publicity of the brand.

"What we mean by relationship marketing is creating positive brand awareness and growth for a business through understanding, fostering, and leveraging its relationships." – Jeff Epstein, Founder and CEO at Ambassador

2. Literature review

2005 onwards, the word Web2.0 has been in existence. It was first coined by O'Reilly in 2005. This term broadly states it as "A website that stresses on user-generated content, ease of routine, partaking culture and interoperability (i.e., companionable with other products, systems, and devices) for customers". Darcy DiNucci claims the term was conceived by him in 1999 and later Tim O'Reilly and Dale Dougherty drove it at the O'Reilly Media Web 2.0 Conference in the second half of 2004. "Web applications set provisions to create a network of casual consumers thereby easing out making ideas viral and consideration by allowing a full lifecycle starting from operative generation, proliferation, sharing and modifying of the data and content."(Georgios Tsimonis and Sergios Dimitriadis, 2013).

New chances are given to businesses for reaching out to the market and staying in touch with it. Business can learn about the sentiments & needs of their customers, networking with them directly or in a custom-made way (Georgios Tsimonis and Sergios Dimitriadis, 2013).

Relationship marketing has been receiving enough research deliberation, specifically work-related backgrounds (Macintosh & Lockshin, 1997). Relationship marketing can be defined as "The process involving overall marketing tasks starting from attracting the customers to developing their interests and maintain it throughout the customer journey. It also focusses on improving customer relationships" (Berry,1995; Berry & Parasuraman, 1991; Gronroos, 1994). One should not only focus on marketing related decisions about influencing short-lived users but should provide discrete platform for customers to engaging them to build forever/long relationships & deeper sense of engagements.

Social media acts as an important tool when it comes to marketing as it provides companies better platforms to interact with its end users, to build brand recognition beyond classical approaches as it is abundant in terms of resources and time (Mesut Çiçek and Irem Eren Erdogmus, 2012).

Info-graphics mentions in one of its researches that not less than half of Twitter and Facebook customers agree that they are now used to expressing, endorsing or obtaining a company's products/services after they were being promoted with the company on social media platforms (Mesut Çiçek and Irem Eren Erdogmus, 2012). Businesses will encourage product and amenities, give instant backing, and/or harvest an internet communal of brand name buffs over all styles of social media like on-line gambling websites, social networking platforms or portals, content societies, virtual worlds, blogs, online news portals, microblogging sites, social bookmarking, mediums etc. (Mesut Çiçek and Irem Eren Erdogmus, 2012) to boot, social media authorizes purchasers to share info with their nobles concerning the range and repair brands (Mesut Çiçek and Irem Eren Erdogmus, 2012).These speech roads between the peers give corporations another way to reduce costs, to enhance brand image, raise whole acknowledgement and recall, and upsurge complete faithfulness. Thus, we can conclude that social media acts as a bridge to create relationships with customers of specific corporations to increase their trust on the brands through several ways like communicating, online user forums, and online communities.

Customers joined social media at the very beginning of the Social Media era, to remain in grips with near and dear ones, as time progressed social media awareness has gone viral. This is known as the networking effect of internet. As per the latest trends we see over the internet, customers now-a-days prefer to get notifications regarding any updates related to their favorite brands on social media platforms, like Facebook, Instagram, Tumblr and Twitter, to remain updated about what's the current likes and dislikes of the market, to get the best of discounts, to be aware of the loyalty programs, reward points program, special offers etc.

Some documents on branding show that marketers can augment the loyalty and image of their brands by imposing users and the relationship they share with their brands. Consumer and brand share a directly proportional relationship providing ample assistances to the consumer, such as exceptional quality, reduced costs and better handling abilities. They also tend to enhance benefits that customer can experience and results can be seen in an increased percentage of satisfaction levels, positive word-of-mouth via good reviews and better brand loyalty through online forums (Ahmed Rageh Ismail, 2016)

Additionally, through social media, one can witness an increase in interactive digital communication , real time conversations, engaging, sharing information, and reviews on product brand pages on Facebook, Twitter, LinkedIn or You Tube. They not only permit users to get access to more and more data, but they can also explore, assess, decide products and services which play an important role in helping to allure potential customers to shift online, and increase the engagement levels in online businesses.

We all can observe and agree up to a certain level that social media as a platform has been a quick gainer in terms of endorsing things and facilities which directly permits the sellers to chat effectively with existing or potential customers. This is the ultimate acquisition and retention strategy. Consumers and manufacturers or also marketers in between can directly connect via a communication channel. It also enables a two-way dialogue which in turn attracts more consumer to meet and generates a sense of justice and equality between the end users and their brands. Additionally, social media-based discussions provide clienteles with suitable evidence and diminish their efforts to search for truths and statistics. It also enables clients to give opinions about their satisfaction or discontentment regarding the brand and its activities. It can also act to be a positive method of publicizing for businesses. If a consumer has a positive reaction towards a company's advertisements and promotions on social media it can act as an opportunity for marketers to allure that customer and convert that association into a strong bond that can also lead to a loyal customer discovery.

2.1.What reasons contribute to companies using social media ?

Companies are spending more and more time and resources on their social media marketing. They set aside a percentage of their budget to increase their overall presence on social media platforms. Whereas there can be different ways of doing so either by intermingling with their admirers, providing better customer experiences or may be by making use of their voices to capture the

minds and wallets of customers.

The recent transition to social media can be credited to several factors (Georgios Tsimonis and Sergios Dimitriadis, 2013) :

- Declining comeback rates. There have been decreasing number of customers who literally open emails that endorse brands or spend time on online billboards due to disregard and time crunch.
- Skill advancements. The ever-growing IT industry, cheap IT labor, new creative tools and more and more online presence of the common din provides for ample opportunities for marketers online.
- Socio-Economic and cultural factors. The Z generation educated lot and youth spend considerable amount of time on online sites and do not prefer brick and mortar stores.
- Consumer fondness. People in a social environment of course prefer somebody who they can trust rather than believing what a store manager tells them in an exaggerated manner.
- Truncated charges. Any campaign that has been popular on the internet is capable of attracting many more customers than a regular advertisement over the television or radio at a very insignificant cost comparatively.

Providing for these trends in the audience and industry both, there is a high potential to take an advantage of social media, but marketing executives should be aware of how to do it in the best way. There have been various studies that have been carried out initially which have tried to explore and perform a root cause analysis about the underlying reasons from both customers and industries point of views. Out of the multiple results associated to these studies, researchers came out with two primary causes that play an important role in creating an interest in online brand communities: first one is word of mouth and second one is market research. Internet has been acting as a facilitator for various virtual communities, online channels such as communities, blogs, and social networking sites. Thus, social media can be easily used for making any messages viral as users flexibly blowout and spread product related data in their social circles.

Also new prospects have been provided by the social media for consumer teamwork, creating new likelihoods for investigators by increasing the probability of reaching the right customers at the right time as per their likes and dislikes, tastes and preferences.

Desired results, some observations from various studies and the advantages of using social media can be summarized as below :

- Development of new customer relationships and enhancement of the existing ones can be carried out by companies via social media. It strengthens a two-way network between the existing company to user and vice versa. There are many underlying reasons for it like the ease of contact, large capacity, instant results, and behavior of these connections.
- Increasing the vicinity of existing networks as people who are not accessible physically can also be connected in this way. A virtual world is what we call in a technical language where standard content is easily accessible to all as the deign of the network is flexible and

scalable for people to share their knowledge and experiences.

- More and more people can be made aware of the brand online as it grows and exists over a large network of people. If the number of people connected in a network are 'N' the effect of the network of information grows N*N time as a large chunk of people are always connecting and sharing information.

- The aim of any business is to increase numbers. Social media links can help in achieving this. More number of users (site traffic) means more conversion rate and more conversion rate means more sales for any business. But due the presence of competitors, companies still need to figure out ways of effectively using the social media as a medium to increase their sales effectively. Set standards which have proven results in past can help them do so.

Everything has its pros and cons and so thus social media. There are also potential risks that come along while using social media. For example, a user with a bad experience regarding a product or service can spread a negative feeling over Facebook and people after reading that may not be convinced what advertisements make them feel.

It is also said that many companies play with these sorts of negative comments and only a very few addresses them in a right way hurting the sentiments of the users. They lack perfect systems that should be in place to that convert these negative experiences into appreciated circumstances for business opportunities. Hence companies need to have a standard way of addressing user queries, dedicated taskforce, 24*7 redressal systems that can help prevent these situations and cure them turning the negatives to positives.

3. Methodology

Social media is comparatively newer, and the environment is developing swiftly. Researchers and companies are yet to have solid understanding of environment. For the same very reason, qualitative exploratory methodology was used for present study. I conducted two rounds of surveys to capture both the consumer's view and the firm's views.
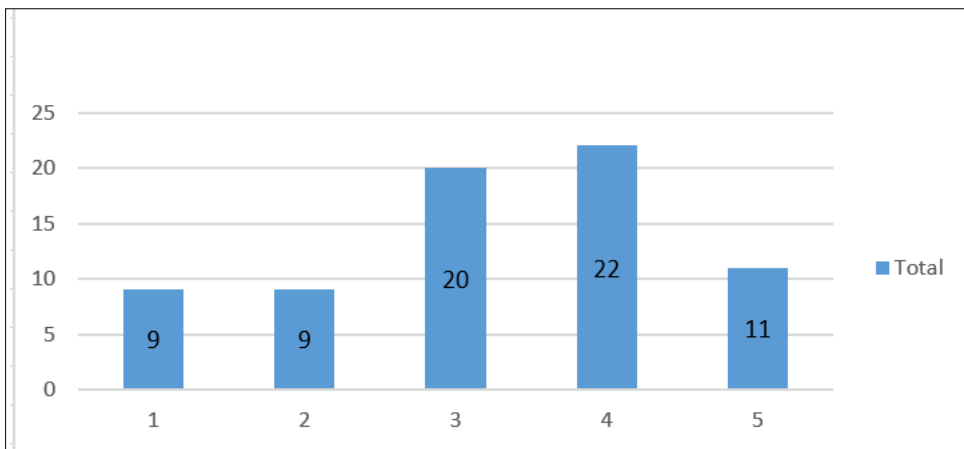
3.1. Consumer Perspective

I conducted a simple survey having the below questions on a Likert scale (5= Strongly disagree and 1= Strongly agree).

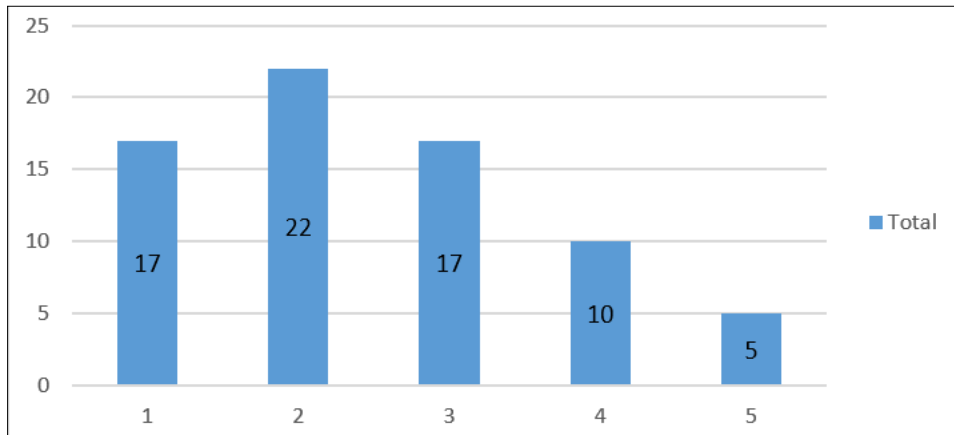1. I prefer online shopping over in-store shopping.
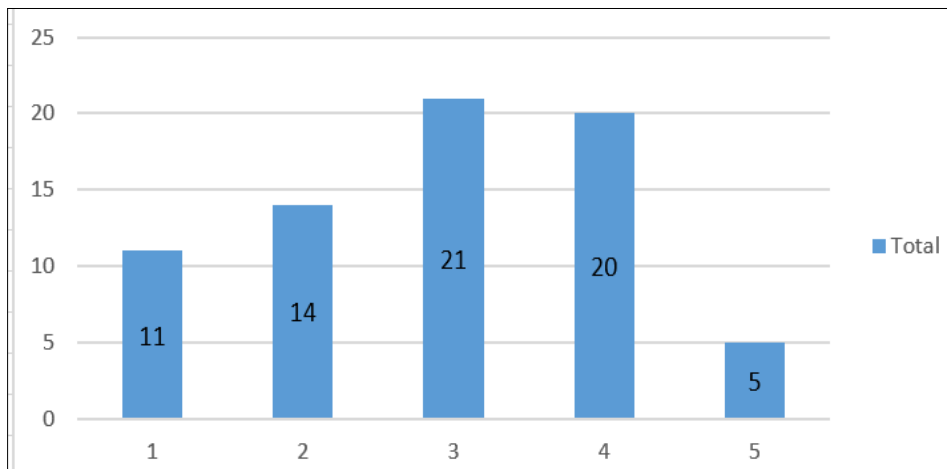
2. Online shopping experience is superior to in-store shopping experience.

3. I would recommend my friends/colleagues about the recent purchase I made on my favorite online shopping portal.

4. Brand recognition is an important factor in influencing you to visit a retailer's website.
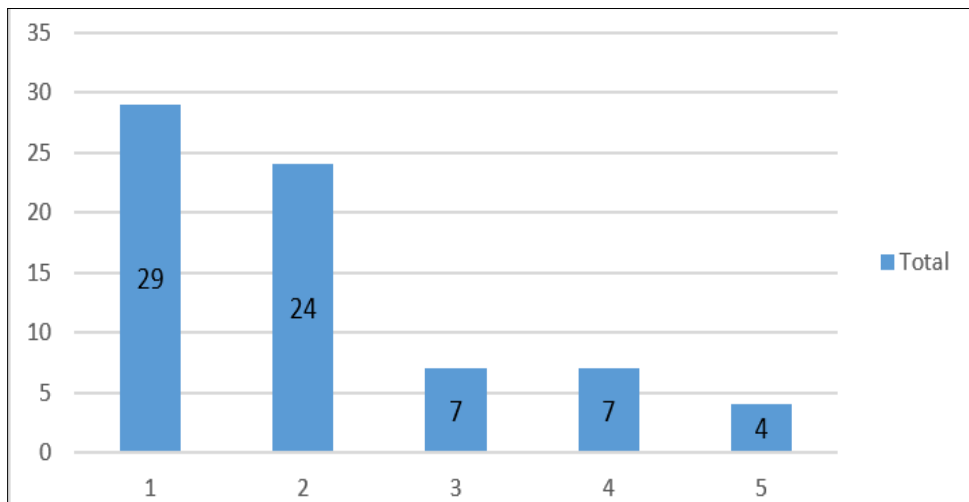
5. My favorite online shopping portal's reward program is beneficial to me.
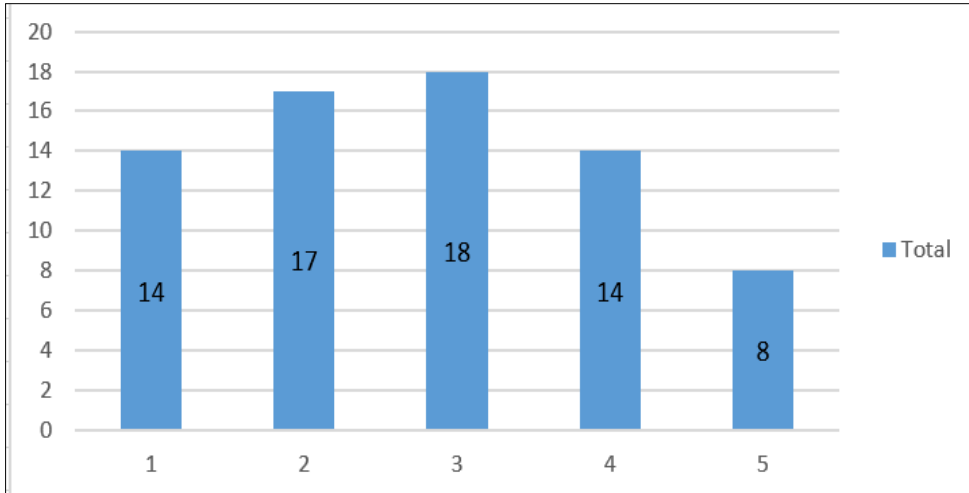
6. The online discounts on your most visited retail website influence your decision to make a repeat purchase.
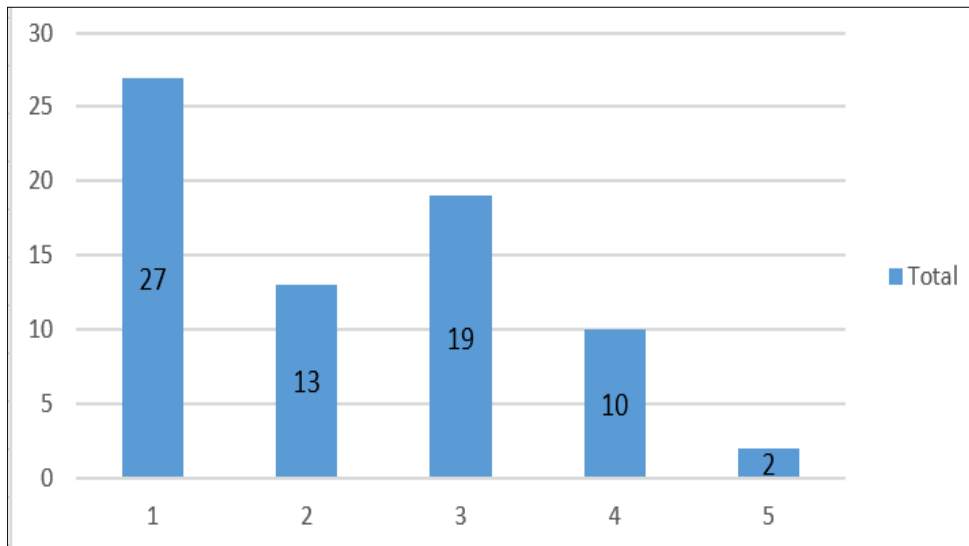
7. Your favorite brand offers you with extra benefits in your purchase by giving lucrative offers on exclusive or limited-edition content.
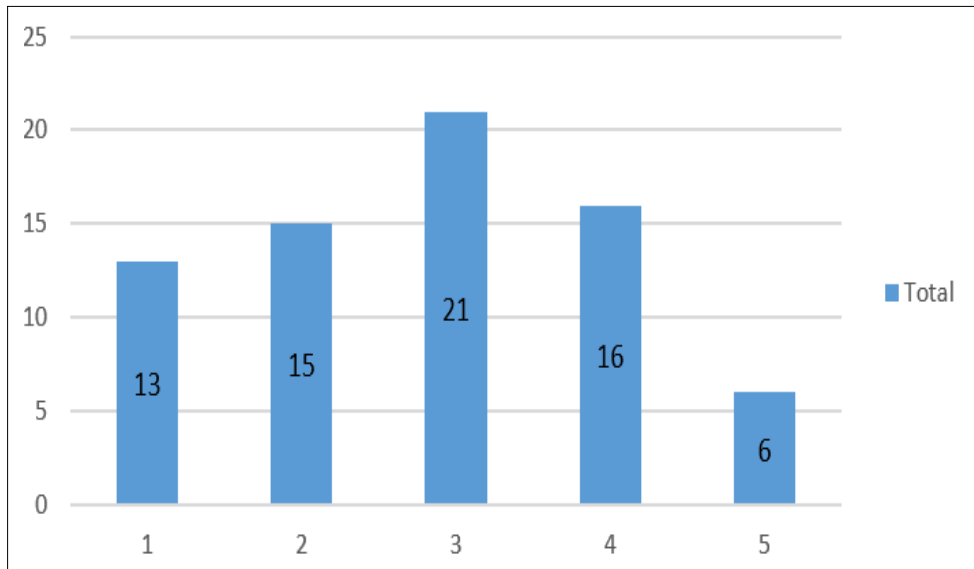
8. The relationship officer of your most frequently visited online store often emails you about personal recommendations based on your chosen merchandise or areas of interest.
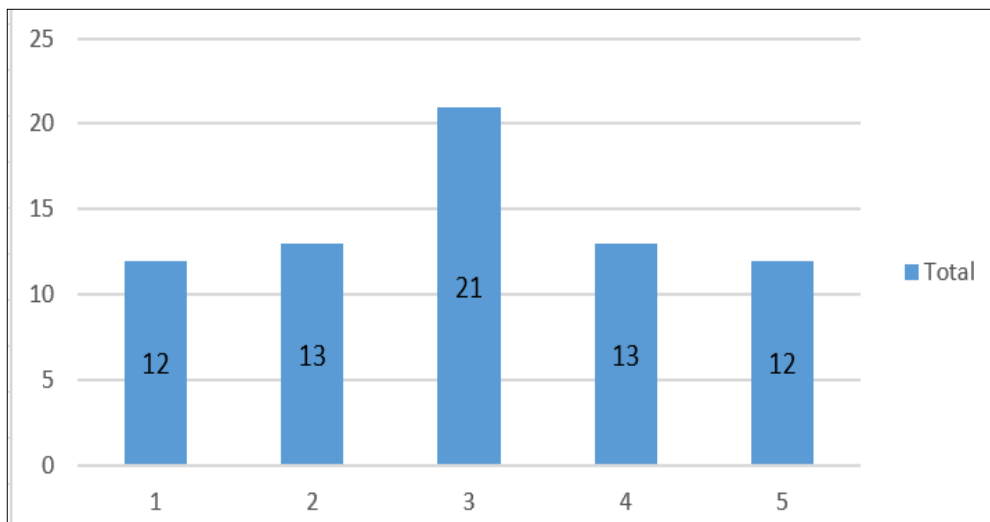
9. Your most visited online store gives you reward points for every purchase you make.
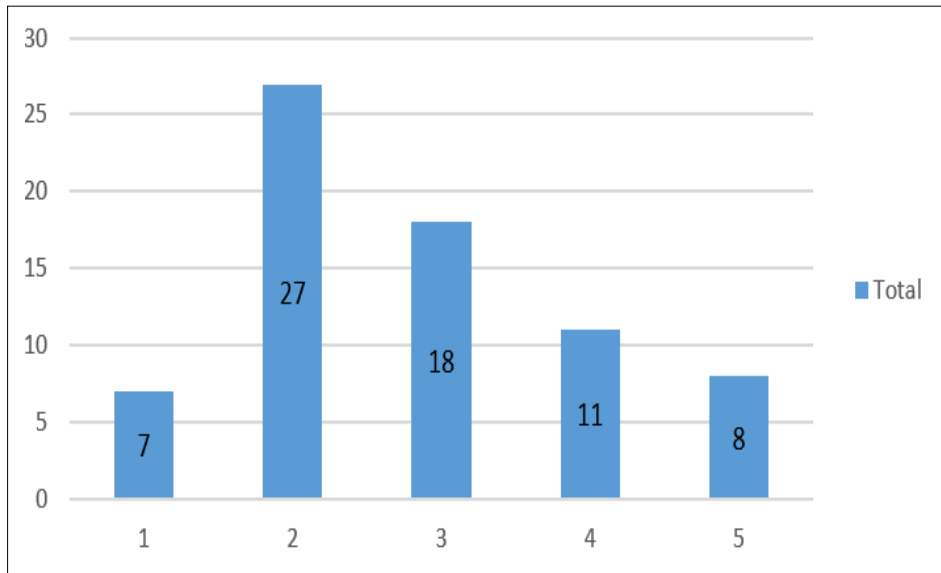
10. The reward points you earn after making a purchase on your most visited store online makes you do a repeat purchase and influences your buying decisions.
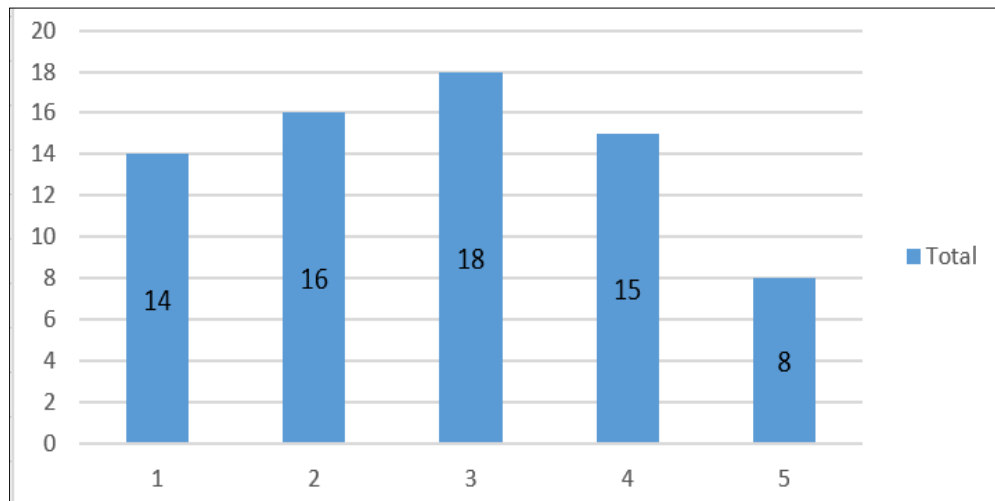
4. Exploratory Research :

For this study I collected data from a few companies that have a considerable social media presence.

These firms have fan pages on Facebook, online communities, Instagram, Pinterest etc. and their environments are that of technology, consumer electronics, accessories, computers, telecommunications, mobile technology, retail industries etc. Data gathering has been through qualitative methods like personal in-depth interviews and through questionnaire.

4.1 Industry Cases

Let us try to explore some of the essential and most widely adopted social media strategies by a few brands globally and how they are leveraging these nuances in enhancing their digital and social media presence and garnering increased customer engagement and brand loyalty.

A case of Amazon

Amazon is a leader of its kind of industry today and this is just not a statement. Researches, facts and figures, studies say it. Out of the 310 million active amazon users over the globe worldwide, 90 million users spend at an average of $1,300 per year and are **Amazon Prime account holders**. 220 million are non-Prime members who spend an average of $700.

In US, this is said to be the most liked and profitable, extensive and most precious online store so far. Figures state an annual net ecommerce sale of $52.8 billion as far as physical goods are concerned in 2017 which is nearly quadruple to that of Walmart (Amazon's adjoining homogenous rival).

Customer Engagement at every level –

Customer reviews present online are like what is on Amazon. Certainly, collecting customer evaluations has always been vital to the Amazon strategy. All of individuals who have used the site recognize, assessments are encouraged all through - both previously and after purchase.

Each thing that is recorded on Amazon has a star-rating - granted by Amazon clients - and is regularly joined by various surveys left deliberately by past purchasers of a similar item. Purchasers, unexpectedly, can likewise leave audits of venders. Surveys have dependably been basic to the Amazon model. Since purchasers can't contact or test an item before they focus on a buy, past client appraisals give risk, and fill in as an indication of value for purchasers who might some way or another simply will be at the merchant's transfer.

Be that as it may, similarly significant, is the way that surveys make authentic customer commitment with the stage. Undoubtedly, the exceedingly dynamic client surveys sections

discovered all over Amazon could nearly be marked as a client driven social framework in its very own light.

Clients become acquainted with their preferred dealers and draw in with them. They additionally become more acquainted with their preferred commentators and trust their feelings, star-appraisals, and tributes. To make item surveys significantly increasingly gainful to clients, Amazon additionally allows network restriction by urging clients to cast a ballot on the adequacy and criticalness of each audit that is left, and purchasers can even post supplemental inquiries legitimately to the individual who checked on. Furthermore, obviously, the Amazon calculation is in a consistent condition of up-sell - 'Clients who saw/purchased this thing additionally saw/purchased that thing', purchasers are advised at pretty much every stage.

The majority of this animates genuine association with the Amazon.com stage. It's considerably more than only an online retail webpage, it's a network that Amazon has now been treasuring for a long time. As, it's no big surprise that when web based life took off in the previous decade or something like that, Amazon knew decisively how to be a piece of the online network game to its advantage. Amazon has online networking nearness on Facebook, Twitter, Pinterest, Tumblr, Instagram, Quora, YouTube, LinkedIn, Vine and Google+.

<u>Startegy used by Amazon on Twitter</u> –

#Amazon Cart has a different attitude altogether. Technology combined with wizard is their success mantra. attitude. Twitter provides seamless opportunities to users to add products directly to cart via their twitter handle.

Amazon is focusing more on shifting its profits more on the Prime video and Amazon Music front rather than providing discounts and offers to traditional customers only on Amazon.com users. And they have been successful in this approach as nearly 2.7 million loyal users have started being a part of its one of the sub divisions like Prime Video and Amazon Music.

"Basically, a stage for substance showcasing as opposed to pouring direct deals, Amazon's action on Twitter anyway serves to make and develop an included network of shoppers and move whatever number as would be prudent towards Prime participation." (Source : Twitter.com)

<u>Strategy used by Amazon via YouTube</u> –

The discussions around this venture started around a year ago. Successful user stories are what the YouTube channel Amazon India Seller University focusses and sells on.

YouTube & TV ads *#aurdikhao*

They aim to infiltrate even the smallest of cities where the prediction is that the campaign will go well. Target audience remains between the ages of 18 and 45 and who have a valid internet connection. More than 15,000 subscribers have been associated with this campaign.

<u>Ads</u> –

Amazon focusses on promoting via Ad films. They basically try to hit the roots of the Indian society by displaying various facets of a person's life where they have options everywhere and

must decide on choosing the right one.

The customers end up viewing the entire end as they feel connected and end up in downloading the Amazon app.

Facebook strategy –

More than 28.7 million likes on its fan page, Amazon leads on Facebook like a king. Frequently updated news feed, latest blogs and reviews, user experience you can find everything that a sensible user would like to see. Their strong customer retention strategy lays down the best handling of all kinds of comments from its users so rapidly in a humble manner making available all the useful information that a user may want and adds a humanly touch by addressing the customers with their first name.

Pinterest –

Pinterest acts like an extension for Amazon. Pinterest is, of course, the only social media site where a significant percentage of users go for buying ideas to browse. But when they find Amazon's Pin, they can simply click on it and are either taken straight to Amazon.com webpage or to a seller's website. They have two options to either buy the product directly or buy it indirectly from the seller via Amazon.

Spark –

Amazon even launched its own Instagram / Pinterest-like Amazon Spark last year, which could be described as a shopping social network.

Spark is designed to create social commitment that directly leads to purchases of products.

When users sign up, they are asked to identify topics of interest from an extensive list that includes categories of products as well as areas of lifestyle such as travel, art & design, fitness, etc. Users then receive product images and other items of interest in a feed for shopping news, where they can write comments, make endorsements, and click to make a purchase.

Not only does Spark help generate direct revenue, it also generates data and gives Amazon a new set of customer channeling indicators that it can narrow down further.

Amazon now knows what its handlers are looking for and buying, but with Spark, more information can be obtained about the interests and ambitions that can be used to inform specific targeted marketing and ad campaigns.

4.2 An interview excerpt from Amazon the interviewee was a team leader in Amazon's customer care team who closely work with the social media and customer relation departments :

    1.   Do you have any social media presence? FB/ Twitter/ LinkedIn

    *YES- FB

2.   Do you have an online community where you bring the customers and employees of your company together?

*YES, on FB and fan pages

3.   What do you do on social media to attract customers?

*Campaigns

4.   Do you have any reward programs? If yes what they are ?

*Yes, Quiz and free bees

5.   What strategies you must retain customers through social media ? What do you do to retain current customers ? Reduced prices? Discounts? Offers? Promotions?

*Promotions
*Discount Coupons

6.   Do you also engage in email campaigns to inform customers about any upcoming deals? Offers?

*NO

7.   Do you think any time of the year say Diwali or any major festivals, the sale is increased online ?
*Yes, festival days see an increased customer traffic.

8.   Do you track customer's online activity ? like if he/she recently liked an item or put it in his/her cart but did not buy? Do you then email them or engage in any conversations to convert that interest into a possible purchase ?

*No

9.   How many customers you feel do a repeat purchase based on their online shopping experience with Amazon?

*NA

10. Do you receive any customer complaints through social media platforms as well?

*Yes

11. If answer to #10 is yes, then to what extent you can resolve customer complaints through social media?

*We actively engage our customer service executives in resolving and acting on any

customer complaints.

12. Do you announce any discounts or promotions on your fan page ? (or any other social media platform) Or do you only advertise to let the customers know about these?

*Yes

13. Do you carry out any surveys or feedback mailers for customers to get their feedbacks? (Either on the website or on a community or fan page or through direct email?)

*Yes

14. Do you also interact in person or give consultation, or make recommendations to prospective customers ?

*No

15. Do you inform customers about any exclusive or limited-edition content through emails ? or through FB?

*Yes, through FB.

16. What is the penetration ratio of such communications? Do you track how many people read or opened the email or link ?

*NO

17. Out of the ones who saw the link or email, how many of them engage in conversations with your customer care team?

*NA

A case of FabIndia :

 FabIndia is an Indian chain store dealing in home furnishing, garments, fabrics and ethnic products handcrafted by artisans from rural India.
To keep pace with the ever-changing consumer needs FabIndia has introduced a new concept of shopping for its customers in the form of experience contrasting addition.

Social media strategy –

In the words of **Karan Kumar, Head-Brand & Marketing** at Fabindia :
"The objective for us is to continuously improve our consideration, relevance and adoption.

However, to get right consideration and adoption, one need not look at the amount of advertising or marketing spends. It is about the kind of advertising and marketing spends. We advertise a little bit in newspapers and magazines. We've also been very active digitally and socially. We have become very active with various influencers and opinion leaders. We are very active in participating with industry stories. So, we spend our marketing money in a variety of ways, in which we think we can more intermittently engage with our audience. This by telling them the stories we want to tell them, making them experience the brand in the manner we want them to experience, rather than blustering on the conventional above-the-line media with over-the-top spends."

Shutter shock Blog –

Fabindia has made a bold and stylish statement in the space of garments, home accessories and decors and lifestyle accents.
On Shutter shock Fabindia uses a variety of ways to showcase their traditional techniques, skills and hand-based processes. They actively use this blog space to create beautiful and high-quality licensed photographs, vectors, illustrations etc.

Social Media stats –

Twitter Followers

5K
FabIndia

147K
Average

45K
FabIndia Competitor's average

| 200,000 |
| 160,000 |
| 120,000 |
| 80,000 |
| 40,000 |

Fab1nd1a   Avg   Category Avg

Tweets Retweeted

25o/o

of Fabindia's tweets were retweeted by its followers [)

Facebook Likes

| 488K |
| Fabindia |

| 2M |
| Average |

| 2M |
| Fabindia's competitors' average |
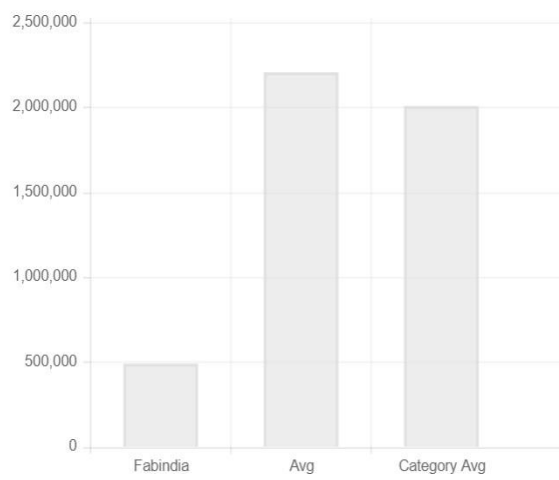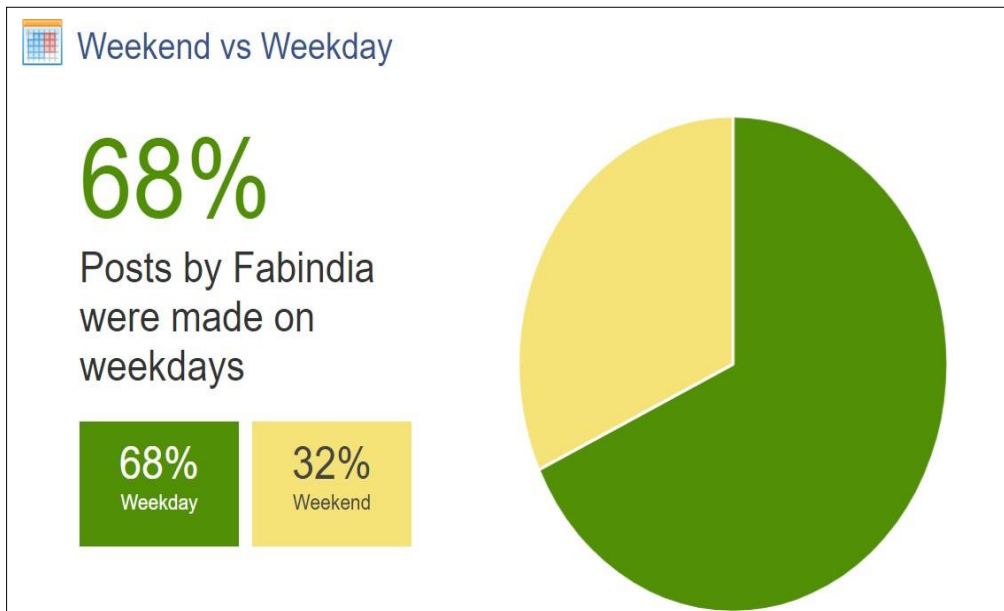
4.3 Narrative research – I carried out a survey of a few companies involved actively in social media marketing and tried to understand various metrics where we can see the emerging tools and factors related to social media that most companies use and leverage to get enhanced customer engagement and leads.

The companies I surveyed are :
1. Nike
2. Green deck
3. Hexaware
4. Towers Watson
5. Moody's Analytics
6. Dabur
7. Organic India
8. ETL labs
9. CorsetsNmore
10. McCann
11. JC Penny
12. Future Retail (Big Bazaar)
13. Glaxo
14. Pittora.com
15. Info Edge India Ltd.

Primary objectives for having social media presence.

WHAT ARE YOUR PRIMARY OBJECTIVES FOR BEING PRESENT ON SOCIAL MEDIA?

Objective	Percentage
Brand awareness	86.67%
Customer service	86.67%
Customer engagement	80.00%
Research	73.33%
Build community	53.33%
Generate leads	53.33%
Thought leadership and credibility	53.33%
Customer retention	33.33%
Reputation management	26.67%
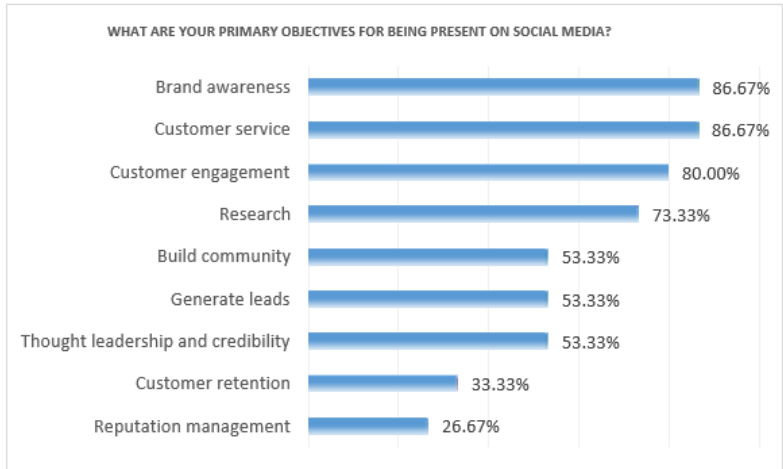
Brand awareness (86.67%) and Customer service (86.67%) are the topmost two objectives to be achieved for brands on social media followed by customer engagement (80%) and research (73.3 %).

There seems to be a shift in preferred objectives for most firms these days from just building communities and generating leads to building more brand awareness.

Kind of content that is published on social media channels?

WHAT KIND OF CONTENT YOU PUBLISH ON YOUR SOCIAL MEDIA CHANNELS?

Content type	Percentage
Our feeds for social media relate to our products, services and related offers Products, Services and related offers	86.67%
Our customer strategy only focus on polar content created to showcase latest trends	53.33%
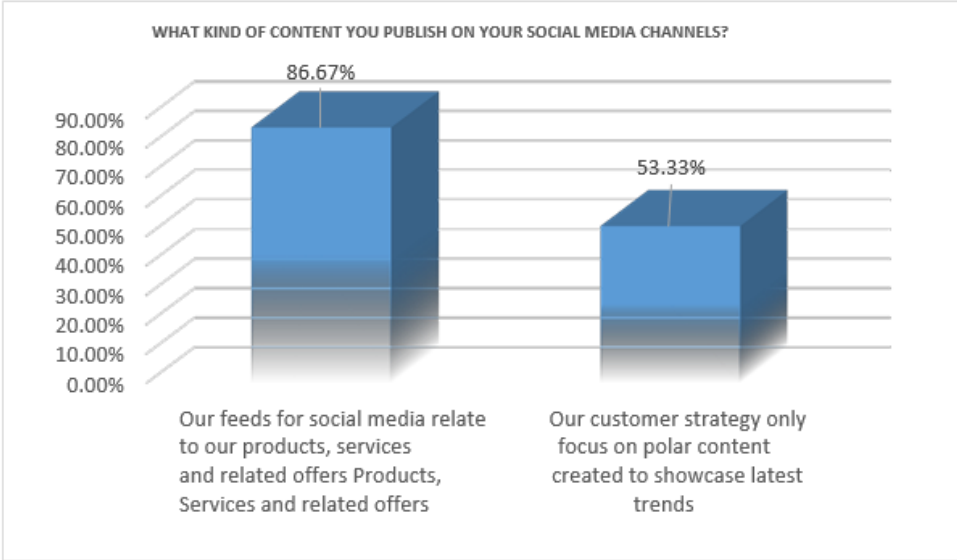
Around 87 % of the brands surveyed said that they focus on mostly content related to their products and services, whereas almost 53% admitted they use topical content which relates to their brand and overall trends in the industry.

How do you expose your potential touch points to customers?

Most of the brands surveyed indicated organic growth and email campaigns to attract customers

as the most important touch points. 53.3 percent of businesses drive traffic by linking different channels, allowing users to engage in a variety of ways.
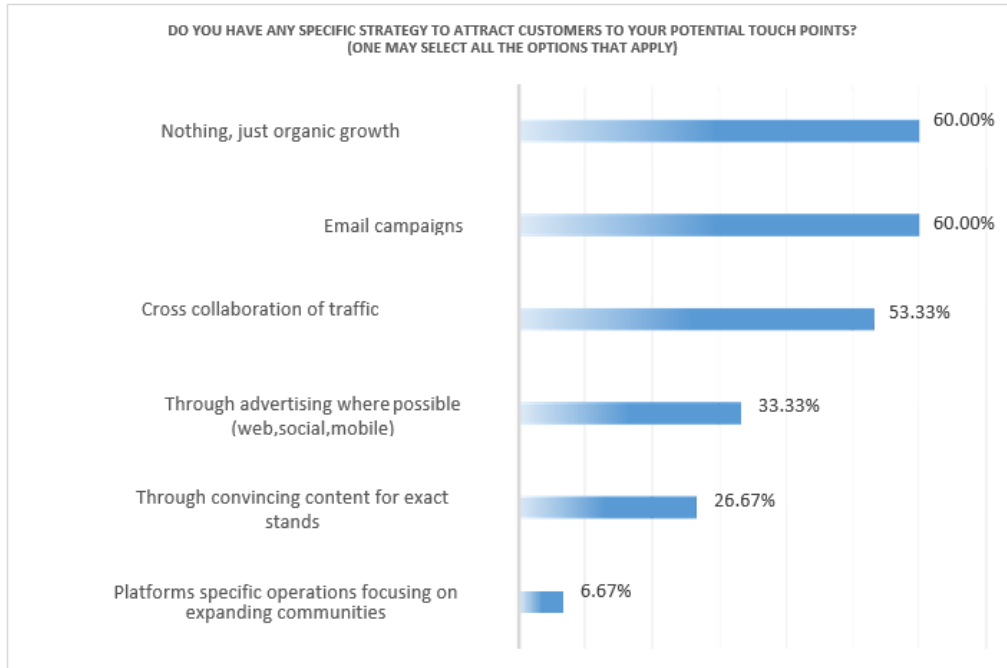
Please select which platforms to engage with your customers you think are the most effective?
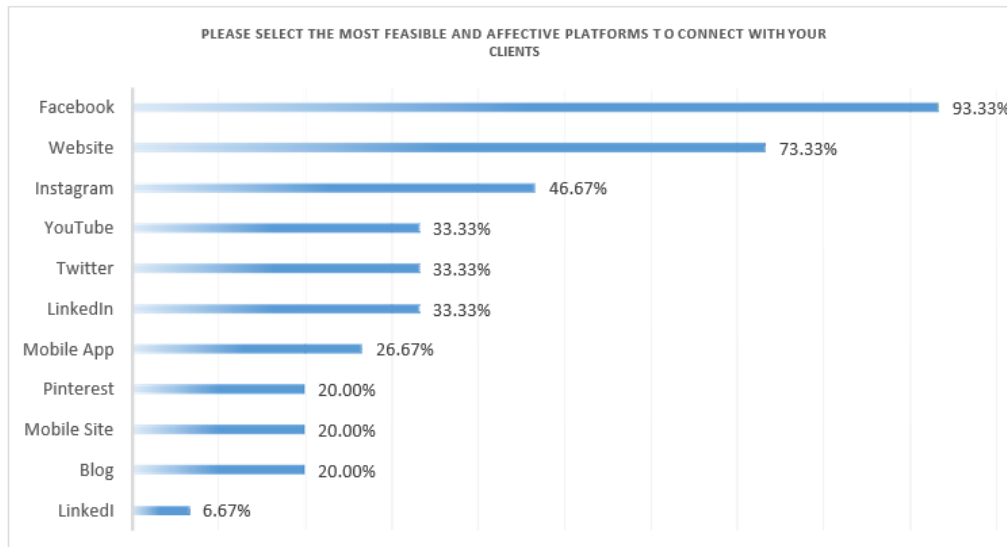
Brands were requested to select their most operative platforms through which they interact with their customers. Facebook and Website are among the two topmost portals for engaging in customer interactions.

Instagram, Twitter, LinkedIn and YouTube were the other most preferred channels to connect with their target audience.

Platforms that are part of digital presence.

WHAT PLATFORMS FORM A PART OF YOUR CURRENT DIGITAL PRESENCE ?

Platform	Percentage
Website	93.33%
Facebook	73.33%
Instagram	73.33%
Twitter	60.00%
LinkedIn	53.33%
YouTube	46.67%
Mobile App	40.00%
Mobile Site	33.33%
Blog	26.67%
Pinterest	13.33%
Google+	6.67%
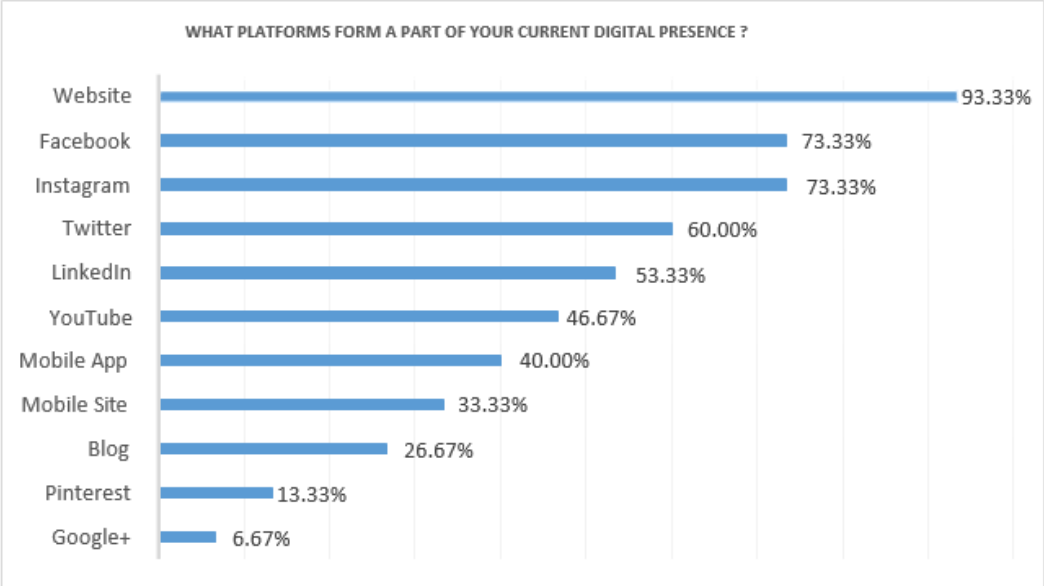
When asked about what platforms they currently have active presence on and are leveraging the most, then Website and Facebook were the topmost scorers.

How digital strategy or social media help with repeat purchases and building a loyal customer base?

How does your social media or digital strategy help with repeat purchases and building a community of loyal users?
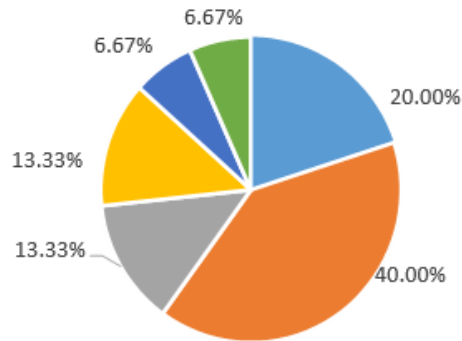
- We can manage leads and resolve customer queries/ requests more effectively, and therefore provide a better customer experience.
- We engage regularly with our users on social media and can offer a better brand experience.
- We have better customer insights and usage data to help with segmentation, targeting and sales.
- We run exclusive promotions for our Social Media fans and followers.
- We run referral campaigns to ensure Word-of-Mouth campaigns.

40% of brands surveyed engage regularly with customers on social media, while around 20% brands feel that their social media strategy effectively helps in generating leads and resolving customer queries more effectively providing a better brand experience.

What percentage of marketing budget do you spend exclusively on social media marketing ?

What percentage of marketing budget do you spend exclusively on social media marketing

13.33%
26.67%
20.00%
20.00%
20.00%

■ 6-10% ■ 16-20% ■ 11-15% ■ 21-30% ■ 1-5%
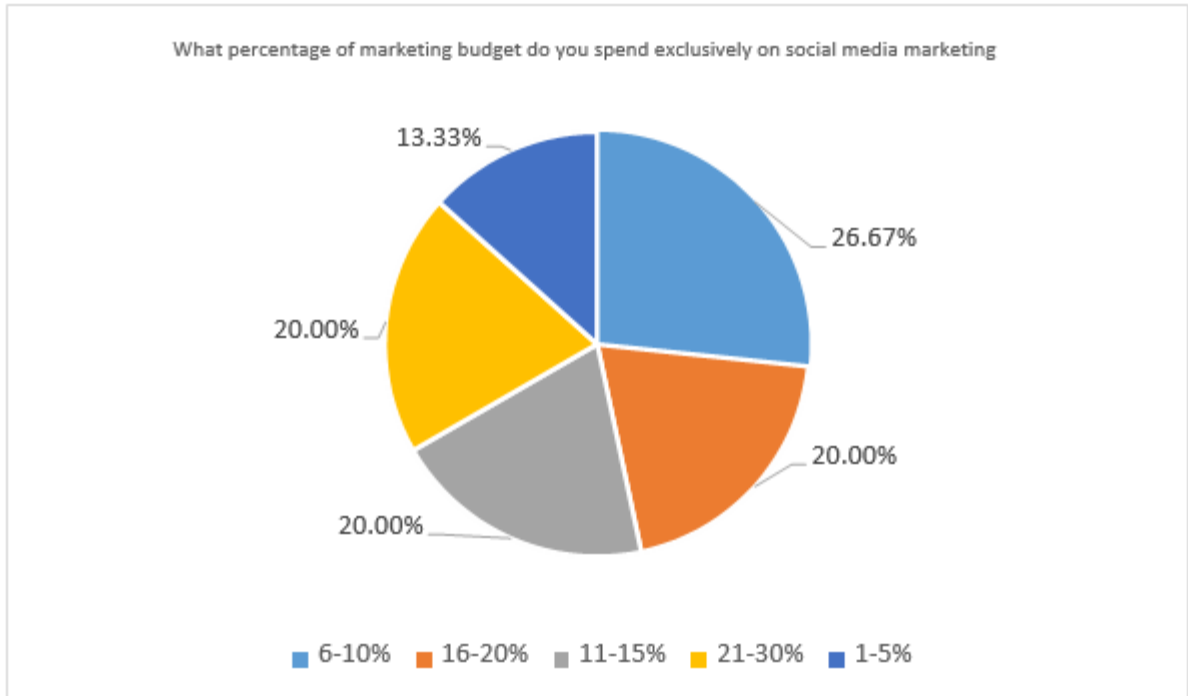
We also asked brands how much budget they allocate specifically to social media marketing which includes campaigns, advertising and content publication on social media, official brand announcements on social media handles etc.

26.7 % companies were allocating almost 6-10% of their marketing budgets , whereas almost 20 % of the companies were allocating around 21-30% of their marketing budgets to social media activities, which is a considerable amount and shows how companies are also allocating their financial resources towards enriching their social media marketing spends.
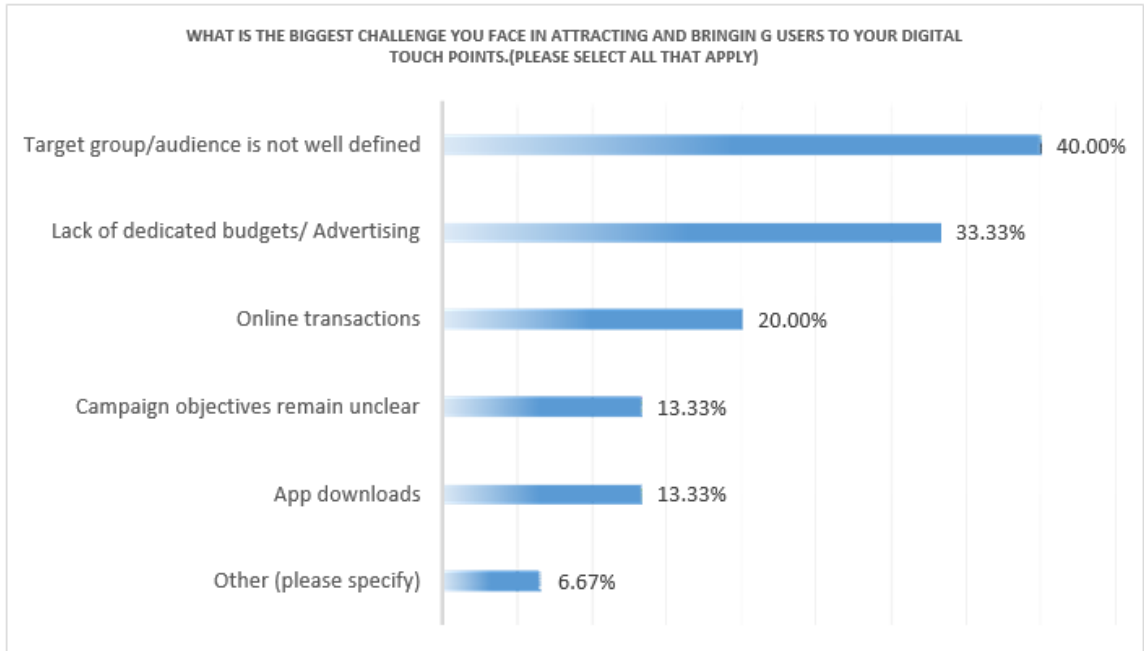
Challenges faced in previous year in marketing brand via Social Media

WHAT WERE THE CHALLENGES THAT YOU FACED LAST YEAR IN MARKETING YOUR BRAND ON SOCIAL MEDIA?
(PLEASE SELECT ALL THAT APPLY)

Challenge	Percentage
Sustaining/Increasing engagement rate	46.67%
Content creation/innovation	40.00%
Measuring effectiveness	33.33%
Ensuring uniform communication across all channels.	26.67%
Social media policy & governance	20.00%
Monitoring social media	20.00%
Response management	13.33%
Customer service	13.33%
Acquiring the right target group	13.33%
Listening/responding with fans	6.67%
Integration with lead generation or sales	6.67%

The surveyed brands mostly indicated Sustaining engagement rates (46.67%) and Content Creation (40%) as the two main challenges faced during previous year in marketing their brands via social media platforms. Measuring effectiveness (33.3%) and Ensuring uniform communication across all channels also were the next important challenges that companies faced. Governance, response management, listening to fans seemed to be less of a challenge with brands working to focus on customer retention and building brand loyalty rather than just acquiring new customers.
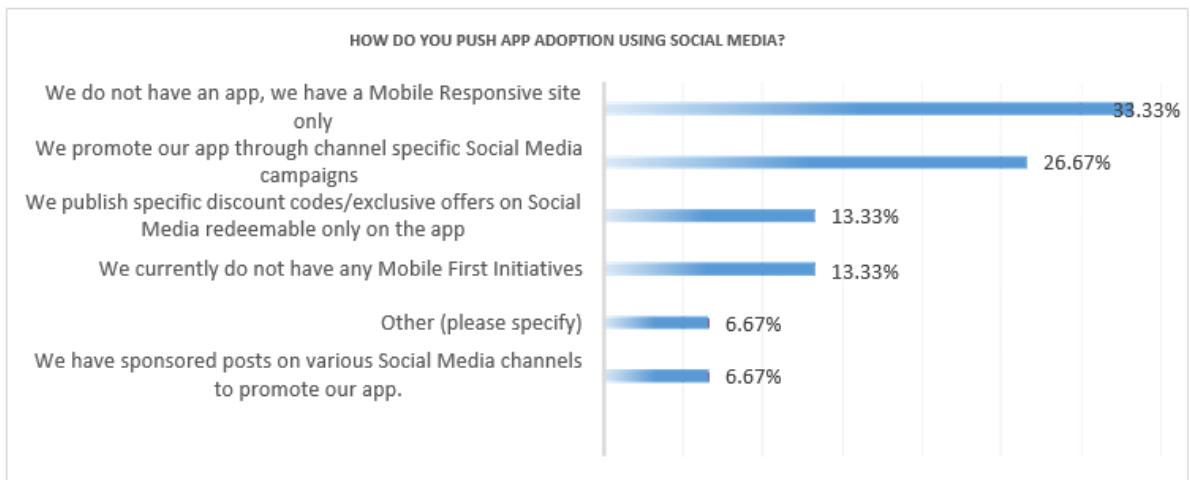
What can be considered as biggest challenge for attracting users and bringing them to your digital touch points.

WHAT IS THE BIGGEST CHALLENGE YOU FACE IN ATTRACTING AND BRINGIN G USERS TO YOUR DIGITAL TOUCH POINTS.(PLEASE SELECT ALL THAT APPLY)

Challenge	Percentage
Target group/audience is not well defined	40.00%
Lack of dedicated budgets/ Advertising	33.33%
Online transactions	20.00%
Campaign objectives remain unclear	13.33%
App downloads	13.33%
Other (please specify)	6.67%

Bringing customers to brands through various channels is very important after you have successfully established yourself in the digital space. The top challenges brands encountered in bringing customers to their channels was lack of effective definition of target audience (40%) and the lack of advertising budgets centered to social media advertising. Defining clear objectives for campaigns is also an important factor that leads to reduced footfall on social media channels of the company.

How can app adoption be pushed via social media?

HOW DO YOU PUSH APP ADOPTION USING SOCIAL MEDIA?

Method	Percentage
We do not have an app, we have a Mobile Responsive site only	33.33%
We promote our app through channel specific Social Media campaigns	26.67%
We publish specific discount codes/exclusive offers on Social Media redeemable only on the app	13.33%
We currently do not have any Mobile First Initiatives	13.33%
Other (please specify)	6.67%
We have sponsored posts on various Social Media channels to promote our app.	6.67%

Surprisingly most of the surveyed brands are focusing on their mobile friendly websites rather

than pushing users to adopt their apps (33.3%). Around 40% of the surveyed brands are pushing for app adoption through other social platforms or through sponsored posts.

It can be inferred that brands these days trust their customers and want them to decide on how they want to communicate and engage themselves with the brands across different digital channels.

This seems to be accelerated by the recent announcements made by 'Flipkart' and 'Myntra' where they have re-launched their websites after seeing a slowdown in the app-specific purchases.

5. Consumer Survey findings :

1. Surprisingly just under 30% of the respondents liked in store shopping and online shopping equally. Almost 30 % of the respondents strongly agree that they recommend their friends about their favorite online brand.
2. Almost 20% respondents strongly agree that their favorite brand gives them beneficial rewards programs, whereas almost 50 % were in the agreement to neutral categories in terms of reward programs.
3. Online discounts were a major reason for making a repeat purchase for almost 38 % respondents, whereas around 18 % reacted neutrally towards the discounts offered.
4. Around 40 % respondents fell in the strongly agree categories when it came to make a repeat purchase or influencing their buying decisions by giving lucrative reward points .

6. Overall Findings:

1. Social media gaining momentum – All the managers who were interviewed considered social media platforms as the quickest and fastest medium that has gained popularity in the internet community. So, to keep up with the ongoing technological developments it was very essential for their firms to expand to social media.

2. Social media is virtual – Digital marketers want to create buzz about their brand and products online. They know that social media is the best place to popularize their brand. Many of them quoted how this can be achieved : Facebook likes, Retweets, Share posts etc.

3. Competitors presence - Managers believe that it is of great advantage to keep a track of their competitors who already are existing on social media platforms. A brand should necessarily also follow its competitors who have social media presence on Facebook or fan pages to remain aware about their ongoing strategies and social media activities.

4. Parent company's social media engagements – Many multinational companies who have social media presence in other countries need to follow a common social media strategy to be consistent across all their subsidiaries and parent company as well.

5. Reducing cost – Firms these days focus on finding cheaper solutions to promote their brands and social media platforms are an ideal way to effectively promote their offerings thereby also cutting on costs.

7. Conclusions/ Directions for further research

This project suggests that companies can effectively maintain and enhance customer relationships and brand loyalty by efficiently managing their social media marketing initiatives and programs. For some companies this may mean a more formalized approach to existing social media marketing practices. However, this must be based on a firm's strong customer base and awareness of the brand in the minds of the consumers. Also, companies need to carefully examine and implement adequate financial and managerial resources towards social media marketing and customer retention practices in the long term.

Further research can be done on specific buying decisions of consumers based on their regular social media interactions. Firms these days need to devise more novel ways of engaging and retaining customers on their main social media touch points and should be researching on the possible gaps that prove a hindrance to this process. This will not only increase overall growth of social media interactions and transactions but also create a global community of inter-linked satisfied customers.

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