

**<< Project Dissertation Report on >>**  
**How Social Media Marketing affects Consumer**

**Submitted By**  
**Neeraj**  
**2K19/DMBA/057**

**Under the Guidance of**

**Mr Dhiraj Kumar Pal**  
**Assistant Professor, DTU**



**DELHI SCHOOL OF MANAGEMENT**

**Delhi Technological University**  
**Bawana Road Delhi 110042**

## **Abstract**

Social Media is very important in modern world. Billions of people use social media daily. Therefore, advertisers and marketers need to utilise this Social Media for marketing purposes. The new concept that has imerge in the world of marketing is known as social media marketing. This research study is also focused on Social Media Marketing. The primary motive of this research report was to understand the behavior of a consumer on various social media platform and how they respond to them. Also the result metioned in these study shows that it has a great impact to them. SMM is also important to increase brand awareness and brand loyalty.

## **Keywords**

Social Media Marketing, Consumer Behaviour, Brand Awareness

# Introduction

Social media, as the name suggest is media of society. Some websites and literature suggest that Social media may have roots in 1840s but when we see in real, the term 'Social Media' is a new term.

“Social media can be termed as the collection of online communication of various inputs which may be community-based or individual, interactions, intercommunications, contents sharing, websites and many more among different users.”

The primary objective of Social Media is to communication between people. It has its history back to 1840 when telegraph was launched in United States. PLATO system was launched in 1960. GeoCities was one of the earliest in Social Networking sites, which was launched in 1994. Classmates.com was launched in December 1995, SixDegrees.com in May 1997. Social Media platform '**OpenDiary**' was launched in October 1998. '**LiveJournal**' was launched in April 1999. '**Ryze**' was launched in October 2001. '**Friendster**' was launched in March 2003

In addition to these '**LinkedIn**' was launched in May 2003. '**MySpace**' was launched in August 2003. '**Orkut**' was launched in January 2004. '**Yahoo! 360°**' was launched in March 2005, '**Bebo**' was launched in July 2005. '**Tumblr**' was launched in February 2007. '**Google+**' was launched in July 2011, which has now been closed.

The Social Media platforms which revolutionalised the Social Media, are Facebook, Twitter, Instagram and Youtube. '**Facebook**' was launched in Februray 2004.

'**Youtube**' was launched in February 2005. '**Twitter**' was launched in 2006 and '**Instagram**' was launched in July 2010.

## The meaning of social media marketing in simple worlds:

Social Media marketing is positive use of Social media to marketing products, services, brand, company or any firm to increase the sales, to get more profit, to get more traffic and for other many purpose. social marketing as the name suggests involves the various advertisement on the various platform of social media and how to influence the group of the people so they find that product intresting or of there use and better than the product they are using on the current time.

## Benefits of Social Media Marketing

Some of benefits of Social Media Marketing are following

1. Social Media marketing is easy to use. It is not complex like Television advertisement, newspaper advertisement and some other types of advertisement.
2. Social media marketing makes the consumers to get to know about the different products in the market.
3. It can improve brand loyalty. Some research paper and the work done in various field also gives the result that people buy same kind of products in certain cases.
4. Social Media is cost-effective.
5. It can hummanise the brand. Ability to create real human connection is main benefit for Social Media Marketing.

6. Today we have various platform so millions of people can give their opinions on the social media which helps to improvement in the product and services.

## Review of Literature

**Semra Bank, Evrim Erdogan Yazar,, Ugur Sivri (2019)** write that Social media is suited to many marketing activities. Social media is neccerray instrument which has impact on everything.

**Zhan Wang, Hyun Gon Kim (2017)** - Interest in Social media marketing by marketers has grown much because of expedition of Social Media. To improve the overall activity CRM is used by the various companies.

Research paper of **Blend Ibrahim, Ahmad Aljarah (2018)** it tells about the bonding of social media marketing and how consumers have faith towards a particular brand. Primary data was collected throughquestionnaire, which was examined by Structural Equation modeling (SEM). Results showed that there is a significant affect of Social Media Marketing on brand loyalty.

**Severina Iankova and colleagues** they did all the comparsion between the various models and made a perception of their own on the basis of responses they have found.

**Rui Yang, Tong Che (2019)** – focused on the strong connection between the man who is in the market for selling the product and also the person who tents to buy it.

**Yogesh K Dwivedi, Elvira Ismagilova and colleagues (2020)** – how the buyer think before has been completely changed to the next level all because of the social media marketing is changing accordingly.

**Man Lai Cheung, Guilherme D. Pires and colleagues (2020)**- bonding of the cousumer and the seller to a level that every one is benified from the process. And the cousmers get the benefit and the knowledge of the product completely and also the impact on the market as the changing environment.

**Lamberto Zollo, Raffaele Filieri and colleagues (2020)**- the study of social media marketing and the how the consumer are buying the same product of the brand and how they are loyal to particular brand..

**Sheshadri Chatterjee, Arpan Kumar Kar (2020)** – how the business would have impact on the small and medium enterprises and how it can be useful for the various small and medium companies in India and how it can be improved further.

This research was done to have the impact of the social media in the local business and how it can be improved to have profit in the small markets of India.

**Shih-Chih Chen, Chieh-Peng Li (2019)** - This is a study to know the effects of Social Media Marketing. Total 502 responses were collected for analysis. Findings were that Social Media Marketing Positively affect consumer satisfaction.

**Eun-Ju Seo, Jin-Woo Park (2017)** – This is a study which tries to find relation between Social Media marketing, brand loyalty and brand awareness. Total 302 responses were used for the study. Finding suggest that there is a strong relationship between Social media marketing and brand awareness.

# Research Study

## Rational of the Study

The various platform used for the social media marketing and very useful . There is a research gap in my literature that there are not many studies, which study impact of Social Media marketing on consumerbuying behaviour. There are some studies buy they are conducted directly by responsesmanagement students. Respondents were mainly management students who are consumers as well as have knowledge of subject.

## Objectives

1. How the consumer get influenced by the social media and how the buying pattern chances.
2. Study impact of Social Media Marketing on brand awareness

## Methodology

Data was collected from Google questionnaire and analysed through Statistical Package for Social Sciences (SPSS).

## Primary data Collection

Data was collected through Google questionnaire. Total survey size was 50. Respondents were management students.

## Hypotheis

**Research Question-** Does Social Media Marketing have impact on Consumer Buying Behaviour?

**H0:** Social Media Marketing do not have impact on Consumer Buying Behaviour.

**H1:** Social Media Marketing has impact on Consumer Buying Behaviour.

**Research Question-** Does Social Media Marketing increase brand awareness?

**H0:** Social Media Marketing does not increase brand awareness.

**H1:** Social Media Marketing increases brand awareness.

## Tools for analysis

After collecting responses, questionnaire data was analysed into spss. Following tools have been used to analyse the questionnaire responses.

### 1. Frequencies

The Frequencies tool summarise the measures for categorical variables in the form of frequency tables, bar charts, or pie charts.

### 2. Cronbach's Alpha

It is an important statistical tool. It is a measurement of internal consistency. It can be called as a measure of scale reliability.

Cronbach's alpha	Internal consistency
$\alpha \geq 0.9$	Excellent
$0.9 > \alpha \geq 0.8$	Good
$0.8 > \alpha \geq 0.7$	Acceptable
$0.7 > \alpha \geq 0.6$	Questionable
$0.6 > \alpha \geq 0.5$	Poor
$0.5 > \alpha$	Unacceptable

Formula for Cronbach's Alpha is following-

$$\alpha = \frac{N \cdot \bar{c}}{\bar{v} + (N - 1) \cdot \bar{c}}$$

### 3. Factor Analysis

It is a data reduction tool, which is used for hypothesis testing.

These are three tools, which has been used for analysis of responses of questionnaire.



# Data and Analysis

## Analysis of Yes/ No type Questions

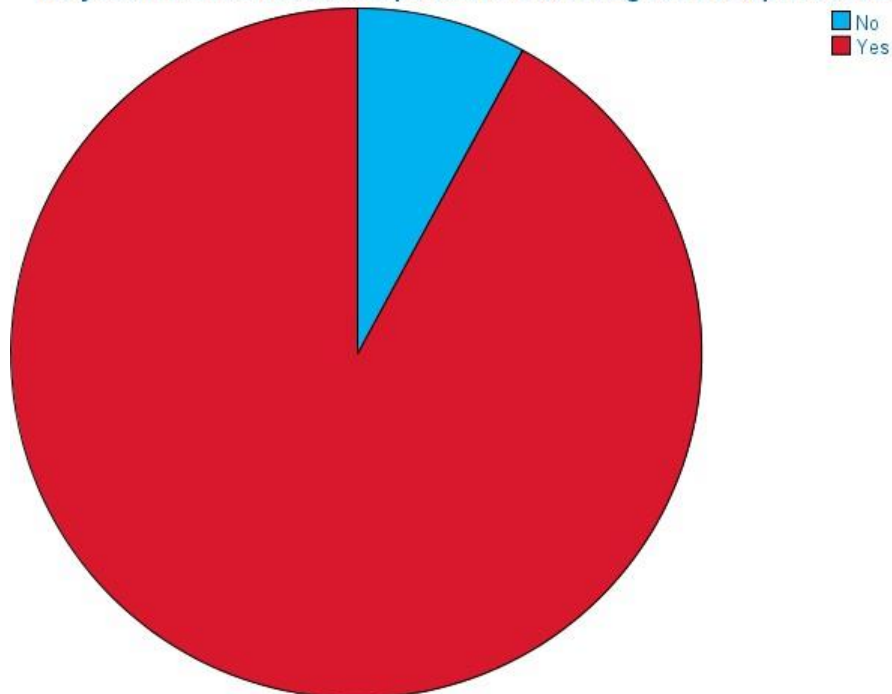
Statistics

		Do you think social media is important for increasing sales and profit of company?	Should companies spend more on Social media marketing?
N	Valid	50	50
	Missing	0	0

Do you think social media is important for increasing sales and profit of company?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	4	8.0	8.0	8.0
	Yes	46	92.0	92.0	100.0
	Total	50	100.0	100.0	

Do you think social media is important for increasing sales and profit of company?

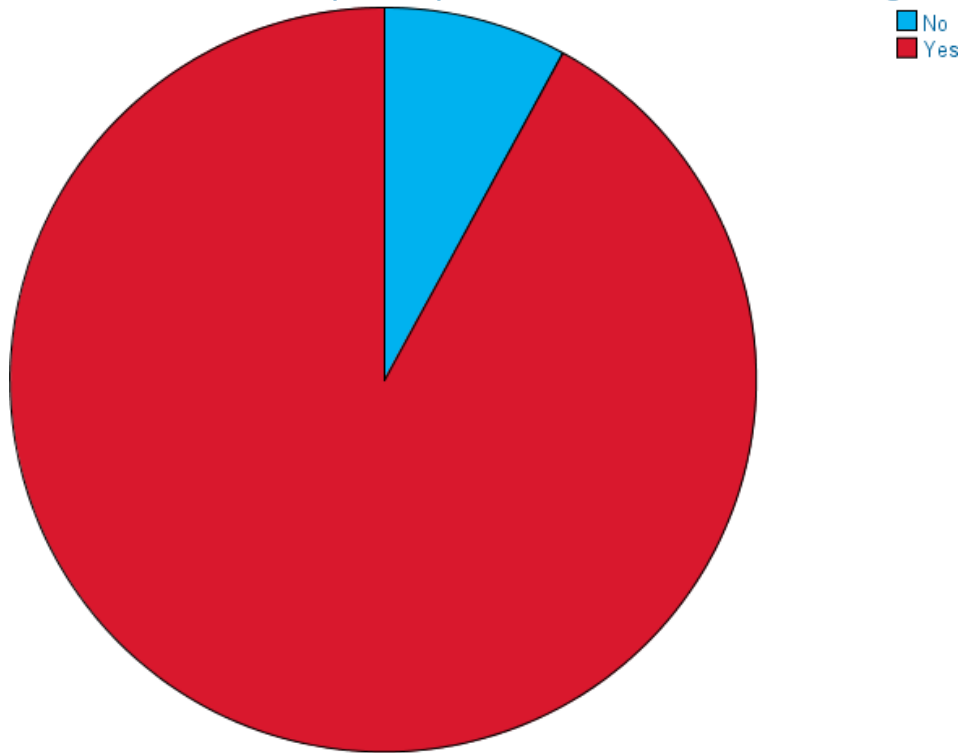


Should companies spend more on Social media marketing?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	4	8.0	8.0	8.0
	Yes	46	92.0	92.0	100.0
	Total	50	100.0	100.0	

We can see from results that 92% people think that Companies should spend more on Social Media Marketing.

Should companies spend more on Social media marketing?



## Analysis of Likert Scale Questions

I used 'Reliability Statistics' tool to use the internal consistency of my variables. I got Cronbach's alpha by this.

Cronbach's alpha is 0.981 which means internal consistency of my variables is excellent.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.981	.985	4

After this, I conducted factor analysis for my likert scale questions. There were five questions in my likert scale, which were measured on parameters 'Strongly Agree', 'Agree', 'Neutral', 'Disagree' and 'Strongly Disagree'. 'Strongly Agree' was valued as 1, 'Agree' was valued as 2, 'Neutral' was valued as 3, 'Disagree' was valued as 4 and 'Strongly Disagree' was valued as 5.

Descriptive Statistics

	Mean	Std. Deviation	Analysis N
A Social Media advertisement change your perspective and behaviour towards a company or brand.	1.46	.676	50
Social Media marketing increase the brand awareness	1.50	.814	50
Social Media marketing can increase customer loyalty to brand	1.44	.705	50
Social Media Marketing is easier then traditional marketing.	1.52	.886	50

Mean for statements 1.46, 1.50, 1.44 and 1.52 respectively, which is between Strongly Agree and Agree. This explains that mostly respondents are agreeing with statements those were in questionnaire.

Correlation Matrix<sup>a</sup>

		A Social Media advertisement change your perspective and behaviour towards a company or brand.	Social Media marketing increase the brand awareness	Social Media marketing can increase customer loyalty to brand	Social Media Marketing is easier then traditional marketing.
Correlation	A Social Media advertisement change your perspective and behaviour towards a company or brand.	1.000	.945	.937	.887
	Social Media marketing increase the brand awareness	.945	1.000	.960	.961
	Social Media marketing can increase customer loyalty to brand	.937	.960	1.000	.966
Sig. (1-tailed)	Social Media Marketing is easier then traditional marketing.	.887	.961	.966	1.000
	A Social Media advertisement change your perspective and behaviour towards a company or brand.		.000	.000	.000
	Social Media marketing increase the brand awareness	.000		.000	.000
	Social Media marketing can increase customer loyalty to brand	.000	.000		.000
	Social Media Marketing is easier then traditional marketing.	.000	.000	.000	

a. Determinant = .000

We have got good correlation between all the statements which means strong correlative linear relationship between statements.

### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.733
Bartlett's Test of Sphericity	Approx. Chi-Square	384.025
	df	6
	Sig.	.000

P-value is 0.000 which is less than 0.05. It means that alternative hypothesis is accepted and null hypothesis is rejected. High extraction values mean variable is better explained by factors.

### Communalities

	Initial	Extraction
A Social Media advertisement change your perspective and behaviour towards a company or brand.	1.000	.927
Social Media marketing increase the brand awareness	1.000	.976
Social Media marketing can increase customer loyalty to brand	1.000	.975
Social Media Marketing is easier than traditional marketing.	1.000	.950

Extraction Method: Principal Component Analysis.

Communalities matrix is extracted by Principal Component Analysis. These also have high values in my research.

Component Matrix<sup>a</sup>

	Component
	1
A Social Media advertisement change your perspective and behaviour towards a company or brand.	.963
Social Media marketing increase the brand awareness	.988
Social Media marketing can increase customer loyalty to brand	.987
Social Media Marketing is easier then traditional marketing.	.975

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Component matrix is also used for correlation between variables. My components also has high values.

## Findings

1. According to reponses that I have got consumer buying pattern is highly influenced by their activity on social meida.
2. Social Media Marketing increase brand awareness and customer loyalty and it is more easier then traditional marketing.
3. P-value is 0.000, which is less then 0.05 which means both null hypotheses are rejected and alternative hypotheses are accepted.

## **Conclusion**

Paper has studied about Social Media Marketing's impact on consumer buying behaviour, brand awareness and consumer loyalty. Results are positive. Most of respondents also agree that companies should spent more on Social Media Marketing. They also agree with the fact that Social Media Marketing can increase profit and sales of the company. Social Media marketing is very good strategy as it is cheap and Social media has more reach towards consumer.

### **Limitations of the Study**

This Research study has certain limitations also.

1. This research study is based on primary data collected by responses. This is based on responses. For proving all the facts, companies' data (Budget of Social Media Marketing, sales, profit, increase in sales and profit by Social Media Marketing) is also needed.
2. Mainly respondents are management students. This can not fully tell the behaviour of consumers.

Future Research study should be focused on companies' data and other segments of consumers also.

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## Annexure-1

### Consumer Behaviour Research Questionnaire

Do you think social media is important for increasing sales and profit of company?

- Yes
- No

Should companies spend more on Social media marketing?

- Yes
- No

A Social Media advertisement change your perspective and behaviour towards a company or brand.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

Social Media marketing increase the brand awareness

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

Social Media marketing can increase customer loyalty to brand

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

Social Media Marketing is easier than traditional marketing.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

