

Impact of Social Media Advertising On Online Market System

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Abstract

Intervention of social media has broadened the style and process of consume culture from traditional to online market. Consumers are more active and conscious about the variety, design, quality and product while purchasing on online market. Social media has facilitated of participation and interaction among individuals. Moreover, the increase in virtual communities is leading towards empowerment of consumers. In this study the role of social media and its dynamic properties are discussed through various examples and illustrations.

Keywords: *social media, online marketing, consumerism.*

Introduction:

The economic theory of propensity to consume also express habit of purchase, collecting, consumption and investment on commodity. The socio-economic process of consumerism spread through science and technology after 18th century which revolve around acquisition procurement and consumption of goods and services by individual beyond those necessary for survival or traditional displays of social status. In consumer sovereignty era, consumer is king that affect the market forces of demand and supply also have power to mould and fold and can drive the online market taking this into consideration the producer must keep 7 P's of Marketing Mix (product, price, place, promotion, people, process and physical evidence) in streamline to meet consumer satisfaction level and economic goal of the company. Since consumers have freedom of choices hence what to produce (luxurious or necessity goods), how to produce (method, process and technology), for whom to produce (target customer) and breaking the large monolithic market into segmentation is crucial decision for placing a product in the online market to meet likes, teste, habit, preferences and passion of customers leads growth of product as well as company.

Digital changes in the field of communication technology after the Industrial revolution have worked to promote consumerist culture from traditional to online market. Electronic and digital media have transformed the way communication and consumer buying behaviour. Till, the 1990s the internet was not in vogue, however the muddle of social networks began in the new millennium of 2000s where the first social media site was launched. Before that the product promotion went other electronic and print medium e-mails and through other referral strategies such as television, radio, newspapers etc. Social media is a group of internet-based applications that allow the creation and exchange of user generated content. The purpose of it is to create such interactive platform which is easily accessible to the public. Through web 2.0 to 3.0 social media has rapidly changed the world and that is how the industries are adopting to the vast changing technologies for the promotion of their products. Nowadays, the use of social media in the field of marketing is a common phenomenon. The largest social media platforms such as Facebook, Instagram, WhatsApp, YouTube has engrossed the common man into its web. However, the pros and cons are discussed as to how the social media has played its role in the promotion of consumerism in the changing paradigm. Consumerism is a trend based on the belief that consuming more and owing more things leads to greater pleasure in this process social- media is catalyst in consumer buying behaviour, shopping culture and Marketing 4.0. To promote the product in market pace and space with shaped 5 P's of internet marketing i.e. product, price, place, promotion, personalisation, social media attracts customers by strategic sales promotion technique and harmonising customer relation with company.

Review of Literature:

The term social media cannot be isolated from the concept of Web 2.0 (World Wide Web) a place of continuous operation, sharing of contents among the operators in a collaborative manner (Kaplan and Haenlein, 2010). The information on social media is persistently shared, operated and consumed among the users. (Campbell et al, 2011). The evolution of Web 2.0 arose from simple activities such as interaction, information retrieval, collaboration of users etc. (Campbell, et. al 2011). Social media and networking sites have now become an integral part of our lives.

The social networks have become a multipurpose tool for accessing various products and order them right from the comfort of one's home. Social media plays a vital role in engaging the customers to purchase a product. The business and industries are regarded to keep in mind the needs of the customer for the better utilisation of their product. Therefore, it is important to understand how to utilise the social media as per the business and needs of the clients (Mangold and Faulds 2009). Consumerism and social media are deeply connected with each other. Social media paves the way for the consumers to reach out to their desired products and also better access the resources in a new way. Technology driven developments, rise of mobile phones, social networks and peer to peer communication is increasing and impacting the consumer's day to day life (Shankar, et.al). Shopping has become easy for customers who use social media and it also aids in the growth of the sellers or companies in numerous ways (Cha, 2009). India is a diverse country with people with diverse needs, hence social media helps the companies to gain knowledge about their customer's needs. Even the companies are modifying their policies in such a way that more people get connect with social network and utilise their range of services (Cha, 2009). Therefore, social media is an effective place to promote their products and attract potential customers. By the means of shopper marketing the products can be improved, clear messages can be delivered and brand promoters can be identified (Shankar et. al 2011). Social media has eventually created vast consumer communities which in many ways are helping the companies to build consumer interaction and interface thereby leading to sharing of information on the brand products. For example, there are many virtual brand communities which have created a space (computer generated) for their retailers and consumers so that they connect with each other. Social media has shaped a new culture of communication with the help of the social space Web 2.0. (Pookulangara and Koesler 2011). The understanding and insights are well developed by the means of social media because it helps to filter the opinion of the individuals (Cox, 2010). The retailers should always remain aware and conscious about the cultural background of the consumers and also know the importance. The cultural background of the consumers also triggers the attitude and opinion of the consumers for the formulation of a product or brand. (Cox, 2010). According to Cox, there is a strong co-relation between the age of the consumers and their attitude. The format of the blogs, posts, videos in the social media are formulated into different formats which reach their target audience. For example, the people falling in the age group of 18-24 years have a strong liking towards a product say for educational items, fashion etc. However, the age group of 34-38 years may have a liking for some other products which suits them. Therefore, it is one of the major benefits of social media which helps the user catch their products as per their likings and similarities. The marketing arena transform in the shopping culture and marketing style '**Marketing 4.0**' calls for a shift from simply using traditional means to more digital approaches to reach customers and develop customer relationships (Kotler et al., 2016). It combines online and offline interaction between companies and customers in the digital economy (Kotler et al., 2016).

Discussion:

Nowadays, consumers are knowledgeable and can also contribute towards innovation in product design and assist in creating opportunities by voicing their opinion through various social media platforms such as blogs, videos, crowd funding for a particular product and by the means of other AI assistive techniques. Therefore, this paper also emphasizes the factors that are responsible for changes in consumer behaviour and healthy customer- organisation relationship by the means of social media that turn India rapidly a global digital energy house. By the year 2023, businesses need to stay ahead of the curve and understand the latest digital marketing trends to keep up with the competition. It has transformed the way to communicate, connect and consume. In the digital age, social media has become an integral part of our daily lives, and India is no exception. The Digital 2023 India report provides valuable insights into the usage of social media platforms by people in India, which can be beneficial for businesses looking to expand their digital marketing efforts. According to the report, there were 467.0 million social media users in India in January 2023, which is equivalent to 32.8% of the total population. This number is expected to increase to 580 million by 2023, representing a growth rate of 29% over the next three years. The report also highlights that there were 398.0 million social media users aged 18 and above in India at the start of 2023, which is equivalent to 40.2% of the total population aged 18 and above. This indicates that social media is an important platform for businesses looking to connect with their target audience. Report reveals that 67.5% of India's total internet user uses at least one social media platform in January 2023 also 73.5% of social media users in India were male, while

26.5% were female that indicates it is an ideal platform for businesses to engage with customers and build their brand equity.

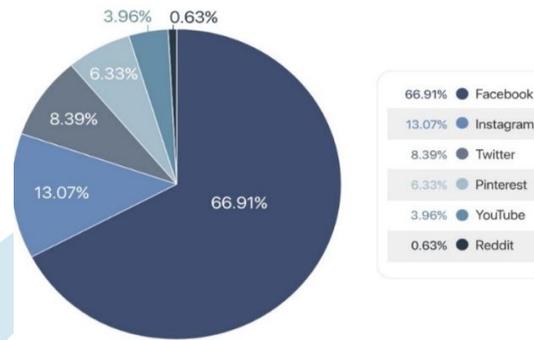


Fig.1: Social media market share by platform (2023)

(Source:www.fitsmallbusiness.com)

In the present situation, social media is being used as a factor in getting exposed to excessive advertisements through social media to buy more products. Performances by celebrities boost popularity which influence shopping behaviour. Due to the influence of social media, it affects human thinking and understanding, logical thinking. The audience also consumes inauthentic things by being sensitive for brand loyalty, show off, follow up trends.

Social media has positive effects that promote social interaction and connectedness, self-satisfaction, respect, growth, emotional expression that leads to the desire and need to consume. It also shapes the cultural values of consumer (one dimensional communication - behaviour dissatisfaction is null) and economic attitudes that influence consumers buying decisions, as well as establish the concept of rational commodity consumption by sacrificing for next best alternatives. The company must consider 7'C of online marketing while developing their strategy for market penetration in such target messaging contract, convenience, concentration, content, community, construction and commerce that resonates with both male and female audiences.



The following points depict the genesis of social media in online market such as:

Promotion of products: Earlier, the traditional media such as newspapers, magazines, radio and television were used to promote a product and attract a customer which led to an increase in the consuming process. Nowadays social media is working more spontaneously to lure customers and therefore the purchasing process has become even more rapid as virtual community is much larger in space.

Passion to purchase: The passion to purchase products that are new and this habits in trends. For example, Instagram is a social media platform by which people gain followers and followings respectively. Therefore, it has increased the usage of consumers also influencing them to purchase different products that are either displayed by a celebrity or any renowned company.

Effect of product design and development: The virtual community is a large space where millions of people gather and share their views. The social media applications help the companies or manufacturing agencies to develop and design a particular product by the means of reviews also. The reviews of the customers help the companies to design and develop a product in a particular way so that their demand is fulfilled thereby supply of that particular product increases.

Customer's awareness: Customer's awareness is a not a new concept, by the means of social media the customers are readily aware of what and how they buy. Therefore, when things come on public platforms such as through tweets, mentions, likes, comments and sharing of content it creates a sense of awareness among the users of a particular product. A recent example of olaplex treatment which created a ruckus among users because it had a severe effect on the kidneys and was therefore banned in the European union.

Sense of individualism: Digital media has created a sense of individualism among people, hence, now people are purchasing more and more products as per their suitability. It has also created a sense of independence among consumers and now they can achieve better what they desire.

Creation of demand: Social media is a mechanical process for demand creation. According to the theory of J.M Keynes demand creates its own supply, applied in the process of consumerism also. The social media amplifies new demand which leads to the increase in supply chain. With the increase in social problems, the demand for different products is created also increases the propensity to consume. Social media is used for novel demand creation strategies in order to market different brands to the customers. By the means of storytelling, podcasts and visual-graphics it helps to touch the target audience so that their need is fulfilled.

Incessant purchasing: In such a scenario social media grabs the attention of the consumers and paves the way for them to purchase incessantly. For example, the extravagant shows of the celebrities and social media influencers also lure the customers to purchase a particular product even if it is highly expensive or off the budget. Therefore, social media has also become a status symbol for individuals and therefore more and more people are accessing the networking sites in order to flaunt. The persistent desire to purchase and the want to remain in the fashion makes the consumers do unnecessary purchasing.

Commercialisation, marketing and advertisement through social media: Social media acts as a versatile tool to generate a good amount of customer traffic by the means of attractive advertisement. Also, it is a difficult task to approach the customers and mobilise them for which social media plays a pivotal role. The shopping tendency, purchasing capacity, consumption becomes easier when social media comes into role by placing desired product in fascinating manner on websites via click bug, Rss feed, attachment, advertisement slicing, optimisation. Consumer are fussy and fastidious and their mind can be accelerated by marketer through push or pull technique of marketing that increase the buying behaviour.

Company- Customer relationship: Social media helps to build better customer-organisation relationship via post purchase behaviour, feedback, after sales services. The social media pages benefit the customers and attract them regarding a particular product also leading to their branding. Customers usually rely on reliable sources, for instance if any product or its ingredients are mentioned on “X” (twitter), it hugely impacts the customers and intensifies their buying capacity by tactics of hatch tag, like, share.

Ease of access: By the means of social media the consumers get a better access to their favourite companies. Social media paves the way for not only being connected to the family and friends but also let the consumer access and reach out to the products they prefer. For example, organic products such as shampoos, hair-oils and other skin creams are now being on sale as many consumers purchase it as per their suitability.

Solving the problems of the customers: Social media and networking sites can easily solve the problems related to the daily life of a person that is being in isolation or found of entertainment as well as website search. For instance, if a customer is confused about which brand one should use for the treatment of hair and skin problems, they can readily connect themselves with the social media applications of the company and interact with them. Moreover, the customers can also go through reviews and virtual community posts for the access of better information, diversion of mind from isolation to entertainment. However, right marketing strategy would lead the brands and eventually solve the problems of the customers.

Conclusion:

Therefore, it can be concluded that use of social media has enhanced consumerist culture through online marketing and solving their problems in many ways side by side keeping touched with another world. However, it should be focussed about what sort of efforts can be put for the better use of social media into promoting better consumer interests and improving their buying capacities, product development and surviving in the perfect competition. Online Market ensures the interests of consumers and the society with economic welfare; excessive exploitation of resources is a matter of concern in the coming future that can affect the environment and the coming generations sustainability.

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