

# Analytical Study On Role of Social Sites in Consumer Engagement in India

Surbhi Gambhir<sup>1</sup>, Dr. R. Sridhar<sup>2</sup>

<sup>1</sup>Research Scholar, Kalinga University, Raipur, Chhattisgarh

<sup>2</sup>Professor, Kalinga University, Raipur, Chhattisgarh

## Abstract

As a marketing tool, social media is becoming more essential. Social media is increasingly being used by merchants to reach adolescents and young adults, proving the significance of include social networking sites (SNSs) in everyday life transactions. In this article, the focus is on analysing Indian customers' social media mindsets and looking at the effect of different extended TAM factors to explain the elements that affect Indian consumers' adoption of SNS. Perceived usefulness had substantial positive impacts, whereas perceived danger had negative consequences, according to the findings. SNS marketing was aided by perceived ease of use and personal fit with companies, although these effects were not statistically significant. This research in India found that creating favourable views is influenced by personal fit with customers, user-friendly websites, and decreasing perceived risk.

**Keyword:** *Social Media Analytics, customer engagement strategy, business performance, digital engagement.*

## 1. INTRODUCTION

In terms of consumer involvement and connection, social media is quickly becoming the next great frontier. Customers engage with one other on Social Media sites such as Facebook and Twitter every day, and there are also a large number of forums and online communities where they may get help. These numbers are expected to soar in the next five to six years as the number of people using social media and participating in online forums rises. A fundamental change from interactions between companies and customers to interactions between customers and companies is seen in this development. As a result, businesses must have a solid plan for engaging their customers on social media. According to Sitel's request for an executive brief from Frost & Sullivan, contact centres will encounter a number of unique difficulties when integrating social media channels into customer service. Our suggestions are included to help you meet these obstacles while laying the groundwork for future success.

## 2. LITERATURE REVIEW

**Jha, L. (2015)** Social media analytics (SMA) is a dynamic field which has received considerable attention from both academics and management practitioners alike. A significant number of the scholarly research currently being conducted in SMA, however, is conceptual. Industry experts know that SMA creates new opportunities for organisations who want to more strongly engage with their customers and improve business performance. However, the relationship between social media analytic practices (SMAP), customer engagement (CE), and business performance (BP) has not yet been sufficiently investigated from an empirical perspective. In order to gain a better understanding of the relationship between SMAP and BP and the mediation role of CE in that process, a large-scale survey was conducted among senior and mid-level managers as well as consultants in the Retail and information technology (IT) industries in India. Specifically, a structured closed-ended questionnaire was administered to managers and management consultants country-wide and gathered usable responses from 281 respondents holding positions such as: Digital Marketing Executive/Digital Marketing Specialist, Management Consultant, Analytics Manager, Customer Relationship Manager, Marketing Director, Engagement Manager, etc. who were in charge of digital marketing strategies in the respondent retail and IT organisations. The questionnaire addressed issues related to the way in which SMAP contribute to an enhanced business performance through the mediation role of customer engagement. Structural Equation Modelling was employed to analyse the received empirical data. On the basis of the findings our research concludes that there is a significant positive relationship between SMAP and BP mediated by CE in the Indian retail and IT industries.

**Matthijs Meire et.al (2016)** Despite the demonstrated importance of customer sentiment in social media for outcomes such as purchase behavior and of firms' increasing use of customer engagement initiatives, surprisingly few studies have investigated firms' ability to influence the sentiment of customers' digital engagement. Many firms track buyers' offline interactions, design online content to coincide with customers' experiences, and face varied performance during events, enabling the modification of marketer-generated content to correspond to the event outcomes. This study examines the role of firms' social media engagement initiatives surrounding customers' experiential interaction events in influencing the sentiment of customers' digital engagement. Results indicate that marketers can influence the sentiment of customers' digital engagement beyond their performance during customers' interactions, and for unfavorable event outcomes, informational marketer-generated content, more so than emotional content, can enhance customer sentiment. This study also highlights sentiment's role as a leading indicator for customer lifetime value.

**Mitra Amin (2017)** Companies that have embraced social media are getting valuable insights by 'listening' to the online 'chatter' of their customers and it is considered as a B2H (business to human) or sometimes H2H (human to human) and even consumer-to-consumer (C2C) activity. Borges (2012) stated that those businesses that use social media only as a platform for advertising and broadcasting are actually not 'social' as they are ignoring its real social facet and using it to re-work on old marketing strategies without leveraging on the real power of social media. He posited that a perfect 'social' business being managed through digital channels knows the significance of engaging with their consumers, suppliers, employees, stakeholders, partners and even competitors through online digital channels. The real social businesses appreciate the intrinsic value of credible engagement with stakeholders and deliver a unique, pleasant and memorable experience. In today's context most of the people are aware of Social Networking Sites (SNSs). And these SNSs have become so popular among consumers, that it is common for Internet users to have multiple accounts on SNSs such as Facebook and Twitter (Bhargava, 2015). In this study a conceptual model with five constructs viz. awareness, loyalty, tie strength, satisfaction and trust has been proposed and empirically tested. It was observed that relationship between awareness and satisfaction, satisfaction and loyalty, respectively, were statistically significant though trust and satisfaction, tie strength and satisfaction were relatively insignificant. Study findings suggest that Facebook and WhatsApp can be leveraged as better online platforms by marketers in India in comparison to LinkedIn and Twitter.

### 3. METHODOLOGY

Data from Indian Facebook Brand pages was scoured by researchers to learn more about Indian Brands and consumer behaviour on such sites. The top 100 businesses on social media are those with the most fans. Using Fanpage Karma, a social media evaluation tool, data was gathered on Facebook brand page activity, such as post content, post type, and the number of likes and replies. For the purpose of compiling this report, Facebook tracked brand activity from January 2014 through December 2014. A post's total number of likes, comments, shares, and replies are used to calculate how engaged a particular audience is with the content (Social Bakers, 2013). Average CE rate is calculated by adding all responses/likes and multiplying all comments by three and then multiplying all shares by five (Unmetric, 2016). Unmetric (2016) developed a method for measuring engagement based on user research and observations. When it comes to engagement, weights determine how much a comment, share, or like on a social network impacts the final Engagement Score. Since they start a conversation, comments and shares have more weight in Unmetric models than likes. Using empirical data points, Unmetric analysts have figured out a way to estimate how many brand fans/followers will actively receive and view a brand's content. As the company's 0.8 followers grow, so does the reaction rate to its Facebook posts. The estimated size of the audience is determined by a sophisticated machine-learning algorithm. Unmetric formulae assigned a weight of 5 to shares, 3 to comments, and 1 to likes.

Unlike other research, this one focuses on the long-term effects of past posts inside a medium, the direct implications of current brand postings within the social medium, and the associated spillovers due to omni-social consumers. The dynamic state space method is used to connect user-generated content with social media engagement. Because of this, the model is built on data from 20 different businesses on three of the most prominent social media platforms: Facebook (94%), Twitter (68%) and Instagram (13%) (54 percent). The constant online exposure of a brand's social media page implies that the model takes engagement dynamics into account.

#### 4. DATA DESCRIPTION

A market research company that gathers and maintains social media data for various companies gathered the information on a brand's activity on social media and the reactions from customers. The marketing research company monitored twice-daily customer interaction with brand postings and collected engagement metrics for the brand's social media posts on the date.

When it comes to consumer interaction, data includes the number of times a piece of brand-generated content has been liked on Facebook or Twitter or retweeted or shared on another network. An example of a brand fan's activity is to like or hate, tweet, share, or discuss a brand's post on its social media brand page. A day's worth of social media postings is included in the dataset, as well as customer reactions to those posts. Social media networks offer aggregated data that does not disclose specific user level characteristics in order to protect the anonymity of the users. As a result, we can only monitor user-generated activities at the aggregate level on the companies' own social media sites or brand-owned handles in question.

The dataset incorporates data from Facebook, Twitter, and Instagram, amongst others. Over the course of 270 days, researchers gathered this data. According to Interbrand research, the brands included in the dataset are among the most well-known and valued in the world (Interbrand 2017). In addition to the technological firms, car manufacturers, digital media and e-commerce retailers such as fast food and fast fashion are among the sectors represented by the brands. Total social media postings and customer reactions for 20 major companies are included in this dataset.

When it comes to a specific social media platform, the dataset contains data on when and how many brand posts (firm-generated) have been made there, as well as how many consumer responses those posts have generated (e.g., likes, rewrites). The number of posts in a day and the various forms of engagement that can be observed during that day are the units of observation. Neither the post content nor the text of customer comments are included in this dataset. Social media participation and daily postings vary significantly across brands, according to data. We collected 2390 observations in total across 20 brands and three social media platforms. A brief overview of the data from all brands and social media platforms is provided in (Table 1).

**Table 1 Descriptive statistics of social media posts across all 20 brands**

Variables	Mean	Std.	Median
<i>FB Posts</i>	1.91	1.36	1.40
<i>FB Likes</i>	8930.17	13,297.89	2470.20
<i>FB Comments</i>	388.86	458.10	272.30
<i>FB Shares</i>	830.28	1349.73	264.05
<i>FB Brand Fan Following</i>	24,611,887.00	25,584,270.57	20,049,868.95
<i>TW Posts</i>	57.20	145.08	9.15
<i>TW Retweets</i>	398.04	491.53	181.65
<i>TW Replies</i>	168.88	219.74	67.70
<i>TW Mentions</i>	645.56	611.74	456.20
<i>TW Brand Fan Following</i>	3,937,738.17	4,287,824.32	2,738,956.45
<i>IN Posts</i>	1.53	1.33	1.05
<i>IN Likes</i>	101,305.50	188,721.02	11,156.65
<i>IN Comments</i>	394.66	535.58	101.35
<i>IN Brand Fan Following</i>	3,583,513.19	5,234,798.37	971,856.75

## 5. CONSUMER ENGAGEMENT

When it comes to measuring customer involvement with a social media post, we follow prior marketing research (Godes and Mayzlin 2009; Duan et al. 2008; Liu 2006). Depending on the platform, the exact statistic changes from post to post. In the following, we provide a quick breakdown of customer interaction by platform.

Using the descriptive data in Table 2A, you can see how many posts and interactions each brand received. Table 2B shows the average weights of the main components analysis and the average variance explained by the first factor for each of the social media platforms mentioned. PCA weights engagement indicators according to their "importance" in explaining engagement variation, as may be seen below. As you can see in the chart, the weights change depending on the kind of interaction and platform.

**Table 2 Brand category and the consumer engagement rate**

Post Format	Posts	Interactions	Avg. Int.	Avg. CE
Airlines	10,714	1,11,90,016	1,044	3.21
Automobile	16,805	9,82,22,485	5,845	3.02
Banks	9,383	5,06,96,874	5,403	3.86
Beverages	2,759	5,06,96,874	4,776	3.63
Computer	10,368	6,21,32,438	5,993	6.05
Electronics	9,004	1,27,46,287	1,416	1.37
eRetailers	17,672	6,71,70,838	3,801	2.22
Fashion	4,349	3,58,68,223	8,247	3.87
FMCG Food	4,048	1,06,63,897	2,634	2.93
Health/Beauty	12,335	6,14,09,829	4,979	3.71
Household Goods	6,875	1,58,76,774	2,309	3.2
Hotels	8,423	17,80,607	211	2.34
Mobile	22,310	13,98,34,818	6,268	5.03
Restaurants	10,935	3,42,37,584	3,131	2.06
Retail	10,132	1,40,93,818	1,391	0.95
Sporting Goods	3,158	89,74,803	2,842	2.75
Telecom	7,918	8,67,58,119	10,957	3.5
<b>Total</b>	<b>1,67,188</b>	<b>72,48,35,205</b>	<b>4,335</b>	

Table 2 shows that computer, mobile, and airline brand categories had greater interaction rates than retail, electrical, and restaurant brand categories. Between 2014 and 2016, the Facebook Brand pages of the 100 most popular companies received a total of 16,71,188 updates. The majority of postings come from companies in the mobile, automotive, and eRetail sectors, with a far smaller amount coming from FMCG food brands. Brands are more likely to use the photo format for their posts. With an average engagement rate of 0.95, retail brands have the lowest rate of interaction, while computer category companies have the highest average engagement rate of 6.05. As a consequence, brands in the technology industry have a greater percentage of customer involvement.

**Table 3 Average values of principal components analysis (PCA) scores and variance explained by the first factor by social media (across all 20 brands)**



Social Media	Engagement Type	PCA Score	Variance Explained
Facebook	Likes	0.956	97.405
	Shares	0.143	
	Comments	0.078	
Twitter	Retweets	0.445	93.419
	Mentions	0.834	
	Retweets	0.159	
Instagram	Likes	0.999	99.785
	Comments	0.007	

The Social Networking Site Facebook (FB) It includes information on how many times a brand has posted anything on Facebook, how many people have liked or shared it, and how many comments and mentions have been made about it. A PCA method is used to integrate the various engagement indicators and create a single consumer engagement measure that takes into account all of the observed interaction on the brand's page. The focused engagement variable is built using the PCA's initial factor. That's why it's referred to as the FBE. FBE averages 8989.10 per day across all brands and is a linear mix of engagement metrics.

Use of the social networking service Twitter (TW) The amount of tweets a company sends out on Twitter serves as a barometer for the success of its postings. There are many ways to measure how engaged customers are with your brand's Twitter account. By using a similar strategy based on principal component analysis (PCA), we were able to create a single-factor model of Twitter engagement (TWE). TWE has a mean of 769.68 for all brands.

Likes, shares, and comments on a brand's Instagram profile are used to calculate engagement. Brand posts track the amount of activity (posts) by a certain brand on a particular platform. We use PCA to determine the degree of interaction with each brand's postings, in a manner similar to what has been described above. There is an average value of 101,304.55 for IN engagement (INE).

**Table 4. Demographic variable of respondents**

Demographic	Characteristics	Frequency	Percentage
<b>Gender</b>	Male	240	71.9
	Female	94	28.1
<b>Age</b>	18–25	174	52.1
	26–33	92	27.5
	34–41	47	14.1
	42–49	21	6.3
<b>Education</b>	Undergraduate Degree	259	77.5
	Masters and Above	75	22.5
<b>Location</b>	Chennai	119	35.6
	Delhi	97	29.0
	Mumbai	55	16.5
	Bangalore	63	18.9
<b>Total</b>		334	100

Table 4 shows the demographics of the respondents. Respondents' demographics match recent data showing that males utilise social media in India in greater numbers. Only 28.1% of the sample was female, which is close to the population's average of 71.9% males. Fewer than a quarter (24 percent) of Facebook users in India are female, according to recent data (We Are Social, 2017). According to the data, majority of our customers are between the ages of 18 and 33. 73% of Facebook users are between the ages of 17 and 34, according to the We Are Social (2017)

study. There is a good match between the sample and the whole population. Seventy-five percent of those polled had earned an undergraduate degree. The respondents' geographic location is included into the final set of demographic data. Chennai and Delhi had the highest percentages of responders (35.6 percent and 29.0 percent, respectively) in the sample. According to We Are Social (2017), the three Indian cities with the highest concentration of Facebook users are Delhi, Chennai, and Mumbai.

## 6. CONCLUSION

It is the goal of this research to find out how Social Network Marketing affects consumers' intent to buy, as well as how consumer engagement affects the connection between the two. Social Network Marketing has a favourable and substantial impact on Intention to Choose, according to research findings. Consumer Engagement is positively impacted by both Social Network Marketing and Content Marketing. Intention to Choose is positively impacted by the three types of consumer engagement. Last but not least, Consumer Engagement serves as a go-between for Social Network Marketing and Intention to Buy.

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