# INDIAN INSTITUTE OF MANAGEMENT KOZHIKODE





# **Impact of Social Media Marketing on Brand Awareness**

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#### **Abstract**

Social media provides a way to connect people, share our opinions. Picture and video extensions on social media are a great way of passing time similar to TV, hence it has gained much importance in the field of marketing. Most of the companies in recent times are showing interest on interacting with their customers via social media and promoting their products on different platforms of social media. The current study focused on the role that social media plays in creating the brand awareness among its users and it aimed to find out if the level of brand awareness influences the purchase intension of the customers. The results indicate that the creative content posted by brands, pre/post purchase support that the brands provide online, user responsiveness, brand attitude, brand offerings can motivate customers to interact with brands via social media and create awareness about the brand. It also shows that the level of brand awareness can influence the purchase intension of the customers.

Keywords: Social media marketing, Brand awareness, Brand building, Customer interaction with brands.

#### 1. Introduction

The present world is innovation driven where social media platforms have turned into a road where retailers can reach a wide range of customers and showcase their efforts to gain more shoppers. Social media as defined by (Chi 2011) acts as an interface between brands and purchasers. The incredible increase of social media have helped organizations to use new ways to interact with clients, organizations have to find out how social media can be used in a reliable way with their marketing strategy (Mangold and Faulds 2009).

Before considering social media as a marketing tool a retailer must have to know about each part of it. Social networking can be briefed by defining and knowing about Web 2.0: a manner by which end users utilize internet, administrators on the world wide web constantly change their content for a better communication and provide scope for sharing. (Kaplan and Haenlein 2010). (Campbell et al. 2011) in his research stated that individuals are doing much more with innovation instead of using it for data recovery users are expanding it and eventually the value of the sites are increased. He also mentioned that Web 2.0 has advanced from data recovery to intelligence, interoperability, and coordinated effort.

(Kaplan and Haenlein 2010) characterized social networking as a group of Internet based applications that work in the similar way to Web 2.0, and provide the scope to create and trade the content produced by user. (Sinclaire and Vogus 2011) has stated that social media portrays programming instruments that can make and share the content from client's perspective.

(C.F. Hofackera, D. Belancheb 2016) highlighted eight areas of the social media that could create problem for marketers they are: The liquidification of economy, Reactive marketing management, Customer creation and engagement, Multisided markets, changing customer purchase journey, Changing marketing skill set, Dynamic c2c sender receiver system, Gamified interaction.

Online networking has turned into an approach to interface with individuals we know and offer our feelings on news and occasions happening the world over. With the expansion of picture and video media, web-based social networking is an incredible method for taking a break like sitting in front of the TV. The

Peer-review under responsibility of the 04<sup>th</sup> ICMTS 2020

ISBN: 978-93-5419-748-2

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absolute most well-known web-based social networking destinations incorporate Facebook, Twitter, Instagram, Reddit, Tinder, YouTube, Snapchat, the rundown goes on.

There are a variety of platforms that provide scope for wide range of uses and attract users in different ways. Facebook is prevalent in light of the fact that clients would friend be able to and tail others they know or like and stay aware of the occasions going ahead in their lives. Twitter is known for the #hashtag and an awesome place to take after individuals and read about occasions in a quick and painless path since tweets are restricted to 140 characters. Instagram allows all posts to incorporate a photo or video took after by a subtitle. Snapchat enables clients to speak with each other through pictures and recordings that are seen here and there and afterward leave until the end of time. Every stage has its own novel interface, yet they are for the most part comparable in being an open online space for clients to associate and keep in contact.

The present study focused on brand awareness through social media and what are the factors that motivate users to interact with brands on social media. To answer the research questions the following hypothesis are framed

# Hypothesis1

- H0: Social media plays a significant role in creating brand awareness
- H1: Social media does not play any significant role in creating brand awareness Hypothesis2
- H0: Brand awareness has a positive significant impact on the purchase intension of the customers
- H1: Brand awareness do not have a positive significant impact on purchase intension of the customers

The increasing importance of social media in developing marketing strategies and the increasing usage of different social media at different stages of buying by the customers has motivated to undergo the current study. Many researchers have researched on the importance of social media in different sectors and how companies use the information that is shared on the social media by the users the increasing their product quality and also how CRM can be improved using social media thus increasing the brand loyalty in customers. After doing all the studies it has been known that there is large research gap on the topic of brand awareness through social media. Most of the researchers have conducted researches on this topic with respect to different industries but no research has been done on measuring the level of brand awareness and how it influenced the purchase decisions of the customers. It was my personal experience on the social media with different pages related to different brands and the way I tend to know more about different brands has motivated for the present study. The present research focused on how social media can create brand awareness and what are the factors that motivate them to interact with different brands which eventually can be used by the companies to promote their bands and maintain a better relationship with their customers.

# 2. Literature review

As social media has now become an important part of one's lifestyle its data is being analysed in many different disciplines. (Stefan Stieglitz et al.'s 2018) studied about the challenges that are faced in social media analytics and found that volume of the data was more challenging for the researchers. One's motivation to share information on social media as said by (Afra Putri Ghaisani et al.'s 2017) is consistent on what type of matter to be shared say it a sensational, political or personal information which is to share the response of the users. Socialization is the main factor that motivates user to share info on social media.

As per (Aizhan Tursunbayeva et al., 2017)'s findings social media is also involved to actively or passively listen to citizen's opinions. The main objective for which social media was used by the e-Government are mostly related to Bertot et al.'s (2010) categories of transparency, accountability and democratic participation, lesser emphasis on collaboration and evaluation. When (Radhika Sharma et,al 2017) aimed to study the impact of content in the facebook that was posted by 5 online apparel brands, on building trust among consumers. The results depict the positive relationship between trust and no of posts, comments and reactions.

According to (Alev Kocak Alan, Ebru Tumer Kabadayi, 2016) generation Y are more prone to social media, an individual who is more extrovert are more likely to interact through social media to socialize and individuals with high level of neuroticism, agreeableness and conscientiousness are less prone to accept

social media. Firms need to understand the personality traits of Generation Y's social media usage to reshape their market offerings. (C.F. Hofacker, D. Belanche 2016) in his research highlights eight areas within social media marketing that create challenges for marketers they must be used in the context of increasing the social media use and information sharing. Campaigning through social media can also help marketers to create awareness in a better way (G. Sampogna et al., 2016) in their research have found that in 2009- 2014 in England it has created more awareness and reduce mental health stigma. (Rendan Liu, Ayoung Suh 2017) referred the concept of self-branding through social media and found that social media provides more opportunities for people to establish their brands and market themselves in the line and mostly women who can also use increase their awareness on their rights.

(Nur Syakirah Ahmad et al., 2015) has found that in recent times firms have included social media as a part of their marketing strategy and are aiming to create awareness and promote their brands to the customers via social media. Social media content marketing has a major role in branding strategies that help the firms to increase their brand health score. Moreover, It has become important in recent times that companies must have an online presence and they need to observe what's happening in the social media. World wide web and social media are making the world more convenient for all the participants without any language, cultural or economic barriers. Cultural differences in terms of trust are very less or sometimes non- existent. (Dr.Klaus Nicholas Schmidt, Ms Kamakshi S. Iyer. 2015)

Social media has also gained importance in health care sector on the decisions taken by both patient and professionals. The benefits of social media in health care as per (Alma Pentescu, et al., 2015) is that patients get prompt answers for their questions and on the other hand it helps patients to interact with other patients with same health problem and also get emotional support.

(Efthymios Constantinides 2014) outlined present status of social media and explained the two major roles it plays as a part of marketing strategy and using them as different marketing tools, however he proposed two possible marketing strategies 1. as a source of customer voice and marketing intelligence, 2.as a direct marketing channel. Also when (Christos Giannakis- Bompolis, Christina Boutsouki 2014) have attempted to find the level of customer engagement on social media found that when companies active participation on social media the level of customer satisfaction has increased. (Ruohan Li, Ayoung Suh 2015) examined the factors that influence individual's perceived information credibility on social media and found that interactivity, medium dependency and argument strength are main determinants of information credibility. However, in an attempt to study the role of social media content marketing in marketing strategies (Nur Syakirah Ahmad et.al 2015) has known that it can increase the brand health score which can be an indicator to measure brand awareness. (Zulkifli Abd. Latiff and Nur Ayuni Safira Safiee, 2015) in their study focused on branding of home-based businesses that were setup on Instagram and their findings depict that Instagram is current best platform for aspiring business owners before venturing into offline and the platform provides expected profits even. (Cerchia Alina Elena 2015) aimed to analyze how social media supports the development of customer relationship management and the analysis emphasized that an organization with a social CRM is able to build better relationship with their customers and gain trust also information shared by customers online would help them in product development.

(Luisa Struriale, Alessandro 2013) aimed to study the involvement of social media actions into the agrifood system and have found that it acts as a communication media to share the purchace experience but it depends on the environment whether online or offline. When (Melanie E. Zaglia 2012) attempted to investigate the existence of different brand communities within social networks their results depict their existence and also found that social media is advantageous for brand management to implement brand communities with less time and financial effort

### 3. Methodology

Figure 1 shows the steps involved in the study.

To test the proposed hypothesis a self-administrated questionnaire based on the findings of the literature review was developed which contained questions on certain variables pertaining to consumer buying behaviour like exposure, searching alternatives, brand awareness,

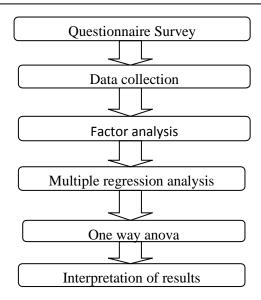


Figure 1: Steps involved in the process entertainment, opportunity seeking, need recognition, purchase intension, brand interaction, communication etc with respect to social media and Likert scale is used to scale the responses. Demographics that were included were age, occupation, income, education.

The sampling frame for the research are the users who use social media platforms more often. The sample size for the analysis is 200, responses were collected from the 200 respondents and analysed.

H0: Brand awareness has a positive significant impact on the purchase intension of the customers is accepted and the alternate hypothesis is rejected.

#### 4. Conclusion

Social media is considered as a revolution and hence social presence has been given much importance. Companies now a days are aiming to use social media as a platform to maintain a better relationship with their customers and deepen the existing relationship. Marketers also use social media as a medium for promoting their products. Researches also mentioned that customers are getting attracted to advertisements and promotional elements on social media more than the traditional mass media. From the present study it can be known that social media plays a very prominent role in creating brand awareness among the users and it is also known that brand awareness has a significant impact on creation of purchase intension among the users. There are certain factors that motivate users to interact with brands they are pre/post purchase support by admin of a brand page, creative content by brands, purchase decision making, brand offerings, brand perception, user responsiveness, brand attitude. From the results of regression analysis from the seven factors that are known from the factor analysis only five factors play a major part in creating brand awareness they are pre/post purchase support by admin, user responsiveness, creative content by brands, brand offerings, brand attitude. Most of the respondents are frequent users of social media hence promotion on Facebook can help in creating more awareness on brands.

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