



## AN ANALYTICAL STUDY ON E-BUSINESS STRATEGIES USED ON SOCIAL MEDIA PLATFORMS

**DR. J. P. BHOSALE**

Head : Research Centre in Commerce & Management

Arts, Commerce & Science College, Narayangaon,

Tal :Junnar, Dist : Pune, Pin : 410504, Maharashtra, India.

### **Abstract:**

The use of social media platforms has been quite high in recent years to support business processes change from the traditional way of marketing to a new electronic era has taken place in the last quarter century. This work explores the role of the social media as an e-commerce platform. Use of social media platforms has been quite high in recent years to support business processes.

The research aims are to evaluate user awareness and usage patterns of social media platforms, to assess whether social media has lowered operating costs for businesses, and to examine the effect of social media on customer relationships. The goal is also to show that if adopted in one's marketing strategy social media has numerous benefits for the marketer.

**Key words:** Social Media Platforms, E-Commerce, Business Processes, Customer relations.

### **1. Introduction:**

The social web will become the primary centre of activity in our lives according to Weber (2007). To put it differently people use the social web as the world wide web is sometimes called, instead of the old media for most of the services supplied. On top of that, social web has brought a lot of new opportunities to exchange knowledge worldwide.

---

According to the Internet World Statistic in June 2010, there were more than 1.96 billion people online. Given this, it can be concluded that social web has great impact on the people. For instance people now interact and communicate as a society and use the web to extend existing relationships. In recent times, firms have adopted this knowledge to target and reach customers as well

The relevance of social media in improving commerce both internationally and locally cannot be over-looked due to its numerous benefits. In recent times social media has served as an instrument for businesses to transmit information about old and existing product; has enabled customers to make online purchases and has aided in the sustenance of commerce globally (Weber, 2007).

Social media marketing is the act of gaining attention through social media sites. Social media has improved communication for organizations, fostered brand awareness and has improved customer service relationship of firms So therefore, social media is considered a relatively inexpensive means for organizations to implement marketing to build and improve their brand value.

We live in the midst of a global communication boom where the use of social media between individuals for personal and professional use is widespread. Carlsson (2010) predicted that 2010 is the year when the use of social media for branding purposes will really take off in the corporate sector. He further indicated that marketing managers have also predicted that 2010 will be the year when social media are integrated in the organizations and really start to become useful for companies and become an important tool in the communication.

Others have argued that it is crucial for marketers to look to the web for new ways of finding customers and communicating “with” (relationship based marketing) them, rather than “at” (transaction based marketing) them, and various kinds of social media are the most promising way to reach new customers (Webber, 2009).

The combination of coordinating marketing messages across all medias including the social media, the real impact that social media (as an example the social network, Facebook with more than 400 million active users) has for both individuals and companies, the speed with which things move in this domain.

## **2. Statement of the Problem:**

In most recent times, customers have attributed the collapse of business firms to insufficient funds, employee incompetence and employer lack of business strategies. However, from an administrative point of view, management is attributing collapse of businesses to firms' inability to meet the growing cost of managing brands (Webber, 2009). As a result, of management not being aware of the opportunities social media offers in reducing the cost of firms advertising campaigns, increasing of sales, finding of new customers and sustaining e-commerce globally. The desire to undertake this research to probe further into this untapped avenue of social media, to bring to light its numerous opportunities to management, marketers and stakeholders.

## **3. Objectives of the Study:**

1. To determine the awareness and usage patterns of social media tools to users.
2. To establish if social media has reduced operating cost for companies
3. To analyse the impact of social media on customer relationships.

## **4. Significance of the Study:**

This study will benefit the marketers, customers and academicians alike. The practioner marketer will gain greater understanding of the opportunities social media has to offer customers. It will inform them about a cost-effective way to transmit information to their target markets.

## **5. Scope and Limitations of the Study:**

This study is limited to only students in Savitribai Phule Pune University and Marketing Team Employees of Reliance Jio, India. The use of survey was adopted to obtain data from respondents identified from the various target population for the research. The limitation of this study is that the concentration is done on the students of Department of Commerce, Savitribai Phule Pune University.

## **6. Research Methodology:**

The following study was an analytical study. The quantitative type of data is used in this research. Quantitative data involves numerical data that could be quantified to help answer research questions and can be analysed by using graphs and charts.

Sampling Method	Random Sampling Method
Instrument	Questionnaire
Sample	90 respondents

Table 1

The source of data used is primary data. Primary data used was gathered from questionnaires that were administered to the selected sample. The main research instrument used is a questionnaires which included close-ended questions and open-ended questions. The primary source of information was a questionnaire.

**7. Analysis and Interpretations:**

**i. Frequency of Internet Usage:**

Variable	Frequency	Percent
1-2 times a day	15	16.67
3-4 times a day	20	22.22
5-6 times a day	23	25.55
more than 6 times a day	32	35.55
Total	90	100

**Table 2**

Table 2 majority of the respondents with(35.55%) tend to use the internet more than six times in a day. Also, it was noticed (25.55%) use the internet 5-6 times in a day, (22.22%) also said they used the internet 3-4 times in a day, while (16.67%) tend to use the internet 1-2 times in a day. It can be concluded that most of the respondents use the internet more than six (6) times in a day.

**ii. Duration spent browsing the internet:**

Variable	Frequency	Percent
Less than 30 mins	19	21.1
An hour	47	52.22
2hrs and above	24	26.67
Total	90	100

**Table 3**

Table 3 shows that (52.22%) tend to spend an hour during a session, (26.67%) said they spend more than two hours (2hrs) in a session. Lastly, (21.1%) spend less than thirty (30) min in a session. It was concluded that most of the respondents spend an hour surfing the internet in a session.

**iii. Purpose for Internet Usage:**

Variable	Frequency	Percent
----------	-----------	---------

Academic	51	56.67
Business	11	12.22
Lifestyle	28	31.11
Total	90	100

**Table 4**

Table 4 shows that (56.67%) tend to use the internet mostly for academic purposes. Respondents constituting (31.11%) indicated that they use the internet mostly for lifestyle, while, (12.22%) use the internet for business purposes. Based on Table 3 it can be concluded that most of the respondents use the internet mostly for academic purposes.

**iv. Knowledge of Online Shopping Websites**

Variable	Frequency	Percent
Yes	77	85.5
No	13	14.5
Total	90	100

**Table 5**

Table 5 shows that (85.5%) are aware of online shopping sites.

**v. Online Shopping**

Variable	Frequency	Percent
Yes	72	80
No	18	20
Total	90	100

**Table 6**

Table 6 shows that (80%) of the respondents do not shop online. Even though, they are aware of online shopping sites.

**vi. The Frequency of Facebook Usage**

Variable	Frequency	Percent
Daily	53	58.8
A few times a week	24	26.67
Once a week	03	3.33
A few times a month	04	4.44

Once a month	04	4.44
Never	02	2.22
Total	90	100

**Table 7**

Table 7 shows that (58.8%) use Facebook daily. We believe if firms also communicate to their customers through this social network “app” it will be an effective medium to reach their target audience.

**vii. The Frequency of Instagram Usage**

Variable	Frequency	Percent
Daily	40	44.44
A few times a week	08	08.88
Once a week	10	11.11
A few times a month	10	11.11
Once a month	5	5.55
Never	17	18.88
Total	90	100.0

**Table 8**

Table 8 it can be seen that majority of the respondents constituting (18.88%) never use Twitter. Thus, we concluded that it will not be appropriate for firms to reach their target audience through this social network “app” alone.

**viii. Social Media Reduces Advertising Expense**

Variable	Frequency	Percent
Strongly disagree	2	6.67
Disagree	2	6.67
Partially agree	3	10.00
Strongly agree	4	13.33
Agree	9	30.00
Total	30	100.0

**Table 9**

Table 9 shows that (30%) agreed that social media reduces advertising expenses, Also, of (13.33%) are strongly convinced that social media reduces advertising expenses. (10%) of the respondents partially agreed that social media reduces advertizing

expenses.(6.67%) strongly disagreed and ten percent (6.67%) disagreed that social media truly reduces advertizing expense.

Lastly, (6.67%) of respondents also do not agree that social media reduces advertizing expense. In conclusion, the table highlights the fact that social media reduces advertizing expenses of firms.

## **8. SUMMARY, RECOMMENDATIONS AND CONCLUSION**

### **8.1 Summary of Findings :**

The background of the study revealed that in recent times social media has been the backbone and lifeline of e-commerce globally. Thus, it is imperative that marketers and firms adopt social media as a marketing strategy in reaching to their target audience effectively. It is therefore necessary for marketers and firms to tap into the endless opportunities social media has to offer.

Furthermore, the research revealed that, e-commerce has brought about a reduction in distribution costs through the elimination of intermediaries. Since online transactions involve very little costs, e-commerce has brought about a reduction in transaction costs. It further revealed that the internet offered a channel where buyers and sellers are able to complete transactions cheaply, instantaneously and anonymously whilst overcoming geographic and time barriers.

From all the possibilities listed in the questionnaire it was realized majority of respondents strongly agreed that the electronic age has reduced advertising expense, has maximized firm's profit and has reached more prospects as compared to the traditional system.

Thus, firms and marketers in their quest to build brand value will have to adopt social network in their communication strategy alongside the traditional way of disseminating information to ensure that they reached their target audience efficiently.

Also, another interesting major revelation was that the respondents had a positive view about social media. The respondents revealed that the multi-media nature and real time capabilities of the internet have fostered an environment that is conducive for relationship building between firms and customers. However, it was revealed that a large number of respondents partially agreed that they were delighted in using the social media specifically, the blog for their transactions. The blog was not always timely with information needed by customers.

## **8.2 Recommendations:**

Based on the findings of the study, the following recommendations outlined below are suggested:

1. Firms should use social media platforms since through social media businesses can communicate information in a flash, regardless of geographical locations.
2. Firms need to integrate social media in their communication strategy since social media allow firms to tailor their content for each market segment and give the businesses the opportunity to get their messages across more widely than ever before. Indeed, once a piece of content goes viral there is no limit to the amount of people it could potentially reach at no extra cost for the business.
3. Job vacancies in E-Commerce to be published in various Social media platforms due to the increase patronage in this era. Various advertisements can be broadcasted which can be easily accessed by everyone.
4. Firms must publish transactions in a very common and understandable manner and language in order to be easily accessed by the public.
5. Firms should disseminate information and communicate to their customers through Facebook and other social media platforms to ensure effective reach of messages. In addition, we recommend that firms use these social media sites as a channel for communicating system failures to generate loyal customers.

## **8.3 Conclusion:**

It can be concluded that the daily usage of content generation “Apps” such as Facebook builds engagement between customers and firms. Once this relationship has been established through these techniques, loyalty will follow. In addition, the study concludes that e-commerce accelerates ordering, delivery and payment for goods and services while reducing operating and inventory costs for most firms. Lastly, It is concluded that social media can be used to increase customer loyalty through its ability to communicate directly with customers.

## 9. Bibliography:

1. Håkansson, H., & Snehota, I. (Eds.). (1995). *Developing Relationships in Business Networks*. London: Routledge.
2. Mahmoud, M., Ali, H. A., Mehrdad, S., & Mohammad, R. A. (2011). Trust in E-Commerce. *Interdisciplinary Journal of Contemporary Research in Business*, 3(6) 89-96.
3. Fruhling, A. L., Digman, L. A. (2000). The impact of electronic commerce on business- level strategies. *Journal of Electronic Commerce Research* (Vol. 11, pp1-11). Retrieved from SocialScience.
4. Kalakota, R., & Whinston A. B. (1999). *Electronic Commerce: A Manager's Guide*. London: Addison Wesley Publishing.
5. Kaplan, A. M., & Haenlein, M. (2010). The challenges and opportunities of social media. *Business Horizons* 53