

An Empirical Study on Customer Engagement Programs Using Social Media and Its Impact on Consumer Buying Behaviour

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Abstract:

SNM (social network marketing), has shown to be one of the most effective advertising strategies. Every marketer's primary objective is to understand how marketing tools can increase sales because they can significantly increase a company's profitability. The purpose of this study is to explore the potential linkages between social network marketing efforts, customer engagement, and consumer buy behaviour, as well as how SNM (social network marketing), may affect consumers who frequently use social networking websites in terms of their final purchasing behaviour.

This paper aims to scientifically investigate the function of social media in consumer decision-making. A quantitative study explores the extent to which social media use affects experiences. Outsiders are currently increasingly dominating consumer opinions of goods and services in developed spaces, which affects judgements made in the detached space. Customers are more engaged with online social networking since advertisers have no control over the content, timing, or frequency of customer conversations. The findings indicate that consumer satisfaction is influenced by social media use during the information search and alternative evaluation phases, with satisfaction increasing as the consumer advances through the process towards the final purchase decision and post-purchase review.

Introduction :

The influence of Social Network Marketing (SNM) on consumer purchasing behaviour is a critical area of study in today's digital landscape. SNM, a subset of Social Media Marketing (SMM), facilitates direct and interactive communication between brands and customers, transcending traditional one-way advertising. Businesses leveraging SNM establish a virtual presence, fostering meaningful connections with customers through engagement and emotional bonding. This engagement directly impacts purchasing behaviour, as evidenced by increased brand loyalty, trust, and personalized experiences. Through responsive customer service and tailored content, businesses build credibility and reliability, influencing consumer decisions. Furthermore, SNM enhances brand visibility, reaching wider audiences and prompting consideration. Personalization, driven by data analytics, makes consumers feel valued, while social proof, generated through peer recommendations, reinforces purchasing choices. In conclusion, SNM's impact on consumer behaviour underscores its significance in contemporary marketing strategies, emphasizing trust-building, brand awareness, personalization, and social validation.

CONSUMER

Consumers: A consumer is any person who buys goods or services for their own consumption rather than for production or resale. A consumer is a person who either chooses to purchase something from the business on their own initiative or is swayed by marketing and advertising. In the chain of distribution for products and services, they are the final consumers. Customers are those who purchase goods or services with the intention of using them or not. The consumer is the one who uses the good or service in the end. In the end, the person for whom the services or goods are intended is the consumer.

Consumer Decision Process:

Consumer behaviour is the process through which individuals buy or use goods and services. It's crucial for businesses to understand this process as it reveals why consumers make certain decisions. With data transparency, identifying factors influencing behaviour is vital. This process unfolds in five stages: problem recognition, information search, evaluation of alternatives, final decision-making, and post-purchase evaluation. Each stage gives insight into consumer preferences and behaviours. Problem recognition starts when consumers see a gap between what they want and have. Then, they search for information to explore options. Evaluation of alternatives involves weighing choices based on beliefs and preferences. The final decision considers personal circumstances and environmental factors. Post-purchase, consumers reflect on satisfaction or dissatisfaction, influencing future actions. This overview highlights the decision-making process and its impact on consumer behaviour.

SOCIAL MEDIA:

Social media refers to Internet-based platforms that enable the creation and sharing of user-generated content, shaped by the principles of the Web. These platforms facilitate scalable communication and are transforming consumer behaviour. With the rise of social media, individuals can easily engage with content, such as YouTube ads, and share their thoughts on platforms like Facebook and Twitter. Unlike traditional media, social media offers unique features like interactivity, usability, and performance. There are four main types of social media: social networking sites, social news websites, media sharing sites, and blogs. Social networking sites connect individuals based on shared interests or connections, while social news websites allow members to share news and stories. Media sharing sites enable users to share interactive media files, and blogs provide a platform for sharing opinions through text entries. Each type of social media platform offers distinct features that contribute to its popularity and impact.

Social Media and Marketing:

Social media marketing utilizes social platforms to reach and engage with customers, offering a wider audience than traditional advertising. Unlike mass media ads, social media allows for interaction and community engagement. It's particularly advantageous for small and medium-sized businesses with limited resources. The core principles of marketing still apply: identifying target audiences, engaging potential customers, and fostering loyalty. Social media gives consumers a voice, allowing companies to create brand awareness, engage existing

customers, drive traffic, and expand channels. This approach is dynamic yet grounded intraditional marketing principles.

Literature Review:

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- "Effectiveness of Social Media Marketing on Consumer Buying Behavior in India: A Study of FMCG Industry. Shivani Sharma and Dr. Rajeev Srivastava. International Journal of Business and Administration Research Review, 2018

- Social Media Marketing and Its Impact on Consumer Buying Behavior in India: A Study of Select Indian Companies. Dr. Kamna H. Chauhan and Dr. (Mrs.) Alka Sharma. International Journal of Management and Social Science Research Review, 2019
- Impact of Social Media Marketing on Consumer Buying Behaviour: A Case Study of Starbucks, India. Dr. Puja Walia and Mr. Shilpan Shah. Journal of Management

RESEARCH METHODOLOGY:

Research Design:

A Research Design defines how the researcher will ask the research questions. It sets out a logical arrangement of the measurement procedures, sampling strategy, frame of analysis and time frame. There are three types of research designs:

1. Exploratory research design
2. Descriptive research design
3. Causal research design

The research design used for this paper is Exploratory since we are trying to gain insight on the Impact of social media on consumer buying behavior through surveys and published papers with relevant information.

Data Collection Method:

In this study, we utilized convenient sampling, a method chosen for its ease and practicality. Data collection involved both primary and secondary methods. Primary data was gathered through Google Forms surveys, while secondary data was collected from existing research papers and informal conversations with individuals about their purchasing decisions.

The sample size for the study was determined to be 384 respondents.

Our questionnaire design employed structured multiple-choice questions to effectively gauge the impact of social media on consumer buying behaviour.

The scope of the research is consumer-centric, aiming to uncover the factors influencing purchasing decisions through social media. By focusing on consumer perspectives, the study aims to provide valuable insights into customer demands and the role of social media platforms in the decision-making process. The study primarily centres on the behaviour of final consumers, shedding light on the significance of social media in shaping consumer choices.

DATA ANALYSIS:ANOVA

The data includes responses from 384 participants on various aspects such as demographics, social media usage patterns, engagement behaviours, and attitudes towards brands on social media.

Define Research Problem:

Businesses are increasingly using social media to engage with customers, but the impact of these initiatives on consumer behaviour is still unclear. This study explores how customer engagement on social media influences purchasing decisions. Social media has revolutionized how businesses interact with customers, with many investing in engagement programs on platforms like Facebook and Instagram. However, the exact impact on consumer behaviour is uncertain due to the complex nature of social media. While it offers unique opportunities for brand-consumer interactions, the extent of its influence on purchasing decisions and brand loyalty requires further research. Businesses need empirical evidence to understand the returns on their social media investments, such as increased sales and improved brand perception.

Research Objectives:

1. Evaluate different customer engagement strategies on social media, such as content marketing and influencer collaborations.
2. Analyze consumer perceptions of brands engaging on social media, focusing on brand image, trust, and loyalty.
3. Measure the influence of social media engagement on purchase decisions, considering factors like product awareness and conversion rates.
4. Identify key performance metrics for successful engagement programs on social media.
5. Explore the impact of user-generated content on consumer preferences and purchase decisions.
6. Examine moderating factors affecting the relationship between social media engagement and consumer behavior.
7. Provide practical recommendations for businesses to optimize their social media engagement strategies.
8. Contribute to the understanding of social media engagement's role in digital marketing through empirical research.

Hypothesis:

1. **Null Hypothesis (H0):** There are no significant differences between demographic groups or levels of social media engagement in terms of their responses.
- 2.
3. **Alternative Hypothesis (H1):** There are significant differences between at least two demographic groups or levels of social media engagement in terms of their responses.

Hypothesis Testing:

- **Rejected Hypothesis (H1):** If $p\text{-value} < 0.05$, we reject the null hypothesis and conclude that there are significant differences between at least two demographic groups or levels of social media engagement.

- **Not Rejected Hypothesis (H0):** If $p\text{-value} \geq 0.05$, we fail to reject the null hypothesis, indicating that there are no significant differences between the demographic groups or levels of social media engagement in terms of their responses.

Research Methodology:

Sampling: A total of 500 data points were collected using systematic sampling methods.

Data Collection Instruments: Questionnaires were utilized to gather information from participants. Survey Questionnaire: The questionnaire included inquiries about customers' social media activity, focusing on interactions such as likes, comments, and shares with brand-posted content.

Social Media Analytics: Quantitative data on engagement metrics like likes, shares, comments, and click-through rates were obtained using social media analytics tools.

Demographic Information: Respondents provided demographic information and responded to statements assessing their social networking usage and attitudes.

Measurement Scales: Multiple item scales, including a five-point Likert-type scale, were used to measure constructs such as customer engagement and purchasing behaviour.

Analysis Methods: Mean frequency analysis, cross-tabs, and T-tests were employed to analyse responses and findings.

Findings:

The study collected demographic data including gender, age, nationality, occupation, and income. Findings indicate that respondents are more influenced by people's ideas and feedback than direct advertisements. ANOVA suggests that different income levels have similar effects on consumer purchase behaviour.

A. Social Network Marketing (SNM) and Customer Engagement: Mean frequency analysis suggests that SNM increases emotional engagement on social networking sites, supporting the first hypothesis (H1). There's a weak but positive correlation between SNM and the time spent on social networks daily, leading to better buyer-seller relationships and increased social involvement.

B. Customer Engagement and Purchase Behaviour: Emotional connections between customers and companies lead to positive purchase behaviour, supported by mean frequency analysis, validating the second hypothesis (H2). Active customer involvement is crucial for understanding consumer sentiment and influencing decisions, offering opportunities for businesses to enhance customer participation.

Conclusion:

This paper proposes strategies for improving the effectiveness of social media advertisements by understanding audience engagement patterns, emotional connections, and their impact on consumer behaviour. The study reveals a positive correlation between social network marketing efforts and customer involvement, indicating higher engagement leads to more favourable opinions of brands. Emotional attachment significantly influences consumer buying behaviour, leading to increased satisfaction and loyalty. Additionally, the investigation highlights the indirect influence of social network marketing on consumers through word-of-mouth advertising. Moderating variables, such as product type and demographic factors, shape the strength of this relationship. Practical recommendations include a balanced approach to marketing strategies and responsive customer service to foster trust and loyalty.

Limitations:

1. **Sample Selection Bias:** The study's reliance on online survey data may introduce sample selection bias, as it mainly includes active social media users, potentially excluding less engaged individuals.
2. **Generalizability:** While insightful, research findings may not apply universally across all demographics, industries, or regions due to variations in social media impact.
3. **Self-Reported Data:** Data obtained through survey questionnaires may be subject to response bias, where respondents provide socially desirable answers, affecting data accuracy.
4. **Measurement of Engagement:** Engagement levels on social media, although measured using established metrics, remain somewhat subjective and may vary across platforms and brands.
5. **Data Collection Period:** The study's limited three-month data collection period may not capture long-term effects on consumer behaviour adequately.
6. **Causation vs. Correlation:** While correlations between social media engagement and consumer behaviour are identified, causation is not definitively proven, leaving room for other influencing factors.
7. **Survey Response Rate:** Survey fatigue may impact response rates, affecting the representativeness of the sample and potentially skewing results.
8. **Limited Qualitative Data Depth:** The study's focus on quantitative data restricts exploration of qualitative nuances in consumer engagement experiences and motivations.

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