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Reenergizing business with Social Media: An analysis of Indian perspective

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ABSTRACT

With digital platform connecting to the last man standing in this global village, focus of government to use new media as a tool of social connect, social media is a new platform where government wants citizens to use for their betterment and help government to improve their services.


Government is not the first entity to use social media to reach the masses, but businesses are using this platform for years to connect with clients, users and have been using it as a new tool for marketing and expanding its reach.

With over 103 billion population and over 65% of this are youth under 35 years of age, India is a huge market not only for foreign companies, but also domestic companies, which are now using demographic dividend to grow.

The extensive use of social media platforms in India has been on the rise among the new generation youths. In today's world, life cannot be imagined without Popular social media sites like Facebook, Twitter, LinkedIn, Instagram, WhatsApp, YouTube, Digg, MySpace, StumbleUpon, Delicious, Scribd, Flickr etc are influencing the way users establish, maintain and cultivate a range of social relationships, from close friendships to casual acquaintances. Consumers today want to be more informed about products before they make the purchase. The new age social networking culture has been well accepted and has met an enthusiastic response and acceptance.

Of the 7.3 billion global population worldwide, social networking has 2.3 billion active users which has seen a rise of 176 million just last year. Social networking advertising earnings are estimated at \$8.3 billion in 2015 even as 385 organizations spent over 20% budget on social media channels which has been up by 15% compared to 2015, according to paper 'Impact of Social Networking on Indian Youth - A Survey' by Akashdeep Bhardwaj and Vinay Avasthi¹, Sam Goundar of University of Petroleum & Energy Studies, Deheradun, India. [1]

Keywords: *social media, business, corporate, India, Facebook, Twitter, LinkedIn*

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INTRODUCTION

The rise of internet access speeds and smart phones helped social networking even more and days of considering social applications as waste of time is long gone. Initially the use of social networking was limited to corporate and businesses for connecting with peers, customers, clients with twitter handle, Facebook accounts or WhatsApp mentioned on business and visiting cards. Social networking has now branched to include friends, family associates and classmates as well. Social networking offers several opportunities like access to information, videos, extension of social group, ability to express, learning opportunities, seeking and maintaining friends and relatives, point out a paper titled Impact of Social Networking on Indian Youth - A Survey. [2]

Another paper titled A Study on Impact of Social Media on Company Performance by Prof. Sandeep Bhanot of SIES College of Management Studies points out that the most important characteristics that social media are participation, openness, community and connectedness. [3]

With the help of social media, companies can make users/clients participate in what they are offering helping them to understand what their customers need. As customers are continuously involved in this contribution process and a feedback is given to a company before the final product is launched.

Forming a community is what corporate do, so that they are aware what customers needs and what changes/up gradation is required by the company from their end making the process fully open as anyone can give feedback and suggestions.

With social media, there is always a permanent connection, links between people, resources, life styles etc. The main benefit of adding social media to your overall marketing communication strategy is to create a platform that attracts the attention of clients and prospects of products, services and capabilities, or prompts them to share their views on a topic of common interest.

Nowadays, companies are using social media in marketing, advertising, sales, innovation, customer service and problem resolution, information technology, human resources and also for driving cultural change. Indian companies and brands will be in a better position to enhance their brand image through use of social media. They can plan the use of traditional media and social media to reach out to more people, thus creating a bigger market for themselves.

With the rise in internet penetration and thanks to Reliance Jiobullishish approach to change the scenarios of data usage in India has made this remarkable changes in terms of internet usage. Jios' push has seen a huge change in data consumption, not even in urban but also in rural areas. This has made other telecommunication to change tariff plans to match with Jio. There is more usage of internet data in two, three tier cities as they people in these places are generating more contents well as consuming more too.

This is the market, businesses are looking to capture. After marketing their product through newspapers, TV, hoardings, Companies are now using social media to reach people, which was previously not taught off.

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RESEARCH METHODOLOGY

Analyzing content online about usage of social media in Reenergizing business in India today. Along with research papers and reports published by global consultant, as well putting forward the opportunities for corporate to grow using social media platforms.

LITERATURE REVIEW

Over the past 10 years there has been a radical shift in how business are conducted and how people interact. The introduction of personal computers, the Internet, and e-commerce have had a tremendous impact on how businesses operate and market.

However the introduction of computers 40 years back may not have made much change in India, but introduction of social media technology and the revolution in internet usage post Jio's launch and government focus on digital India have made a huge impact on businesses now and into the future.

As new technologies became available, businesses that learn to use new technologies gain great benefits. Some of the best-known examples include technology-driven companies such as Microsoft, eBay, Amazon and Google. In a short span of time, social media has become one of the most loved mediums for the Indian youths today. [5]

Social Media Marketing is the hottest new marketing concept and every business owner wants to know how social media can generate value for their business. People are social by nature and collect or share information that is important to them. Social Media Marketing is about understanding how technology is making it easier for people to connect socially with their social networks and how your business can profit from that understanding, a study 'Effectiveness of Social Media as a Marketing Tool: An Empirical Study' by Abu Bashar, Ishad Ahmad and Mohammad Wasiq revealed. [6]

More and more customers, whether for personal use, business-to-consumer or business-to-business reasons use social media in every aspect of their daily life. Social media is a tool for sharing and discussing information. It is a social instrument of two way communication facilitating the sharing of

information between users within a defined network via web 2.0 (O'Reilly, 2005). It involves online activities in which the user contributes to content creation.

Though there is no check or regulations in this media. This encourages user involvement which can be as simple as posting comments or giving votes or as complex as recommending content to other user on the basis of preferences of people with similar interests and lifestyle. Social networking sites are a place where in one forms communities of interest to connect to others. Social networking sites utilize social media technology to connect with people and build relationships. According to Boyd & Ellison, 2007, Social networking sites allow individuals to construct their profile within a bounded system, share with other users and view and traverse their list of connections and those made by others within the system.

[7]

Most importantly, social networks are extremely capable of informing and influencing purchase decisions, as many users now trust their peer opinions more than the marketing strategists.

Customers now have the power to talk back at the brand and broadcast their opinions of the brand. Therefore, marketers have no choice but to treat them differently and with greater respect, the paper explained.

Initially with blocking social networking sites for employees using it in office, companies have understood the importance and are now exploring usage of Facebook, Twitter and LinkedIn as it offers a new face of business networking. According to technology research firm Gartner, by 2014, social networking services will replace e-mail as the primary vehicle for interpersonal communications for at least 20% of business users.[8]

Indian companies have a very positive feeling about the power of social media channels and that is why, they are appointing specialized social media managers for boosting their brand's visibility. Over the past few years, effective social media marketing has proven to generate quality leads for a company and has helped different brands in building relationships with their client base. [9]

Let us have a look early adopters of social media from Flipkart, P&g India, Uber, Sony India, Coffee Café Day, Tata, Samsung India, Godrej Consumer Products, Bajaj Appliances, Vodafone India, PepsiCo India, American Express India, HCL Technologies, The ITC Grand Chola, Kitkat India, Shopper's Stop, Kolkata Knight Riders, Maggi Noodles, Forbes India and much more. [10]

Tata Docomo (now defunct) was one of the first companies to appoint an agency to handle the companies social media handle at Facebook and after taking cue from this majority of the companies are now have a separate team to handle social media marketing and customer satisfaction partner that is dedicated 24X7 for this.

A negative or a positive tweet or mention will be replied at the earliest, many a time they also check companies image on social media handles.

Social media represents low-cost tools that are used to combine technology and social interaction with the use of words with two major benefits that includes cost reduction by decreasing staff time and increase of probability of revenue generation, a paper titled 'Social Media and its role in Marketing' by MsSisiraNeti, Asst. Professor, Department of Business Management, PG Centre, LalBahadur College, Warangal.[11]

Social media marketing includes the usage of social media to persuade consumers that one's company, products and/or services are worthwhile. It is a marketing process using online communities, social networks, blog marketing and more.

A recent study, "The State of Small Business Report," sponsored by Network Solutions, LLC and the University of Maryland's Robert H. Smith School of Business, points to economic struggles as the catalyst for social media's rapid popularity. The study results show that social media usage by small business owners increased from 12% to 24% in just the last year, and almost 1 out of 5, actively uses social media as part of his or her marketing strategy. In 2009, only 23% of marketers were using social media for years. Now that number has grown to 31%.

In just the last few months, marketers have shifted their attitudes toward social media marketing spending. This was recently affirmed in the new study, "The CMO Survey", from Duke University's Fuqua School of Business and the American Marketing Association. A key finding:

Social media marketing budgets continue to rise. According to the results, businesses currently allocate 6% of their marketing budgets to social media, an allotment they expect to increase to 10% during the next year and 18% over the next 5 years.

Another report titled 'Impact of social media applications on small and medium business entrepreneurs in India' by T Kumarasamy, J Srinivasan, Assistant Professor, Dept. of Com., AICM Sri Krishna Arts & Science College, Kuniamuthur, Coimbatore, Tamil Nadu, India said that online presence is an obligation for businesses today. Apart from a basic website; consumers look for a blog, a Facebook page, shopping cart, e-brochures, etc. 92% of micro and small businesses agree that social media is an effective marketing technology tool. They are evenly split on the effectiveness of social media for attracting new customers and engaging existing customers. [12]

There are around 40 million small business owners in India, out of which, around 500,000 have their presence online while there are 23 million micro and small businesses in the US.

CONCLUSION

Despite the focus on channels such as social media and mobile, brands still feel their website is the most effective means to engage with customers. 80% Of brands advertise on web, social and mobile, indicating that more brands are spending on digital advertising than ever before as evidenced by the fact that digital ad spending is expected to grow faster than other marketing channels in India (47.5% increase YOY in 2016), as per the Social Media Marketing India Trends Study 2016 Third edition published by EY (Earnest & Young). [13]

With the Indian economy expected to emerge as one of the leading economies in the world and likely to become a \$5 trillion economy by 2025, major impetus is being given to strengthen the backbone of our economy in the small and medium enterprises, which needs to use social media for expansion and reach.

With the growing increase of social media for business, it is now increasing more and more as there are close to billion mobile phones in India. However, the internet penetration on desktop needs to increase as the reach is only seen in urban areas, as rural areas still consume internet on mobile phones, which needs to increase in the coming years.

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