

# Social Networking Sites as a Tool of Marketing: A Study

Krishna M.M.<sup>1</sup>, Dr. Giridhara K.V.<sup>2</sup>

<sup>1</sup>Assistant Professor, Department of M.Com., Akshara P.G. Center, Jnanasagara Mahavidhyalaya, Shivamogga – 577203, Karnataka, India

<sup>2</sup>Assistant Professor, Dept. of Studies & Research in Mgt., Sahyadri College of Commerce & Management, Kuvempu University, Shivamogga – 577203, Karnataka, India

**Abstract:** - The inception of Social Networking Sites has brought a big transformation in the trend of online usage for web-content, interpersonal communication, personal and brand promotion, and brand selection as well as buying of goods and services. Hence, there exists a massive web traffic and which provides a good platform for marketers to promote products through Social Networking Sites. Marketing through Social Networking Sites has gained popularity as it directly approaches to its prospective and their conversion rate is also very high. The purpose of the present study is to investigate the probable factors influencing consumers' purchase intention under Social Networking context. This study has twin objectives with six hypotheses to test the preoccupied assumptions. The study also suggests how to use Social Networking Sites as a powerful Marketing tool for business with an apt conclusion.

**Key words:** Social Network, Marketing, Communication, Purchase intention

## I. INTRODUCTION

Since their introduction, social network sites such as MySpace, Facebook, Twitter and LinkedIn have attracted millions of users, many of whom have integrated these sites into their daily practices. As of this writing, there are hundreds of social network sites, with various technological affordances, supporting a wide range of interests and practices. While their key technological features are fairly consistent, the cultures that emerge around these sites are varied. Most sites support the maintenance of pre-existing social networks, but others help strangers connect based on shared interests, political views, or activities. Some sites cater to diverse audiences, while others attract people based on common language or shared racial, religious, or nationality-based identities. Sites also vary in the extent to which they incorporate new information and communication tools, such as mobile connectivity, blogging, and photo/video sharing.

"Networking" emphasizes relationship initiation, often between strangers. While networking is possible on these sites, it is not the primary practice on many of them, nor is it what differentiates them from other forms of computer-mediated communication.<sup>1</sup> What makes social network sites

unique is not that they allow individuals to meet strangers, but rather that they enable users to articulate and make visible their social networks.

## II. LITERATURE REVIEW

Houston (2014), study entitled "**Social Networking Sites no longer exclusive to younger generation**" The writer mentions that Youths are not only the users of Social Networking Sites, but also the elder generation are using it... Facebook and Twitters have influenced a lot for the whole world. According to PEW Internet and American Life project says that, usage of Social Networking Sites in adults from 50 to 64 years old, has jumped by 88% in the past year and users above 65 years has doubled. Many of the elders had to walk a long way to meet their friend but now it has become easy. They find their friends from Facebook easily and they are very happy about it. It is astonishing to hear that many of the Facebook users do not accept the friend requests from their parents!!!<sup>2</sup>

An article titled as "**Social Networking Sites**" published in The Hindu on 17<sup>th</sup> December, 2011 here the writer taunts to the people by saying that having Facebook account has become a common phenomenon nowadays whether a person have a voter id and pan id. Assumption telling that cause for attraction is that Facebook provides free opportunities to advertise oneself by uploading photos. He strongly blames on people that hardly 10% of truth in everyone's comment and all having the sole intention that, "I commented on yours, now you comment on me". A bad impact by Facebook on the people and it making people's to be race in having more number of friends and avoiding own relatives fearing breach of privacy also.<sup>3</sup>

Sonia Living stone et al (2009), their study entitled "**On the rapid rise of social networking sites: New findings and policy implications**" author explored that children and youth worldwide have adopted social networking sites enthusiastically, partly because of the erosion of children's freedoms in the physical world. Here the author focuses on the interdependencies between opportunities and risks, the need for digital or media literacy education. In his findings he

stresses that there is a need of building safety considerations into the design and management of social networking sites.<sup>4</sup>

Dr. S. Govinda Rao et al (2012), their study entitled “**Social Networking and Recruitment – An Empirical Study**” author says that Social Networking Sites are growing and growing these days, there seems to be no limit to their size. Online recruitment through job portals has shown significant growth. However job portals still focus on a one way process, which is described as prospecting, mating however is described as a two way approach to recruitment, something that can be enabled by recruitment practices on Social Networking Sites.<sup>5</sup>

T. Andrew Yang et al, their study entitled “**Social Networking as a New Trend in E -Marketing**” the author argues that Innovation sells! That is especially true in the Internet world. Due to the growing importance of Social Networking Websites in recent time it is creating a window for marketers to enter into the internet world to promote their product. The larger the number of people using an online social network service, the more revenue may be generated for the marketers.<sup>6</sup>

Reza Alibakhshi et al (2012), their study entitled “**Social Networks, Entrepreneurial Alertness, and Entrepreneurial Opportunities**” investigated the impact of social networks on opportunity recognition by entrepreneurs. The findings of the study shows that different dimensions of the social networks, including networking ties' strength, networking activities, and network ties' type, influence on entrepreneurial alertness influences opportunity recognition. Based on the results, network ties' strength has the most influence, and networking activities has the least influence on entrepreneurial alertness.<sup>7</sup>

Larry D. Rosen, article titled as “**Poke Me: How Social Networks Can Both Help and Harm Our Kids**”. Here the author found that positive and negative effects of social networking sites on children and teenagers. According to Rosen, Teens who use Facebook continuously may show narcissistic tendencies and young adults show more signs of other psychological disorders. Spending more time on Facebook may also bring health related problems.<sup>8</sup>

### III. RESEARCH GAP

No, doubt there has been studies undertaken on the influence of social media marketing, but, there is no evidence that none of the research is focused on the selected area entitled “Social Networking Sites as a tool of Marketing – A Study”, therefore, present study is undertaken to outline the probable factors that influence consumers' purchase intention under social networking sites.

### IV. OBJECTIVES OF THE STUDY

The following are the objectives of the study:

1. To understand the role of social networks in marketing of goods and service
2. To identify probable factors that influence consumers' purchase intention under social networking context

### V. STATEMENT OF HYPOTHESIS

The following are the important Hypotheses of the study:

**H<sub>1</sub>:** Sociability of Social Network positively impacts consumer's perceived value.

**H<sub>2</sub>:** Usability of Social Network positively impacts consumer's perceived value.

**H<sub>3</sub>:** Consumer's trust in Social Network positively impacts perceived value.

**H<sub>4</sub>:** Perceived risk of Social Network positive impacts consumer's perceived value.

**H<sub>5</sub>:** Dependence on Social Network positively impacts consumer's perceived value

**H<sub>6</sub>:** Consumer's perceived value positively impacts purchase intention.

### VI. METHODOLOGY

This study employs primary data composed by the respondents of 5 cities of Karnataka State with structured questionnaire. The subject is comprised of 500 respondents. The sample size of 100 respondents from five major cities have been chosen for the study. All the respondents are from different occupational background like; businessmen, employee, agriculturist, home maker and student. Purposive sampling method was used in this study

The responses were scrutinized and later subjected to statistical analysis. Means, significance of difference between variables and correlations were computed.

### VII. ANALYSIS OF THE DATA AND RESULTS

In the present research, it was intended to study the probable factors that impacts consumers' purchase intention under social networking context:

*H<sub>1</sub>: Sociability of Social Network positively impacts consumer's perceived value*

Table No. 1: Sociability and Perceived Value

Correlations			
		Sociability	Perceived Value
Sociability	Pearson Correlation	1	.762**
	Sig. (2-tailed)		.000
	N	462	462
Perceived Value	Pearson Correlation	.762**	1
	Sig. (2-tailed)	.000	
	N	462	462
**. Correlation is significant at the 0.01 level (2-tailed).			

### Inference

As shown in Table No. 1, the Pearson Correlation between sociability and perceived Value is 0.762\*\*, it conditions that there is a higher degree of positive correlation between sociability and perceived value. This shows that sociability function of social networking has a positive impact on perceived value in a specific social networking platform. Hence null hypothesis is accepted and alternative hypothesis is rejected.

*H<sub>2</sub>: Usability of Social Network positively impacts consumer's perceived value*

Table No. 2: Usability and Perceived Value

Correlations			
		Usability	Perceived Value
Usability	Pearson Correlation	1	.825**
	Sig. (2-tailed)		.000
	N	462	462
Perceived Value	Pearson Correlation	.825**	1
	Sig. (2-tailed)	.000	
	N	462	462
**, Correlation is significant at the 0.01 level (2-tailed).			

### Inference

As shown in Table No.2, the Pearson Correlation between usability and perceived value is 0.825\*\*, it clarifies that there is a higher degree of positive correlation between usability and perceived value. This postulates that usability function of social networking has a positive impact on perceived value in a specific social networking platform. Hence null hypothesis is accepted and alternative hypothesis is rejected.

*H<sub>3</sub>: Consumer's trust in Social Network positively impacts perceived value*

Table No. 3: Trust and Perceived Value

Correlations			
		Trust	Perceived Value
Trust	Pearson Correlation	1	.488**
	Sig. (2-tailed)		.000
	N	462	462
Perceived Value	Pearson Correlation	.488**	1
	Sig. (2-tailed)	.000	
	N	462	462
**, Correlation is significant at the 0.01 level (2-tailed).			

### Inference

Table No. 3 represents that, the Pearson Correlation between trust and perceived value is 0.488\*\*. This signposts that there is a very significant relationship between trust and

perceived value. Based on the result of Bivariate Correlation analysis, null hypothesis is accepted and alternative hypothesis is rejected.

*H<sub>4</sub>: Perceived risk of Social Network positive impacts consumer's perceived value*

Table No. 4: Perceived Risk and Perceived Value

Correlations			
		Perceived Risk	Perceived Value
Perceived Risk	Pearson Correlation	1	.706**
	Sig. (2-tailed)		.000
	N	462	462
Perceived Value	Pearson Correlation	.706**	1
	Sig. (2-tailed)	.000	
	N	462	462
**, Correlation is significant at the 0.01 level (2-tailed).			

### Inference

Table No. 4 illustrates the Pearson Correlation between organization perceived risk and perceived value is 0.706\*\*. This specifies that there is a very significant (positive) relationship between perceived risk and perceived value. Based on the result of Bivariate Correlation analysis, null hypothesis is accepted and alternative hypothesis is rejected.

*H<sub>5</sub>: Dependence on Social Network positively impacts consumer's perceived value*

Table No. 5: Dependency and Perceived Value

Correlations			
		Dependency	Perceived Value
Dependency	Pearson Correlation	1	.605**
	Sig. (2-tailed)		.000
	N	462	462
Perceived Value	Pearson Correlation	.605**	1
	Sig. (2-tailed)	.000	
	N	462	462
**, Correlation is significant at the 0.01 level (2-tailed).			

### Inference

As shown in Table No.5, the Pearson Correlation between dependency and perceived value is 0.605\*\*, it signifies that there is a higher degree of positive correlation between dependency and perceived value. This shows that dependency function of social network has a positive impact on perceived value in a specific social networking platform. Hence null hypothesis is accepted and alternative hypothesis is rejected.

$H_6$ : Consumer's perceived value positively impacts purchase intention

Table No. 6: Perceived Value and Purchase Intention

Correlations			
		Perceived Value	Purchase Intention
Perceived Value	Pearson Correlation	1	.852**
	Sig. (2-tailed)		.000
	N	462	462
Purchase Intention	Pearson Correlation	.852**	1
	Sig. (2-tailed)	.000	
	N	462	462
**. Correlation is significant at the 0.01 level (2-tailed).			

#### Inference

Table No. 6 presents the Pearson Correlation between perceived value and purchase intention is 0.852\*\*. This indicates that there is a very significant relationship between perceived value and purchase intention. Based on the outcome of Bivariate Correlation analysis, null hypothesis is accepted and alternative hypothesis is rejected.

#### VIII. MAJOR FINDINGS OF THE STUDY

The following are the major findings drawn based on the statement of problems and objectives set for the study which are presented below:

1. Sociability of social network has a significant positive impact on consumers' perceived value and purchase intention.
2. Usability function of social network has a positive influence on perceived value and purchase intention in a specific social networking platform.
3. There is a very significant relationship among trust and perceived value. Trust on other variables shows that trust has a significant impact on consumer's perceived value on social networking site.
4. There is a very positive relationship between perceived risk and perceived value. Perceived risk have a significant impact on both perceived value and purchase intention.
5. There is a higher degree of positive correlation between dependency and perceived value. This specifies that dependency function of social network has a positive impact on perceived value in a specific social networking platform. The impact of social network dependence on perceived value and purchase intention is significant.
6. There is a significant relationship between perceived value and purchase intention. The last relationship is the impact of perceived value on purchase intention. Perceived value has a positive and significant influence on purchase intention, which corresponds to other empirical findings indicating that if

consumers have high perceived value on social network, the likelihood that they will use the platform looking for product information and finally make the purchase is very high.

#### IX. SUGGESTIONS OF THE STUDY

Following are the suggestions presented to marketers to promote their goods in the social networking sites;

1. There's a whole lot more than goes into enhancing a company's social networking approach than someone can do on as a "side project" especially with all the important changes and trends that are cropping up in the social networking world all the time. Ultimately, marketers will need to employ a dedicated social networking manager to manage their accounts, keep business profiles current, stay on top of trends, post great content, and do a whole lot of experimenting.
2. It's not just enough to promote presence. Marketers need to make sure that their presence is something that's worth following in the first place. Marketers should make sure that their tweets, Facebook posts, and LinkedIn updates consist of valuable, useful, and engaging content. Avoid product focused content, and instead, aim for social updates that contain educational content that has the potential to attract more fans and followers.
3. The marketers should emphasis and have strong presence on the top social networking sites as their target buyers will spend maximum time which might help the marketers in using social networking sites as a great tool for marketing.

#### X. CONCLUSION

Social network marketing has become quite the trend amongst network marketers looking to promote their businesses online. Social media sites like Facebook, Twitter, and YouTube have made it easy for eager entrepreneurs to hop on the internet and network with people from around the world. Terms like tweeting, sharing, and voting have created quite the buzz amongst those who want to hop aboard the viral marketing trend. There is a tremendous amount of opportunity for those that truly capitalize on the social network marketing boom. Social network marketing is perspective and interesting way to make successful business and generally network with people from all over the world. The power of social marketing is so huge and the opportunities are endless.

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