

# A STUDY OF IMPACT OF SOCIAL MEDIA ON CONSUMER BEHAVIOR IN RESTAURANT INDUSTRY OF JAIPUR CITY

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## ABSTRACT

*The rapid development of technology and communication channels has made consumers use internet and web tools more today. The most significant one of the tool is social media. Social media gives consumers the power to seek information about the various product and services, criticize them in equal manner and much more. Thus majority of companies today have incorporated social media in their strategies and operations to connect with prospective consumers. This paper aims to study the impact of social media on consumer behavior in restaurant industry of Jaipur city. The data presented in this paper is collected through questionnaire which was distributed among various consumers of different age groups and the collected data is coded, calculated and analyzed with the help of statistical tools.*

*In the research various variables such as aim, duration, motivation and effect of using social media, have been conceptualized into an integrated framework to analyze the impact of social media marketing on consumer behavior while selecting restaurants to visit. The research reveals that consumers are increasingly moving away from traditional advertising media and actively seeking out social media platforms to search information related to different restaurants because they regard it reliable and convenient which helps them in better decision-making, and results in less wastage of time.*

**KEYWORDS:** *Social media, Consumer behavior, Internet, Strategies, Restaurants.*

## INTRODUCTION

Social media marketing is the process of using social media channels to communicate others with an objective of widening the customer base. It offers great benefits when it comes to advertise the restaurants. Social media encompasses different forms of communication, marketing, entertainment and networking. This new set of collaboration tools enables many types of interactions that were previously not available to common person. Social media provides several benefits to the restaurant industry. These can be listed as below:

1. Improved brand awareness: Social Media plays a vital role in differentiating brands and providing customers customized products. Consumer involvement and delivery of customized products and services significantly impacts the reputation and trust.
2. Increased customer base: The potential customer has a chance to know about any restaurant before visiting it in person through social media platforms like Facebook pages, blogs, etc. Messaging and invitations on these platforms attracts more consumer traffic.
3. Increase in sales: Sales increase as a result of improved brand awareness and increased traffic due to word of mouth marketing, discounts, specials or events offered on social media channels.
4. Repeat business: Social media provides a brand image to the restaurant and tempts customers to come back again after getting a good eating experience. Besides this establishing positive relation with customer results into repeat sales.
5. Low cost and high return: Social networking, blogging and other forms of social media are low cost of marketing. With the right balancing of effective policy of messaging and promotions, the returns with the social media can be increased.
6. Notifications of events and promotions: Notifications of hosting any event or launching a new menu item on social media by restaurants helps to ensure a good turn-out as it can attract the masses with a little effort.

7. Improved customer interaction: Social media tools offer customer insight as well as customer interaction. Social media helps to engage guests in conversation about the restaurant, the experience and their feedback for improvement. Engaging with customers make them feel important and in turn increase their loyalty.
8. Monitoring online reputation: Social media allows organizations to put service representatives monitor social sites frequented by customer base and gives them an opportunity to be able to identify and resolve customer issues, if any. Social media inculcates several forms of discussion platforms which allow us the ability to know both good and bad reviews of customers, managing these effectively help to build the reputation.
9. Viral Marketing: Social Media amplifies Word-of-Mouth and has a direct impact on customer growth and the spreading of positive/negative feedback about the service of the restaurant among the target audience. First-hand reviews are taken very seriously by customers. Positive image can be built by happy customers.
10. Complementary to other campaigns: Social media can run hand-in-hand with traditional marketing strategies, and even help promote those campaigns further.

There are approximately 2807 restaurants in Jaipur in the organized sector. This figure is expected to rapidly increase as a result of the changes in demographic and economic factors which are having a significant impact on the restaurant industry. Restaurants in Jaipur have realized the importance of social media therefore they are embracing customer-driven social media messaging with open arms in their marketing strategies. Facebook, Online review sites (like Food Panda, Zomato, etc.), Twitter, Instagram and Blogs are most favorite social platforms of restaurant industry in Jaipur.

### REVIEW OF LITERATURE

Social media influences buying behavior of consumer on any services or products. In 2003, Western Kentucky University used a sample of 249 consumers' purchases to analyze the type of product purchased, and the cost of item. The results of this research revealed that consumers are buying either inexpensive or expensive items, and are doing so based on recommendations from social media by their contacts or friends on social media (Forbes & Vespoli<sup>1</sup>, 2013). Rebecca J. Purdy<sup>2</sup> in his research paper have explained the importance of social media to the restaurants and how social media contributes in increasing their income.

Dr. Ijaz A. Qureshi, Iqra Nasim and Dr. Mike Whitty<sup>3</sup> in their research paper, investigated the impact of social media (social sites) on consumer preferences in culinary industry specifically restaurants in the city of Lahore, Pakistan. It included different components straight from the brand image to dine in, products, level of service, ambience etc and in total of their presence on social media. According to the study 85% respondents said that they use Social media websites on daily basis. Pages of restaurants and communities are liked by 88% because they provide relevant information on product launch, promotional news and product reviews. Majority of respondents agreed that social media has played a vital role in empowering customers and helped them in shaping their perceptions in the restaurant industry of Lahore, Pakistan.

Social media tools have become superb channels for marketers to reach consumers. Hanlon, Patrick stated that social media is important for marketers because it allows them to have dialogue directly with consumers, which in turn engages consumers directly with company brands. Lee<sup>4</sup> contends that social media has become vastly popular for "normal people" because it allows anyone to interact with content or deliver it. This model of Communication is vastly superior to the traditional format of one-way communication between major media and its intended audience. To succeed in today's competitive marketplace, organizations must follow their customers and get close to them.

Benjamin Ach<sup>6</sup> in their bachelor thesis underlined the fact that businesses, small or big sized, have to get online and to use social media and to adapt their business models if they want to stay on top of the competition on their markets. The research is supported by a case study of an Australian internet marketing company, in order to get valuable insights from internet marketing experts.

### RESEARCH METHODOLOGY

This research paper is based on impact of social media on consumer behavior in restaurant industry.

Area of Research (Universe) – Jaipur (Rajasthan).

Sources of data: - Primary Data (Collected Through Questionnaire) Secondary Data (Collected through Books, Websites, Journals & Publication).

Data Collection Method: -Survey Method.

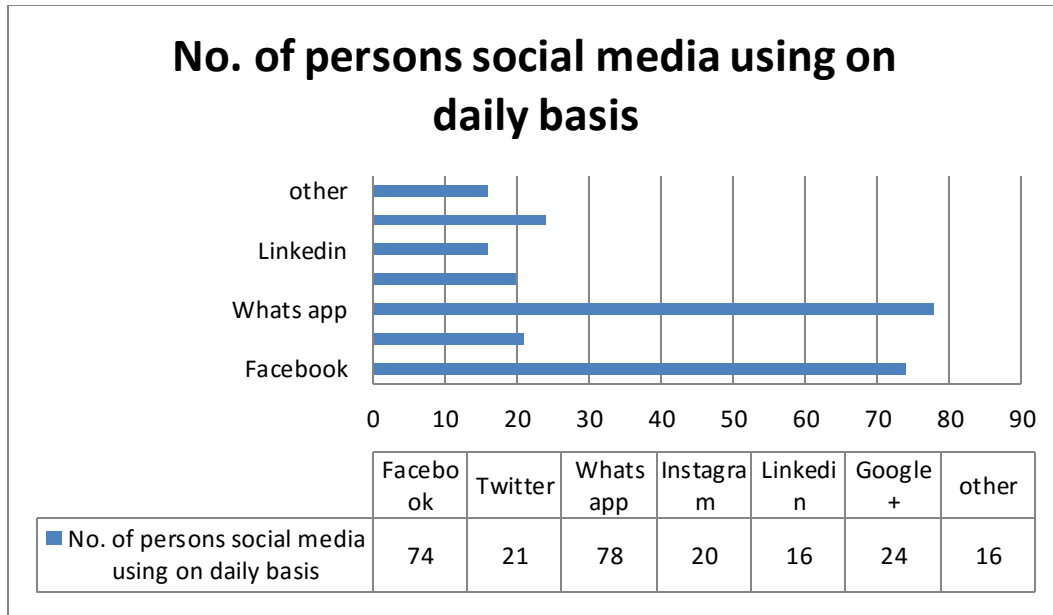
Sample Size: - 84 Respondents

Sample Design:-Random Sampling.

Research Design: - Exploratory & Descriptive.

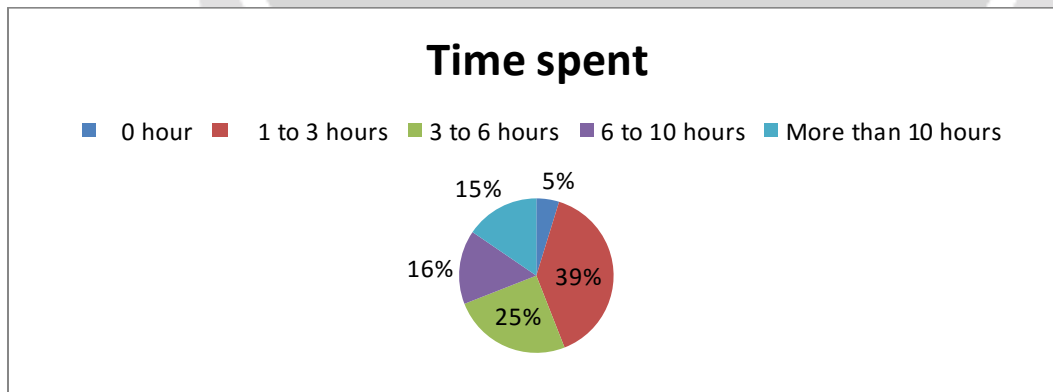
Data Analysis: The Survey was conducted for a sample size of 84 respondents. The questionnaire link was sent through mails and messages to 100 consumers of various restaurants of jaipur city but only 84 responses were collected.

**Q.1. Which of the following Social Media means you are using on a daily basis? (Please select all the platforms used by you)**



**INTERPRETATION:** According to data collected WhatsApp is in prime position that is used by almost 93% of the consumers. Followed by Facebook that is the most popular social media site among consumers of Jaipur city which is near about 88%. Micro blogging site such as Twitter is used by 25%.

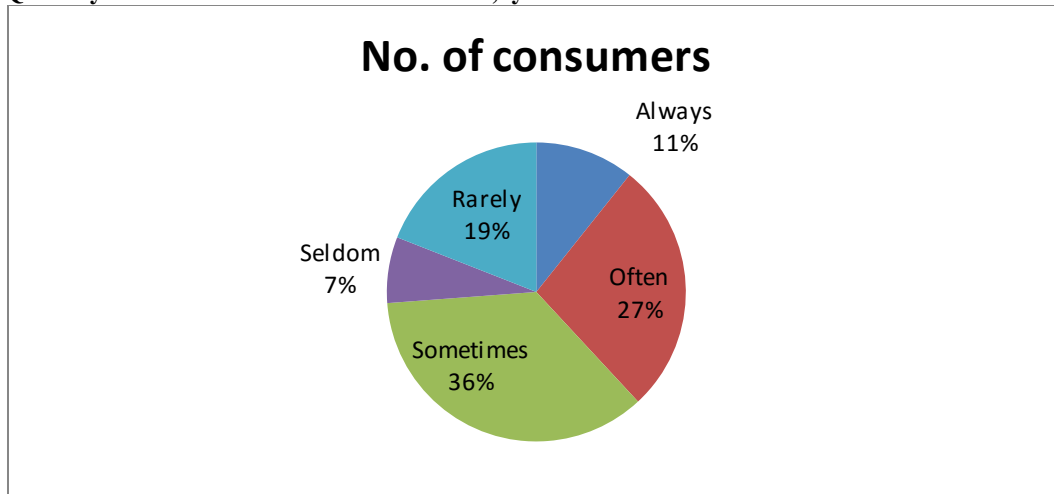
**Q.2 Time (approx.) spent on Social Media per Week**



**INTERPRETATION:**

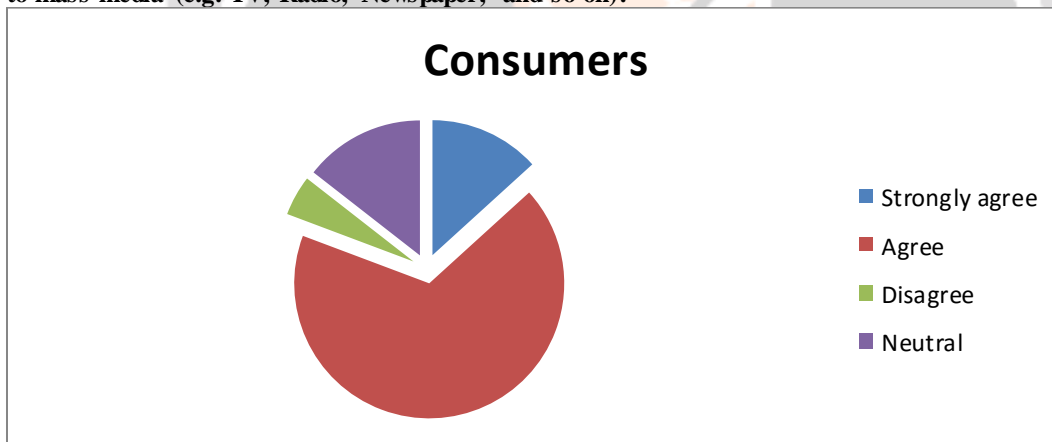
According to data collected 5% of consumers don't use social media for 0 hours on a daily basis. 39% of the consumers use social media for 1 to 3 hours on a daily basis. 25% use for 3 to 6 hours and 15% use for 6 to 10 hours and more than 10 hours.

**Q.3 Do you think that with the social media, you are able to seek out restaurant related information actively?**



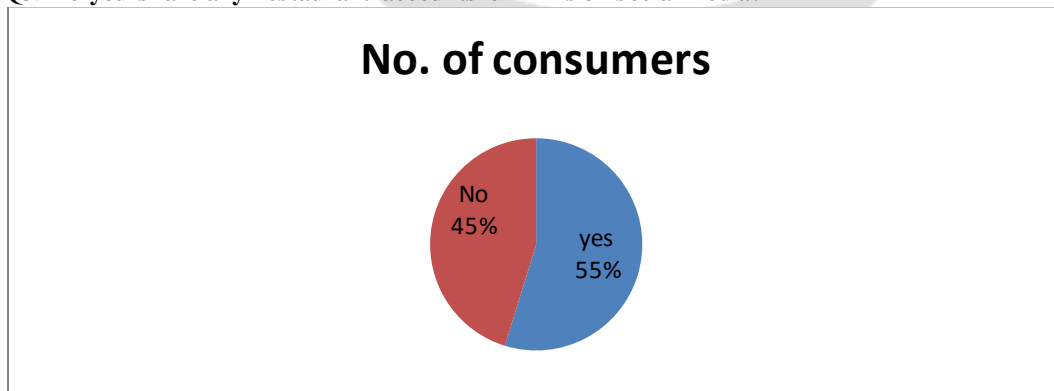
**Interpretation:** Almost 36% of the consumers agree that through social media, they are sometimes able to seek out restaurant related information initiatively. 27% of them often use social media where as only 19% rarely seek out restaurant related information through social media initiatively.

**Q.4 Do you agree that information (related with restaurants) searching is easier via social media as compared to mass media (e.g. TV, Radio, Newspaper, and so on)?**



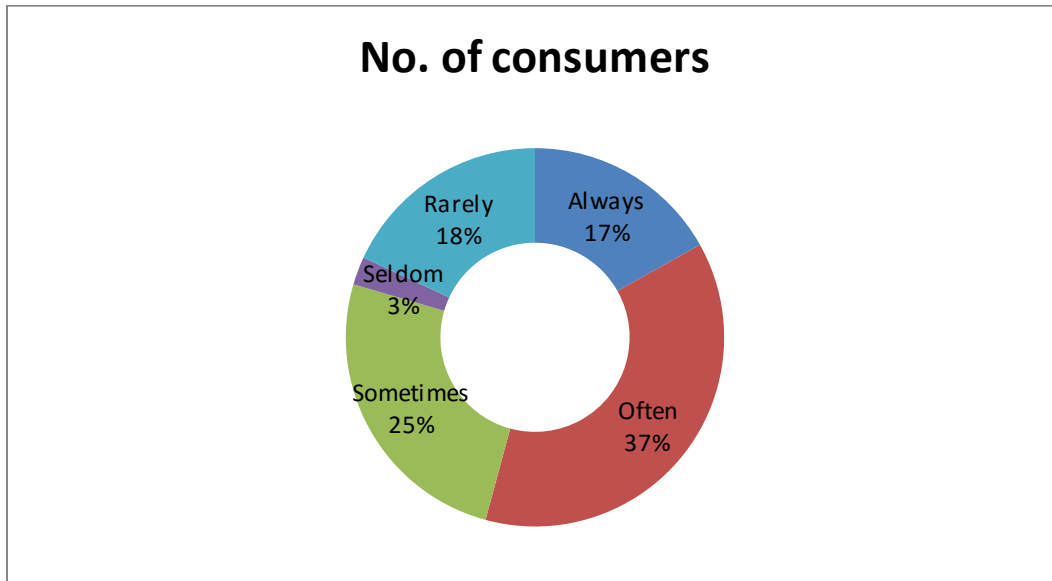
**Interpretation:** 67.5% of consumers agree that information searching is easier via social media as compared to mass media where as 14.5% are neutral.

**Q5. Do you share any restaurant accounts or links on social media?**



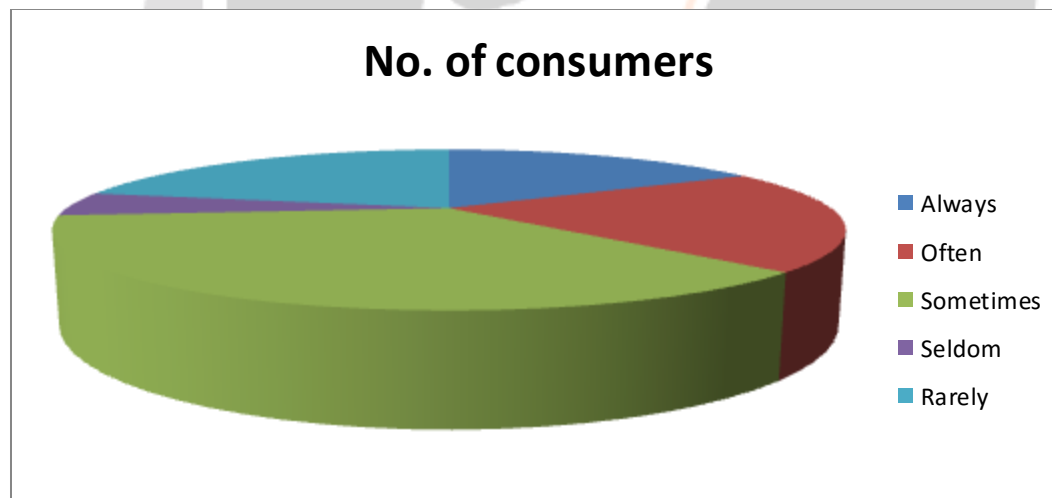
**Interpretation:** Almost 54.76% of consumers agree that they share restaurant accounts or links on social media.

**Q6. Do your “Friends” advice or feedback on social media really affect your decision before selecting any restaurant?**



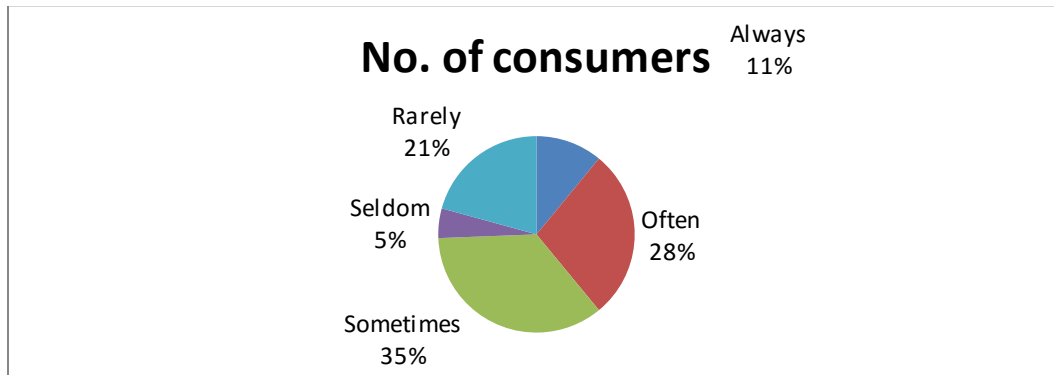
**Interpretation:** According to analysis 17% consumers have accepted that their family/Friends/relatives etc. advice always affect their decision before visiting restaurants.37% often affects whereas 18% consumers said that it rarely affects their decision.

**Q7. Do You Search for restaurant related information on social media before a visit?**



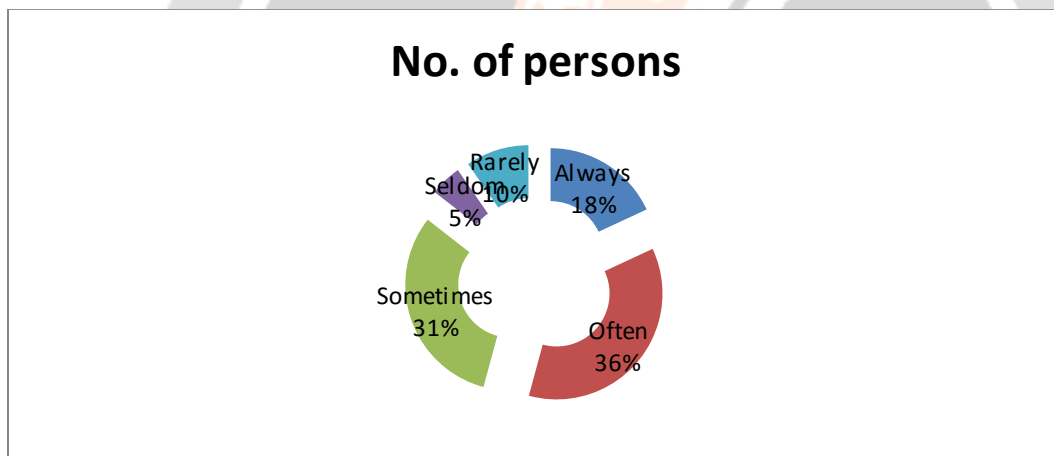
**Interpretation:**36.3% consumers sometimes and 20.5% often search for related information before visit whereas 21.7% rarely search

**Q8. Do you change your initial purchase preference of restaurants after searching relevant information via social media ?**



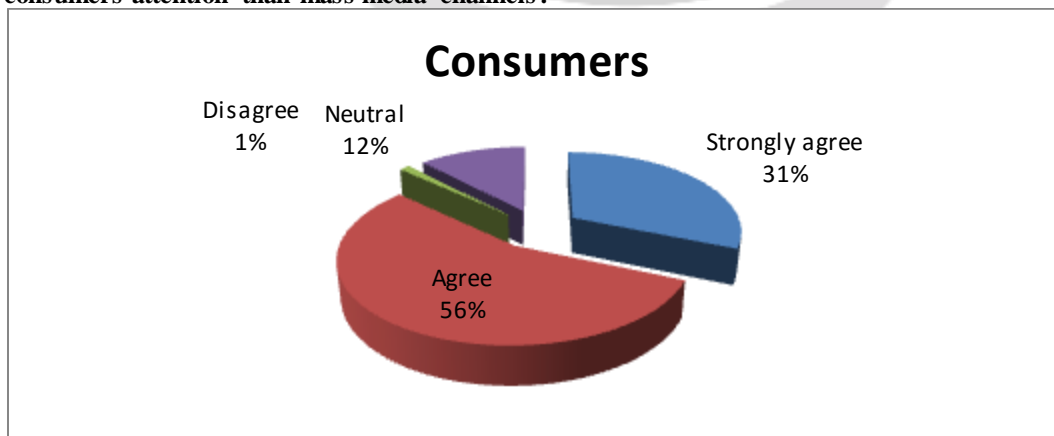
**Interpretation:** According to the analysis 11% consumers always, 28% often, 35% sometimes, 5% seldom and 21% rarely change their initial purchase preference of restaurants after searching relevant information via social media.

**Q9. Do advertisements/blog posts/ fb pages/user reviews on social media influence you to try new restaurants?**



**Interpretation:** Advertisements/blog posts/ fb pages/user reviews on social media always influence 18%, often influence 36%, sometimes influence 31% and 10% rarely influence consumers to try new restaurants.

**Q10. Do you agree that social media has provided more effective platforms to new restaurant brands to draw consumers attention than mass media channels?**



**Interpretation:** According to analysis 31% strongly agree, 56% agree, 1% disagree and 12% are neutral as to social media has provided more effective platforms to new restaurant brands to draw consumers attention than mass media channels.

#### **CONCLUSION**

This study had given a clear indication that social media though not much popular in consumers of jaipur for restaurant selection is now a strong driving force. Online visibility through social media marketing is gradually becoming a secret weapon of restaurant owners in having a strong customer base. Consumer buying behavior is changing very speedily & marketers have to change their strategies according to the scenario. Therefore now the restaurant marketers have to focus on their promotional strategies. They have to change it according to the preferences and behavioral pattern of new digitally active consumer base.

#### **RECOMMENDATION**

Restaurant marketers in jaipur must use social media for promoting their services into the market. Today's empowered consumers expect companies to engage with them whenever and wherever they want — or they will simply go elsewhere. Restaurant marketers should use social media with proper planning and in systematic manner for increasing success of their restaurant in market. They should change their promotional strategies according to the time factor/ buying behavior of consumers. Whats app and Facebook are the most popular social media among consumers that must be effectively used.

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