SOCIAL COMMERCE :
EFFECTIVE TOOL FOR MARKETING A PRODUCT

DR. J. P. BHOSALE

M.Com.- Advanced Accountancy, M.Com.- Business Administration,
M.Phil. – Accountancy, M.B.A. (Human Resource Management and Finance),
Ph. D. – Cooperation & Rural Development, M. A. Economics, M. A. Marathi,
G. D. C. & A., P. G. Diploma in Banking & Finance, P. G. Diploma in Taxation,
DSM – Diploma in School Management.
Professor and Head – Research Centre in Commerce, Management and Accountancy.
Gramonnati Mandal's, Arts, Commerce & Science College,
Narayangaon, Tahshil-Junnar, Distrist-Pune, Maharashtra, India.
Savitribai Phule Pune University, Pune, Maharashtra, India.

ABSTRACT

This paper reviews literature on social commerce in the context of a digital economy. The digital economy is one depicted by a structural shift from the industrial economy towards an economy characterized by information and communication technologies (ICT). Social commerce is a form of e-commerce that is based on the utilisation of social media and Web 2.0 technologies to assist "buyer interaction that leads to the creation of active content; such as reviews and recommendations that guides other buyers when making decisions that inform their purchasing of products and/ or ser-vices. Social commerce was observed to differ from e-commerce in several ways, but especially on the ground that e-commerce was designed using one directional Web 1.0 technologies, which dealt with customers as individuals; whereas social commerce was designed and enabled by Web 2.0 technologies which enabled bidirectional interactions between the business and customers. Different models of social commerce including those of Huang and Benyouncef, as well as Yadiv's were identified. This paper concludes that social commerce has ushered a new dawn that has met the people of this generation with new ways of doing business where buying and selling occur more in the cloud.

Social commerce is a new business model of e-commerce, which utilizes of Web 2.0 technologies and social media to support social-related exchange activities. While its popularity, being a subset of e-commerce, has been increasing tremendously since its introduction in 2005, there exists a general paucity of research on its framework and its applications' effectiveness, especially in areas beyond the common social commerce practices. Finally, we introduce a set of metrics for social commerce design. The proposed framework and its metrics are used to guide the design and evaluation of social commerce. This study makes a contribution to the social commerce literature in proposing a new design framework and to practice in providing insights for effective strategies of the online social business.

KEYWORDS: Social Commerce, Social Media, Electronic Commerce, Online Platform, Purchase Decision.

LITERATURE REVIEW

Since s-commerce is still relatively new, the term has not always been used with consistency. Some use social commerce as social media marketing or social shopping, while others refer to it as a short form of s-commerce. There is a vast variety of definitions, which comes from the fact that s-commerce involves multiple disciplines and therefore has been looked from different perspectives.

We can group these definitions of s-commerce into three main streams: (1) s-commerce is a subset of e-commerce, where social media is used for commercial transactions (2) s-commerce is simply a (computer) platform, an online mediated application that combines social media and Web 2.0; and (3) the fusion of the previous two: s-commerce is a subset of e-commerce that uses Web 2.0 and social media not merely for commerce/purchases but to enable and engage users in the entire life cycle of a product/service from pre-developing a product (designing) to the final step of post-product (disposing). In this research, we used the last definition of s-commerce.

Several researchers have explored s-commerce from different perspectives and therefore, frameworks. Thus, Leitner and Grechenig constructed their framework with three main entities: consumer, merchant and product. Turban introduced s-commerce rooted in four essentials: marketing, social behavior (sociology), the Internet (web), and e-commerce. A year later Liang and Turban observed s-commerce from six perspectives: research themes, research methods, underlying theories, outcomes, social media, and commercial activities. They divided s-commerce activities into four main categories: social media network marketing; enterprise social marketing; technology, support and tools; and management and organization. Zhang and Benjamin constructed the Information Model, which has four components: people, information, technology, and organizational/society. In a later study, Wang and Zhang used a similar four-component (people, information, technology, and management) in the I-Model framework, where they treated the organization/society component as general management. Zhou et al. proposed an s-commerce framework with four key components: business, technology, people, and information. Looking for the design of s-commerce perspective, Huang and Benyoucef proposed a conceptual framework with four layers: individual, community, conversation, and commerce.

The described research above on s-commerce frameworks, we integrated four components in our s-commerce framework: Customer, Merchant, Platform, and Context. The first three components have been identified by previous studies. However, the fourth component, Context, has not been considered by previous s-commerce studies as a contextual (such as legal/political, economic, social, and environmental factors, as well as spatial and time dimensions) item. The increased pervasiveness of s-commerce in people's lives has motivated researchers to begin focusing on some of these macroscopic facets of s-commerce.

INTRODUCTION

Globally, online marketing of goods and services has permeated numerous business sectors. Electronic commerce (EC) media, which provides a two-way communication platform between sellers and buyers in transactions, is frequently used in online meetings

between vendors and buyers. In practice, many business actors implement EC by utilizing social media in their transactions. According to previous research, the use of social media for purchasing and selling transactions is frequently referred to as social commerce (SC). Social media that are often used include Facebook, Youtube, Instagram, and Whatsapp. The discussion on SC becomes more interesting in the case in India.

The birth of social commerce (s-commerce) happened with the evolution of e-commerce and the widespread use of social media. Introduced by Yahoo in 2005, it quickly became a means for adding value to commercial services through the use of customer engagement by major web companies, such as Amazon, Groupon and eBay. According to a 2011 survey by Forrester Research of 5,000 online shoppers, most purchases were made based on recommendations obtained through the web community and social media channels. The study found that shoppers' buying behavior was significantly influenced by the following sources: customer reviews (71%), community forums (45%), Facebook wall (31%), videos (30%), and Facebook fan page (25%). By 2019, enterprise social networks are expected to generate more than 3 billion U.S. dollars in revenue worldwide.

Despite the rapid growth and increasing influence of s-commerce, academic research on this topic is still at its early stage with a limited number of empirical studies and less than satisfactory level of contribution to practitioners regarding how to effectively manage s-commerce (its modeling, design framework, and applications). Hence, we develop a framework, which could be useful to both academics and practicing managers for designing s-commerce and assessing its performance. The primary research question of this study is: what components need to be included in an s-commerce design framework? Based on the integration of previous studies of s-commerce and the existing knowledge of online businesses, we develop a new framework and a set of metrics/principles for s-commerce design.

There is no gainsaying that there has been a sporadic development in the application of technology for business across the world which has transferred the arena of commerce and entrepreneurship from the physical to the online domain; a trend that has attracted scholarly attention world over, especially in the face of the Corona Virus Pandemic (Covid-19). Covid-19 is an acronym for 'Corona Virus Disease' which was discovered in December, 2019, hence the name 'Covid-19'. The human to human spreading of the virus occurs due to close contact with an infected person, exposed to coughing, sneezing, respirator y droplets (Shereen & Siddique, 2020). As a result of the fear of unhindered spread of the virus, lockdown measures were introduced in several countries of the world and this has affected physical business transactions, interstate and inter countries travels negatively, paving way for the reliance on business activities thatare enabled online.

OBJECTIVES OF THE RESEARCH STUDY
Drawing from this backdrop, this paper is aimed at achieving the following:
(1)   Reviewing extant literature on social commerce in the context of economic digitalization.
(2)   Providing a brief examination of the evolution of social commerce.
(3)   Examining the importance of social commerce.

(4)   To study the importance of Social Commerce.

RESEARCH METHODOLOGY

This research is purely descriptive in nature. The secondary data have been collected from various reference books, government reports, government website and data banks to conduct deep research and analysis of facts and figures.

SOCIAL COMMERCE AND ELECTRONIC COMMERCE

Even though social commerce is derived from e-commerce, the two have differences in many aspects. Social commerce has proved to be much more complicated such as in its motives, business models, challenges and design features (Huang & Benyoucef, 2013). E-commerce, for example, was designed using one directional Web 1.0 technologies, which dealt with customers as individuals. Social commerce, on the other hand, was designed and enabled by Web 2.0 technologies, which enabled bidirectional interactions between the business and customers (Baghdadi, 2016). Social commerce has also shifted e- commerce from a product-oriented platfor m to a customer-oriented interacti ve environment.

More so, while social commerce is portrayed by some as a new category of e-commerce combining shopping and social networking activities online (Harkin, 2007; Wang, 2009), others view social commerce as a subcategor y of e- commerce (Kooser, 2008; Marsden, 2009a). Some claim that social commerce is not a revolution but an evolution built on the concepts and applications of e- commerce. Some claim that the design of traditional ecommerce is catalog-based, while social commerce's design combines virtual market with social places for cooperation. Similarly, Youcef (2013) has used certain aspects of the features of both concepts in differentiating them clearly. Accordingly, table 1 shows these differences between social commerce and e-commerce in many aspects, including business models, value creation, customer communication and connection, system interaction, design, and platforms as summarized.

Differences between Social Commerce and e-Commerce

Aspect	e -Commerce	Social Commerce
Business Models	Traditional, R & D, Products, Services, Business / Proc ess Oriented,	Purely Technology enabled (Web 2.0, SOA, Cloud Computing)
Value creation	Limited to Enterprise and Business partners	Participatory and Collaborative
Value Chain	Limited	More Actors, participant motivation
Customer Connection ,	Limited Cu stomer to Customer / Business Communication	Communication, Involves Online Communities, increased customer collaboration
System Interaction	One way browsing, pushes information	More vent for Customer expression, information sharing, content creation by a ll online

		actors
Design	Focuses on Product / Service Views, navigation, search	User centered design, focuses on web 2.0 centric parameters (Tags, Rank, Review, Comment
Platform	Web 1.0 (B2C), EDI (B2B)	Web 2.0, SOA, Cloud Computing
Legal Issues	Empha sized within agreed upon policies	Still in formative stages on policy matters

Source: Youcef (2013): From e-commerce to social commerce:
A framework to guide enabling cloud computing .

IMPOR TANCE OF SOCIAL COMMERCE

Social Commerce has recently begun to dominate the eCommerce industr y (Liang and Turban, 2011). Social media—also known as a new media—no w accounts for the majority of traffic on eCommerce platforms. Social media networks have been essential in popularising sCommerce platforms, of which eCommerce firms have quickly recognised as necessities for their business needs. The worldwide sales of sCommerce has a large growth especially for the two dominant sCommerce websites eBay and Amazon. Statistics show that in 2017, eBay's revenue was 9.5 billion USD which increased by 900 million USD compared to 2016 (Statista, 2018b). On the other hand, Amazon is still one the greatest players in sCommerce market (Statista, 2018b). In 2016, Amazon's sales were 135.9 billion USD, which increased to 177.8 billion USD in 2017 (Statista, 2018c).

On Facebook, people can communicate and interact with other individuals and their generated contents such as blogs and comments. Those systems can incorporate personal details, such as the organisations that individuals work for and the school individuals went to (even their secondar y school). In any case, individuals can likewise join a few of the huge number of smaller systems or "gatherings" that have been made by Facebook clients, some are genuine associations and some exist only in the psyche of their authors. About twenty years ago, customers' shopping used to be a result of mass messages provided via advertisements. However, at present, businesses are more dependent upon structuring relationships with their clients. In the area of social marketing, obtaining and convincing new clients has become less significant as businesses focus more on continuing engagement, associations and lifetime client value.

The universal influence of this trend drove chairmen of the foremost global brands to speak about it, managing congresses in numerous countries. The Bazaar-voice sCommerce is one of the most vital of these meetings and it was shaped to share thoughts and trends that would form the future of client centrality (Bazaar voice, 2018). This worldwide assembly has shone a light on social information that reveals the reason behind every purchase. For instance, the social information shows that views from peers is the most believed information for purchasing decisions. This is the reason why those who flock

together tend to have similarity in their preferences when it comes to purchase behaviours.

According to Social-nomics, 76% of clients now believe peer recommendations , whilst only 15% believe in advertising. In addition, the European Union is v ery interested in the inf luence of sCommerce on financial system. Forrester reports that in 2017, Europeans spent more than 191 billion Euro on online retail goods and that the online retail industr y will grow to outpace the offline retail industry. This market trend has shifted towards websites; online trade will become a serious part of the economy of many European countries. Today, sCommerce advertising is one of the primary growth factors in eCommerce business. Studies show that the compound annual growth rate of sCommerce market will be about 34% by 2021. This projection in our estimation may double because the outbreak of Covid-19 has made social media more acceptable as a way to relate safely among people. The implication is that more people will be easily influenced by their social media friends and associates and this will further enhance economic digitalization.

CONCLUSION

S-commerce is rapidly developing with enormous economic and social impacts. Organizations of all sizes and types are rushing to leverage social media into their business. There is a need for designing an effective framework to guide and help them incorporate social media into their online business. Very few firms have implemented effective s-commerce because there is a lack of a comprehensive framework to shape s-commerce as an important business process. As a matter of fact, very few studies have focused on s-commerce from the perspectives of modeling and framework design. This study fills this gap by proposing a comprehensive framework with important criteria to guide s-commerce design.

Social commerce (SCommerce) is a buzzword that is trending among marketing and information systems scholars and practitioners . It represents a combo of e- commerce traditions that is enmeshed in the arena of social media -enabled socialization. Human relationship in today's world is almost taken away from face to face to online. Meaning that any business that desires to succeed today must have its presence in the online platfor ms where the bulk of activities have been shifted. This is why social commerce has become the way for businesses to go. With social commerce, goods and services are promoted and placed online; potential buyers see them there and discuss with peers and associates to make decisions to buy or not to buy. Social commerce channels for operation is not limited to Facebook, but includes LinkedIn, Vine, WhatsApp, Facebook Messenger, Snap Chat, Instagram, Stumble Upon, Pinterest, Hoot Suites, YouTube among others. This is a big arena requiring more research because, the world cannot go back to where it came from, rather it will continue to tilt towards greater economic digitalization where more and more shall be achieved through the help of information and communication technologies.

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