



## **‘SOCIAL MEDIA: AN INCREDIBLE MARKETING TOOL FOR AUTOMOBILE DEALERS’**

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### **ABSTRACT**

*Social Media, a buzz word today, is among the ‘best opportunities available’ to a brand for connecting with prospective consumers. Social media is the medium to socialize. This new media wins the trust of consumers by connecting with them at a deeper level. Off late Social Media Marketing is the new mantra for several brands. Marketers (Dealers, sellers, vendors etc.) are taking note of many different social media opportunities and beginning to implement new social initiatives at a higher rate than ever before. Social Media Marketing and the businesses that utilize it have become more sophisticated. One cannot afford to have no presence on the social media platforms if the other players are making waves with their offerings. The bang of social media phenomenon is as mind boggling as that and the pace at which it is growing could not be undermined. Like many, automobile dealers in town and rural areas also have recognized Social Media Marketing as a potential marketing platform, and are vying for the increased presence on it with increased customer engagement. This poses strong challenges for the automobile dealers in terms of creating concepts, response management, acquiring fans and followers etc. As authors of this paper have hand on experience, an attempt has been made to find out the existing platforms the dealers are present on, their other social media preferences based on customer engagement and the challenges faced by them. The study is based on descriptive research to collect the data. The data so collected is of primary nature. To have a better understanding of customers, structured questionnaire has been designed, the results of which showed that automobile dealers are most probably relying on facebook, whatsapp, youtube and twitter as their target audience is more hooked to these social media platforms.*

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**Keywords:** *Social Media Marketing, Customer Engagement and Response Management.*

## **Introduction:**

“Traditional Marketing is not dying – it’s dead!” (Zynman 1999)

Social Media is not a marketing fad; it is a force that’s here to stay – and grow. In the new marketing era, the Social Media is likely to revolutionize the relationships marketers have with retailers, channel members, their ultimate consumers (end users), etc. It is an Information Age, and consumers are inundated with overwhelming quantities of information each and every day. By looking at the enormous amount of social media campaigns, e-commerce websites, sales emails, forums, etc., it appears that companies of all sizes have been translating their marketing approaches to the Internet because of its accessibility to their target audience and the money required to do so. Social media is engaging with consumers online (Chui and Manyika 2012). According to Wikipedia, social media is internet-based tools for sharing and discussing information among human beings. Social media is all about networking and networking in a way that espouses trust among parties and communities involved. Any website which allows user to share their content, opinions, views and encourages interaction and community building can be classified as a social media. Some popular social media sites are Facebook, YouTube, Twitter, Google+ etc.

Upon the insufficient advertising budget that companies oftentimes encounter via the traditional channels, Social Media Marketing might be, particularly, an 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 remains the same – defining the Target Market, Communicating with Prospects, Building Loyalty, and Customer Engagement<sup>i</sup> (CE) and so on. (Weber 2009) Social Media is creating waves in all types of industries and one can say that automobile industry is not lagging behind as many of the end users are youngsters using not only smart phones but are media savvy, hence automobile dealers are putting their best to acquire fans & followers. Building customer loyalty can take longer to accomplish with social media, but can be earned over time through the dealer’s strong presence and participation on social sites. Social sites provide businesses with a channel to engage customers, share product information, industry news and updates, and respond to customers’ comments. If a business continually connects with customers through social channels, trust will

begin to form. When a customer trusts a business' expertise, they are more likely to purchase a product or service from that business. And, if the business continues to offer quality service

Throughout the buying process and after, there is a much higher chance those customers will be repeat buyers in the future. Dealers need to keep the information on their social sites current and relevant to consumers' needs. They also need to anticipate the consumer's specific questions and have that information readily available on their social sites. That information can range from industry news and product information to hours of operation, driving directions, coupons, or even a forum to ask questions or relay concerns. Finally, dealers also need to respond in a timely fashion to consumers' questions or concerns to meet their expectations for instant information.

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### **Objectives:**

There are many more objectives of the study but few important of them are delineated herein:

- i. To know the social media platforms used by the auto dealers.
- ii. To know the social media preferences based on customer engagement.
- iii. To understand the challenges faced by the dealers to market their brand on social media.

### **Methodology:**

This is an empirical paper and has helped to get an insight into the social media platforms used by the automobile dealers. Primary data was also collected by the field survey to get the first hand information about the challenges faced by them. These respondents (automobile dealers) were contacted personally and interviewed with the help of an effective research instrument i.e. questionnaire. The questionnaire so designed was of close-ended type so that the respondents could easily understand and contribute to the survey with their views. Use of secondary data was also done so as to derive more information. The sources used were journals, magazines, newspapers etc. The respondents for the study were the automobile dealers in Baramati taluka. As the number of automobile dealers in the study area was not sufficient to derive fruitful results, census method was used. Use of descriptive statistics was done to analyze and interpret the results

## Analysis & Interpretation:

**Table No. 1:**

**Presence of Automotive Dealers on Social Media**

	Responses		Percent of Cases
	N	Percent	
Facebook	11	23.9%	78.6%
Twitter	5	10.9%	35.7%
YouTube	6	13.0%	42.9%
Google	6	13.0%	42.9%
Blogs	4	8.7%	28.6%
Instagram	4	8.7%	28.6%
Whatsapp	10	21.7%	71.4%
Total	46	100.0%	328.6%

(Source: Filed Survey) a. Dichotomy group tabulated at value 1.

The above table clearly depicts that the majority of respondents i.e. 68.8 % (automobile dealers) have their presence on Facebook followed by Whatsapp which comprises of 65%. The major reason came to fore was the maximum use and popularity of these social media platforms among the youngsters in the rural and semi-urban areas. As the target group of these respondents are more on Facebook and Whatsapp, these auto dealers also wants to be on the same platform. The other platforms having strong presence of automobile dealers are YouTube and Google+ both with an equal percentage of 37.5%.

**Table No.2:**

**Ranking of Social Media**

	Mean	Weighted Average	Rank
Facebook	2.40	7.16	1
Twitter	1.33	3.50	4
YouTube	1.4	3.66	3
Google+	1.26	3.33	5
Blog	1.23	3.00	7
Instagram	1.2	3.16	6
Whatsapp	2.06	4.33	2

(Source: Filed Survey)

It is clear from the above table that in the order of ranking, Facebook and Whatsapp are ranked 1<sup>st</sup> and 2<sup>nd</sup> respectively followed by YouTube and Twitter that are ranked 3<sup>rd</sup> and 4<sup>th</sup> respectively.

As not many respondents use Google+, Instagram and Blog, these platforms have received low rankings i.e. 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> ranking respectively.

**Table No 3:**

**Challenges in Marketing the Brand on Social Media**

	Frequency	Percent	Valid Percent	Cumulative Percent
Measuring effectiveness	3	18.8	18.8	18.8
Sustain/Increase Engagement Rate	4	25.0	25.0	43.8
Content Creation	2	12.5	12.5	56.3
Acquiring the right Target Groups	2	12.5	12.5	68.8
Creating Concepts/ Campaigns	2	12.5	12.5	81.3
Response Management	2	12.5	12.5	93.8
Acquire Fans & Followers	1	6.3	6.3	100.0
Total	16	100.0	100.0	

(Source: Primary Survey)

The respondent automobile dealers in the survey categorically stated that, though they acquire fans and followers but to Sustain or Increase Engagement Rate is the major challenge for them. Majority of the respondent's viz. 25% are facing this challenge. Another challenge they face is of Measuring Effectiveness of social media. 18.8 % of the respondents find problem in measuring effectiveness. It is seen that equal percentage of respondents i.e.12.5 % individually face different challenges such as Content Creation, Acquiring the right Target Groups, Creating Concepts/ Campaigns and Response Management as far as social media is concerned. Only 6.3 % of the respondents face the problem of Acquiring Fans and Followers.

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**Table No.4:****Objectives for being present on Social Media**

	Frequency	Percent	Valid Percent	Cumulative Percent
Brand Awareness	6	37.5	37.5	37.5
Customer Engagement	1	6.3	6.3	43.8
Build Community	2	12.5	12.5	56.3
Valid Reputation Management	2	12.5	12.5	68.8
Generate Leads	5	31.3	31.3	100.0
Total	16	100.0	100.0	

(Data: Field Survey)

The presence of these automobile dealers on Social Media platforms are certainly with some objectives that are depicted in the above table. It is crystal clear that majority of respondents i.e. 37.5 % are present on the social media with the sole objective of Brand Awareness. This is followed by 31.3 % of respondents whose objective is to Generate Leads. They opined that as their target group is more active on social media, it will be possible to achieve this objective easily. 25% of respondents contributing to 12.5 % equally have their objectives as Building Community and Managing Reputation. Very less percentage of the respondents i.e. 6.3 % have their objective as Customer Engagement. This is because not many respondents are actually clear with this term.

**Table No.5:**

**Frequency of Updates**

	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	1 Post in 1-2 days	4	25.0	25.0	25.0
	1 Post a day	7	43.8	43.8	68.8
	2-3 Posts a day	3	18.8	18.8	87.5
	3+ Posts a day	2	12.5	12.5	100.0
	Total	16	100.0	100.0	

(Source: Filed Survey)

One fourth of the respondents surveyed post onto their platform in 1-2 days. 43.8 % post once in a day. 18.8% update 2-3 posts a day whereas only 12.5 % update more often and have multiple posts updated i.e. 3+ posts a day. It is seen that on an average all the automobile dealers believe in updating their posts at least once in 2 days. Frequency of their updates shows their presence and engagement on social platform.

**Table No. 6:**

**Average Response Time**

	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Less than 30 min	1	6.3	6.3	6.3
	30 min	2	12.5	12.5	18.8
	1-5 hours	6	37.5	37.5	56.3
	6-12 hours	5	31.3	31.3	87.5
	13-24 hours	2	12.5	12.5	100.0
	Total	16	100.0	100.0	

(Source: Field Survey)

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Average response time of 1-5 hours was recorded by 37.5% of respondents. 31.3 % stated that they took 6-12 hours. An average response time taken by 12.5 % was 30 min and an equal percentage of respondents (12.5 %) took 13-24 hours. It is seen that only a small percentage of respondents were prompt which they claimed to be less than 30 min. As automobile dealers start using social media platforms for more than marketing (e.g., Customer Engagement and Response Management), the time taken to respond via social media channels will be seen as critical in the way they handle customers.

### **Findings:**

The above study indicates the following findings:

1. It was largely found that the presence of automobile dealers was prominently on Facebook and Whatsapp. This is because their target group is making use of these social media platforms for their purchases.
2. During the survey it was noted that sustaining and increasing engagement rate was the major challenge as felt by most of the respondents. It was found that the dealers were facing this challenge because the target group is exposed to wide variety of products and it is very difficult to get their loyalty.
3. Table No. 4 makes it clear that though automobile dealers are present on social media their prime objectives are brand awareness and lead generation. It is found from the study that for some of the respondent's customer engagement is a critical issue and hence same is their objective for being present on social media.
4. It is largely found that one fourth of automobile dealers update at least one post in 2 days and on an average response time is 13-24 hours. Some of the respondents even respond less than 30 min but what is more important is a well stated response and a meaningful conversation than quick response time.

### **Conclusion:**

Moreover, while a dealer's use of social media and their presence on it is important, monitoring what people are saying on social sites and review sites is important as well. The study concludes that more than quick response time by the dealer, what matters is the well stated responses,

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meaningful conversation and positive comments by the customers on social sites. Hence, automotive dealers need to embrace the power of social media to make a meaningful difference for their business today, as well as into the future.

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