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# The Global Impact of Social Media- The Marketing King

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**Abstract:** *Information and communication technology has changed rapidly over the past 20 years with a key development being the emergence of social media. Social media marketing is continuing to create a substantial impact with enormous attraction of business prospects for various organizations across the world. Furthermore, it has completely outplayed other forms of marketing with regards to communication and sales. Nevertheless, the benefits that businesses and the global economy can harness from the effective use of social media are undeniable. The pace of change is accelerating and the development of mobile technology has played an important role in shaping the impact of social media. This puts the means to connect anywhere, at any time on any device in everyone's hands. With the number of worldwide social network users due to rise to 2.44 billion by 2018, the global impact of social media will become increasingly evident. Majorly, the data collected in this process is secondary in nature along with the surveys. This paper highlights the power and effectiveness of social media in impressing the marketing world.*

**Keywords:** *Social Media, Marketing, Communication, Global Impact.*

## I. INTRODUCTION

We humans are essentially social animals. Communication and interaction is vital for the Human society. People love to socialize and interact with one another. Internet technology has changed the way the people communicate. Gone are the days when one had to write a letter or book a telephone call to speak to a friend or relative living across the country. Today technology enables one to be in touch with friends and family across the globe instantaneously. People of all ages tend to find social networking sites that deal with the subject of their interest and follow the conversations happening there.

Internet being a global phenomenon, you will find people from all over the world coming together to talk and share information about their particular topic of interest. It had never been easier that this to make friends and socializing over the internet. When we talk of social networking we are not just referring to the chatting and other blogs and forums where people discuss certain topics, it also includes sharing videos, movies, music, photos and all of the information that one would want to share.

When you look at the social media marketing websites from the eyes of the marketing companies, one gets to see a huge potential waiting to be explored. Social media networks represent markets and customers who are online and listening. With captive audience being available, marketing companies can reach out to the prospective customers and help build opinion about their products and services as well as initiate discussion about their products with the help of those who are interested as well as those who have been customers of the company. Marketers can learn a lot and get real feedback about their product and experiences from the customers online and besides initiate interest in others who are watching and following the topic.

Social media marketing is a phenomenon and this is a medium that no marketing Organization can afford to ignore or be absent from.

### 1.1. Social Media

Many researchers have come across the interchangeable usage of the terms "social media" and "Web2.0" have stated out that these two terms are closely related yet not exactly synonymous, and they differ in terms of usage. In regards of the term Web 2.0, Tim O'Reilly, the founder of O'Reilly media, has coined that "Web 2.0 is the business revolution in the computer industry caused by the move to the Internet as platform, and an attempt to understand the rules for success on that new platform." He has further provided a general business

aspect in relations of Web 2.0 as the “harnessing of collective intelligence”, in which Web 2.0 provides platforms and fills the Web with user-generated content where all individuals – the former audience are able to take part in instead of important decisions made by a few people. Alternatively, Web 2.0 is a platform whereby content and applications are continuously modified and exchanged by all users in participatory and collaborative manner, and no longer merely created and published by individuals. There are still many ongoing debates and discussions regarding social media’s universal definition; as social media has been transforming and merging into the evolving development of New Media. Regardless of what the standardized definition per se would be, many of the existing studies and articles have stated out the common core purpose of social media. Nonetheless, social media expedites the flow of communication by encouraging contributions and feedback from everyone who is interested, and it is a two-way conversation when comparing to the traditional media because social media outlets are open up to feedback and participation. At its essence, social media describes the powerful new ways individuals are engaging with content on the Internet, and vice versa; that is, as many as figure has.

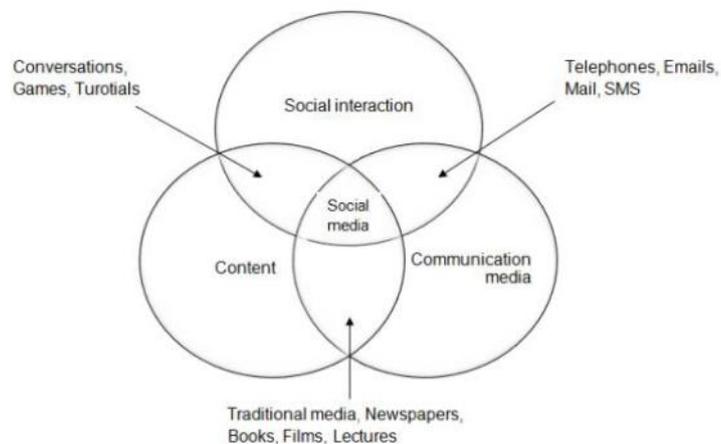


Figure 1. Social media components

## 1.2. Types of Social Media

In the discussion regarding different categories of social media, five distinct types of social media outlets are focused on – 1) social networking sites, 2) social news, 3) media sharing, 4) blogs, and 5) microblogging. Each of these social media platforms has provided unique features and experiences to individuals and entities, for instance marketers and consumers, in the social media sphere.

### 1.2.1 Social Networking Sites

Social Networking Sites (SNSs) are platforms where individuals are able to connect with others, for instance Facebook and Myspace. These platforms, generally, have few common elements across most of them – (1) users are able to create interactive and customized profiles, either a public or a semi-public, within a bounded system, (2) a list of suggested “friends” with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system. To consumers, they are the outlets, which present wealth opportunities for establishing a closer relationship with the brand via several functions – fan pages, plug-in applications, and groups.

### 1.2.2 Media-Sharing Sites

Media-Sharing sites (e.g. YouTube and Flickr) are outlets where individuals can upload, store, and share their multimedia files, for instance photos, videos, and music, with other users. There are myriad opportunities through the engagement to these websites. One of the major elements of these media-sharing sites has to be highlighted is the tag.

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### 1.2.3 Blogs

A blog is an online journal which is as refer to a type of content management system (CMS), typically maintained by individuals or groups, and featured commentary and ideas for a larger group of audience. Blogs create good hubs for other social media marketing tools (videos, hyperlinks, pictures, and so on), because they can be integrated into the platforms and posts; besides, blog software provides a variety of social features such as comments, blogrolls, trackbacks, and subscriptions.

### 1.2.4 Microblogging

Microblogging is a real-time information network, which shares similarity to blogging, yet it limits the size (number of words) of each post and encourages a faster mode of communication. Microblogging allows users to spread their short-texted messages via instant messages, mobile phones, e-mails, or the Web. For instance, Twitter, launched in 2006, is one of the primal and leading microblogs that currently has over 140 million users as of 2012 and handles over 1.6 billion search queries per day. Obviously, Twitter provides companies with leverage via Internet traffic by creating a buzz on online communities, as users get the essence and concise information through short-texted posts.

### 1.3. Social Media Marketing

Social Media Marketing is an umbrella term that can be described as the utilization of social media platforms as marketing tools. According to Weinberg (2009), he refers social media marketing as leveraging the ‘social’ through the ‘media’ to ‘market’ businesses’ constituents; in other words, it is a process in empowering individuals to promote their websites, products, and/or services through online social channels, to interact with and to tap into a much larger community that may not have been available via traditional advertising channels. It is no longer a striking fact that most of the advertisements via mass media are not as efficient as in the past, because by advertising through the mass, the message is generally reaching far more people than the potential customer intended to reach.

## II. OBJECTIVES OF THE STUDY

The objectives of the research study are:

1. To study the substantial impact created by the social media in the world of marketing.
2. To study the impact of social media on the global customers
3. To analyze the social media’s role in attracting customers and marketing brands.

## III. RESEARCH METHODOLOGY

### Research Design

Descriptive study is undertaken to identify new insights that companies may take advantage of. The survey was carried out in the form of questionnaire. The type of research design used in this study is **survey design**.

### Data Collection Methods

**Primary sources:** The primary source of data is Questionnaire

**Secondary sources:** The secondary sources of data are: Websites, e-journals and books.

### Tool used for collection of data

Structure Questionnaire was administered to respondents.

### Scope of the study

The study is limited to MBA students and teachers in the Hyderabad city as well as all personal contacts of the researcher who are currently living in USA, KSA, India, UK, Oman, and Australia. The study is confined to social media impact on the customers.

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### **Sample size**

100 respondents

### **Sampling methodology**

Convenience sampling method

## **IV. LITERATURE REVIEW**

Social media just keeps growing and growing. Facebook has reached 2 billion monthly active users recently. Online adults aged 18-34 are most likely follow a brand via social networking (95%). Think about the audience and see where they are most likely to follow your brand. 71% of consumers who have had a good social media service experience with a brand are likely to recommend it to others. Use social media as an effective customer service tool to increase brand engagement and win new customers. 2.56 billion Global mobile social media users, equaling 34% penetration; globally with 1 million new active mobile social users added every day. Users spend on average 69% of their media time on smartphones. 96% of the people that discuss brands online do not follow those brands' owned profiles. Companies need to go beyond their own channels and monitor those unbranded conversations in order to gain valuable insights and manage brand health. Visual content is more than 40 times more likely to get shared on social media than other types of content.

Moreover, in 2015 Facebook influenced 52 per cent of consumers' online and offline purchases, up from 36 per cent in 2014. This shows the importance for retailers to manage their social media channels which will have a direct impact on purchase behavior. There are now more than 50 million small businesses using Facebook Pages to connect with their customers. 4 million of those businesses pay for social media advertising on Facebook. The social media advertising statistics show that small-sized companies should consider paying for Facebook ads in order to gain visibility and surpass competitors relatively easily.

There were over 4.4 million videos uploaded directly to Facebook in February 2016, generating over 199 billion views. Video marketing is a powerful tool that personalizes your brand and increases conversions. Link clicks account for 92% of all user interaction with tweets. Link clicks are your easiest and strongest chance of gaining views and shares for your content. 78% of people who complain to a brand via Twitter expect a response within an hour. There is a total of 1.3 billion accounts, but only 328 million are active. (Source: Business Insider).

Furthermore, Top brands on Instagram are seeing a per-follower engagement rate of 4.21% which is 58 times higher than on Facebook and 120 times higher than on Twitter. Instagram has become a powerful platform for marketers and its potential cannot be overlooked any longer. Products were the top content types for the top 200 global brands in terms of engagement, at 60% in 2015 beating lifestyle category by over 20%. This is a great news for marketers since people who follow brands on Instagram are aware and accept the fact that they're going to be exposed to products.

Lastly, YouTube is the main channel for moving pictures. Even YouTube on mobile alone, reaches more 18-34 and 18-49 year-olds than any cable network in the U.S. There are 1.5 billion logged-in YouTube monthly active users visiting the website at least once a month. "Logged-in" part is important as there may be a lot of people coming to YouTube who aren't using Google Accounts to do so. In 2015 YouTube posted the figure of 40 billion all-time views for branded content. That means video marketing has gone from nice-to-have to must-have, one that will set the pace for the foreseeable future. More than half of YouTube views come from mobile devices, and the average mobile viewing session lasts more than 40 minutes. As mobile captures consumers' full attention, at home or on the go, brands now have the opportunity to reach people anywhere. Combined people spend over an hour on YouTube every day.



**Figure 2. Global Stance on social media.**

Upon the insufficient advertising budget that companies often times encounter via the traditional channels, social media marketing might be, particularly, easier and more effective for small and medium-size companies to take maximum advantage of it. While social media marketing is an evolving technology with much potential, yet marketing's role still reminds the same – defining the target market, communicating with prospects, building loyalty, customer engagement and so on.

Social media offers opportunities to achieve communities, once company has established its presence as a community participant worth following, eventually others will be likely interested in what it shares and pass to the relevant ones (Weber 2009). Besides, in the phase of the new marketing era, bringing the brand to alive depends solely upon the engagement within communities (Weber 2009; Silverman 2001), as a result if company is genuinely paying attention to the members of the community, a strong relationship can be built upon investing time in responding on feedbacks and concerns. (Weinberg 2009)

In order to gain a better position in the transition from traditional marketing approach to social media marketing, marketers will have to, firstly, change their marketing mindset. Social media platforms has radically changed the approach of segmentation in implanting marketing strategy, instead of easily identified demographics, such as age, gender, or income are relatively less important, it groups people by what they do, think, like, and dislike, and more importantly by their behaviors, also known as behavioral targeting. (Weber 2009.)

Since marketers first turned their attention and their efforts to social media, they have focused on the size of their audience and followers. From the beginning, marketers have tried to justify their time and effort on social media by the number of likes, followers, retweets, and other vanity metrics. They often compared the size of their following to their competitors. While knowing that you're bigger than the competition can be gratifying, it doesn't go far enough to demonstrate the overall impact on your business.

Many marketing experts have always emphasized that since marketing via social media is rather about receiving and exchanging perceptions and ideas, which makes social media marketing no longer one dimensional but a two-way process engaging a brand and an audience (Drury 2008) as well as a creation of increasingly visualize contents (Weber 2009).

Oftentimes, content is a critical factor in achieving an effective marketing via social media; however, according to Curata's "B2B Marketing Trends Survey 2012 Report" (MarketingProfs 2012), companies seem to encounter challenges in creating original content, having time to create it, and finding high-quality content (see Jacobs 2013).

Drury (2008) has argued that with social media in particular, the content of advertising and branding must be provided as relevant value-added content that is more about consumer, rather than brash product placement. When companies help their customers through social media outlets, it is more likely to build a long-term relationship, which will in turn propel and leverage the brand awareness and growth (Young Entrepreneur Council 2012). Besides, with social media, company is able to create the platform of true interactivity; the American Express' OPEN Forum is undoubtedly an outstanding case, which has surly surpassed customer

expectations when it comes to putting a customer first; because instead of heavily promoting their traditional financial offerings on the community, the company has considered its consumers and their concerns and needs while providing information about their services (Weinberg 2009).

Further, social media platforms serve as a tool for consumers who may not have an outlet or support system to find one another; brands like Weight Watchers and Nike Women have demonstrated how valuable social networking sites can be for bridging people who are facing similar daily obstacles (Young Entrepreneur Council 2012).

## V. DATA ANALYSIS AND INTERPRETATION

Primary Data collected was analyzed using graphs and percentages.

### 1. Type of individuals

**Table No. 1. TYPES OF INDIVIDUALS**

Occupation	Count of Occupation	%
Business	8	8%
Employment	18	18%
Student	50	50%
Other	24	24%
Total	100	100%

**Graph No. 1 Occupations of the respondents**



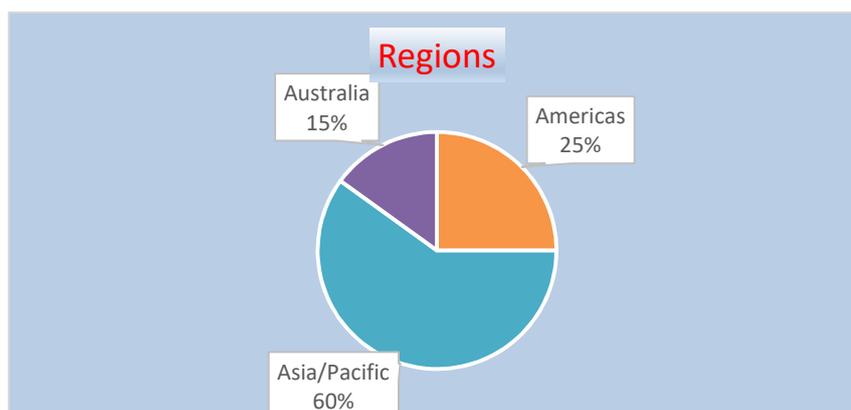
**Interpretation:** 50% of respondents are students, who are the prospective customers for the brands in the future with their regular surveillance of social media.

2. **Nationality:**

**Table 2: Nationality**

Region	Number of people	Percentage
Americas	25	25%
Asia/Pacific	60	60%
Australia	15	15%
Total	100	100%

**Graph No. 2: Nationality**

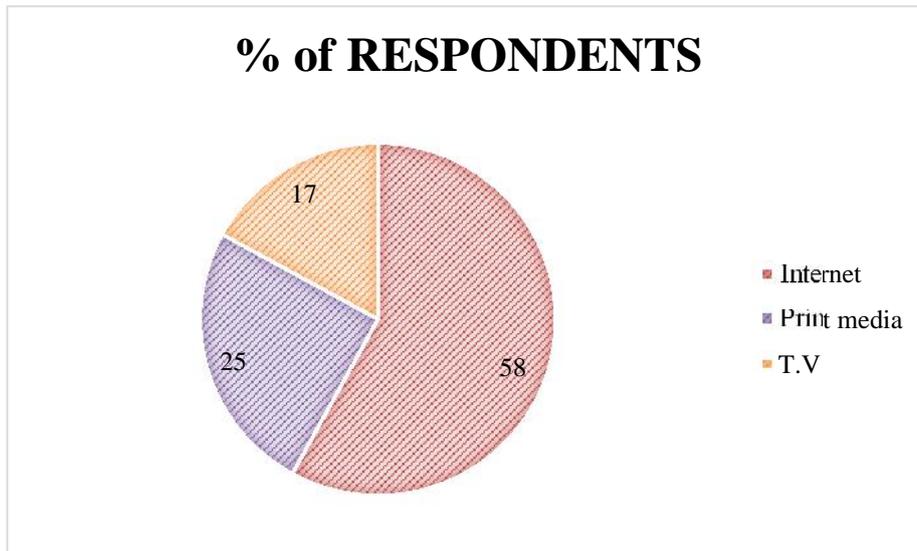


**Interpretation:** 60% of the respondents are from Asian countries. 25% are from Americas and 15% are from Australia.

3. **Influential Source of marketing**

**Table No. 3. INFLUENTIAL SOURCE OF MARKETING**

Most influential type of media	Number of respondents	Percentage
Internet	58	58%
Print media	25	25%
T.V	17	17%
Total	100	100%



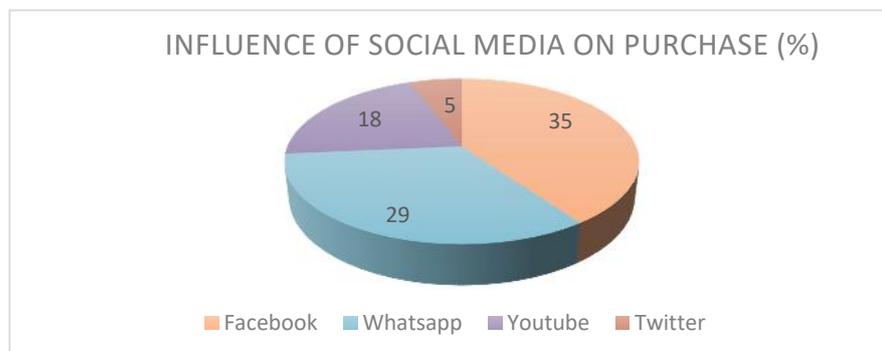
**Graph No. 3: Influential Source of Media**

**Interpretation:** 58% of the people believe with the fact that internet is the most influential source of media for marketing, 25% of the respondents believe that print media and 17% believe that TV is the most influential source of media for marketing.

4. **Media Influence in Buying the product**

**Table No. 4. MEDIA INFLUENCE IN BUYING THE PRODUCTS**

Frequencies	Respondents	%
More than 10 times	39	39%
More than 5 times	29	29%
Twice	12	12%
Only one	20	20%
Total	100	100%



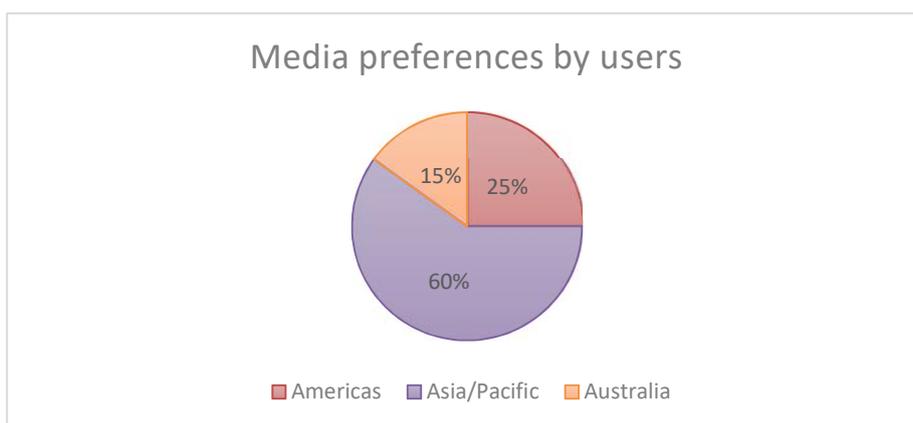
**Graph No. 4 Frequency of media influence on purchase.**

**Interpretation:** 39% of the people have accepted that social media has influenced them 10 times in purchasing a product, 29% of respondents have accepted that social media has influenced them 5 times in purchasing a product, 12% of respondents have accepted that it influenced twice.

### 5. Type of media preferences

**Table No. 5. TYPES OF MEDIA PREFERENCES**

Types of Media	Number of users	Percentage
Internet	61	61%
T.V	14	14%
T.V; Internet; Print media	25	25%
Total	100	100%



**Interpretation:** 61% of the respondents use internet as their primary source of social media. 25% use T.V, Internet & Print media like magazines, books, etc. and only 14% use T.V.

### 6. Users of Social Media Websites

**Table No.6 USERS OF SOCIAL MEDIA WEBSITES**

zSocial Media Websites	Respondents	Percentage
Facebook	35	35%
WhatsApp	29	29%
YouTube	18	18%
Twitter	5	5%
Instagram	13	13%
Total	100	100%

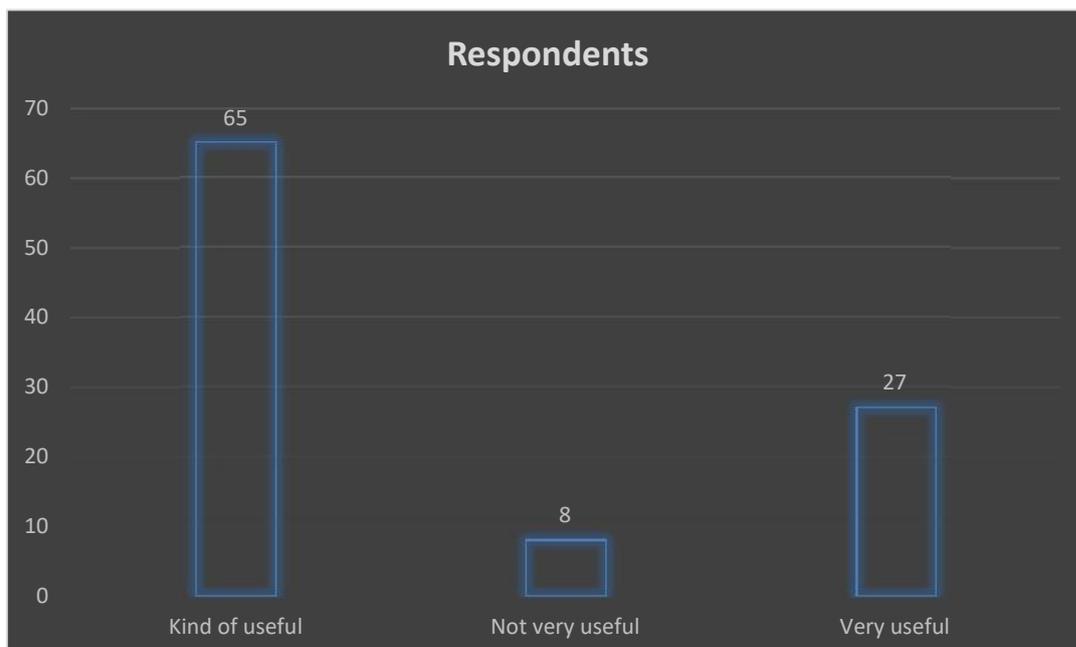


**Interpretation:** There is a heavy competition between Facebook (35%) and its own subsidiary, WhatsApp (29%) which follows the former in terms of user accounts and share in the social media marketing sources.

## 7. USEFULNESS OF SOCIAL MEDIA

**Table No. 7. Social media is a strong marketing tool**

Usefulness of Social Media	Respondents	Percentages
Kind of useful	65	65%
Not very useful	8	8%
Very useful	27	27%
Total	100	100%

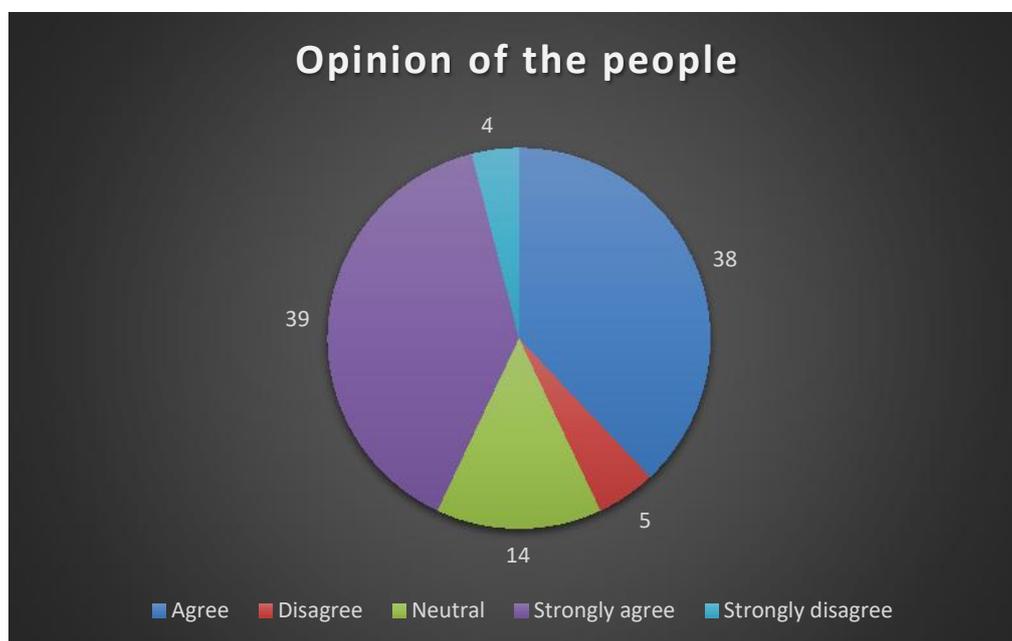


**Interpretation:** 65% of the respondents opined that social media is kind of useful source of media in persuading them to do shopping.

## 8. MARKETING IMPACT OF SOCIAL MEDIA

**Table No. 8 Social media is a strong marketing tool**

Degree of Agreement	Opinion of the people	Percentage
Agree	38	38%
Disagree	5	5%
Neutral	14	14%
Strongly agree	39	39%
Strongly disagree	4	4%
Total	100	100%



**Graph No. 8**Opinion about the agreement of Social Media’s impact as a marketing tool.

**Interpretation:** 39% of the respondents across the world have strongly agreed and 38% have agreed to the fact that social media is a strong marketing tool which influences and attracts them to purchase goods and services.

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## VI. FINDINGS

It was found that

- ) 58% of the people believe with the fact that internet is the most influential source of media for marketing.
- ) 68% of the respondents opined that social media has influenced them multiple times in purchasing a product
- ) 61% of the respondents said that they use internet as their primary source of social media.
- ) 35% of the respondent opined that Facebook is the most common social media website.
- ) More than 60% of the respondents across the world have strongly agreed to the fact that social media is a useful source of media and a strong marketing tool which influences and attracts them to purchase goods and services

## VII. CONCLUSION

From the study we can conclude that Facebook is the most common social media website which attracts more than 2 billion customers of more than 1 million brands all over the world and bought merchandise after getting influenced by social media. Majority of the respondents have opined that multiple times they were influenced to purchase brands by the social media marketing techniques. Nearly 2.1 billion people have social media accounts 3.65 billion mobile users have access to the internet via smartphones which empowers the possibility that the global customers are easily accessible through social media. However, social media is the most influential source of media for the marketers in terms of attracting the customers since [91% of retail brands](#) use 2 or more social media channels and [81% of all small and medium businesses](#) use some kind of social platform. Lastly, an enormous amount of [\\$40bn was spent on social network advertising](#) in 2016 which concludes that the world is moving towards a digital market with social media establishing as a backbone medium of marketing.

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