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## **Marketing through Social Media and Consumer Involvement- Opportunities and Challenges**

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### **Introduction:**

Social media and social networking have become an integral part of modern day life. With the number of people networking, sharing and buying online growing social media platforms are now “the place” where businesses and consumers meet and interact. Social media campaigns have become an intrinsic part of the strategies that businesses and marketers are using to attract consumers and engage them.

Social media marketing has become a buzz word for businesses today. Considering the number of people using social networks and social media platforms it is a powerful tool for consumer involvement offering a number of channels and options to connect people and brands. However, growing concerns for privacy and signs of social media fatigue are quickly setting in.

### **Objectives:**

The present paper seeks to highlight the role of social media marketing in consumer involvement, while discussing opportunities and challenges encountered by marketers.

### **Methodology and Scope:**

Based on secondary data the present paper is at best only indicative of social media marketing as a phenomenon. The paper divided in to three parts, firstly puts in to perspective the concepts of social media, social networking, social commerce, social media marketing and consumer involvement. It then goes on to discuss some pertinent opportunities and challenges in the context of social media marketing and consumer involvement and ends with conclusions drawn thereof.

### **Part: I: Social media and social networking:**

Social media is online content created by people using highly accessible and scalable publishing technologies. The origin and growth of social media marketing can be attributed to greater internet penetration, a growing need for people across the globe to connect and network and the growth of social networks such as Facebook, Twitter together with more personalized communication platforms such as blogs.

The concept of social networking focuses on building online communities of people who share interest and activities and who are interested in exploring the interest and activities of others. Social media and social networking have become part and parcel of our lives today.

Owing to the sheer number of people using social networking to connect and communicate businesses have started using social media to engage customers.

The selection of media as a vehicle for marketing depends on lifestyle trends and choices prevalent at that point of time. If one were to consider the behaviour of people on social networks, the 90-9-1 principle popularized by Jakob Nielsen says: 1 per cent of users are creators who are actively creating content, 9 per cent are editors who are commenting and adding to content that already exists, and 90 per cent are audience. They are watching and consuming content. The principle indicates that by fostering a conversation with 10 per cent of the audience, you are building value for the remaining 90 per cent.

According to the Forrester Research North American Technographics Interactive Marketing Online Survey, Q2 2009 more than four in five US online adults participate in social networking. They categorize users as creators, critics, collectors, joiners, spectators and inactive. The survey states that from 2007 to 2009, the percentage of creators and collectors grew slowly, while the joiner and spectator categories grew significantly. The percentage of inactives has diminished from 44 per cent in 2007 to 18 per cent in 2009. Social networking is a growing phenomenon.

### **Social commerce:**

Businesses can leverage this opportunity through what is called social commerce, an attempt at making a brand participatory through customer involvement. Social commerce gives consumers a reason to come back and spend time with a brand. It facilitates a dialogue between customers and retailers and enables retailers to provide all the information required by consumers to research, compare, make a decision and complete purchase transactions. It can help retailers increase cart conversion rate, induce impulse buying and reduce return rates.

### **Social Media marketing and consumer involvement:**

With the emergence of Web 2.0, the internet provides a set of tools that allow people to build social and business connections, share information and collaborate on projects online. Andreas Kaplan and Michael Haenlein define social media as a group of internet based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of user generated content.

Social media itself is a comprehensive term for sites that may provide radically different social actions. For instance, Twitter is a social networking platform that is designed to let people share short messages or updates with others in the form of "Tweets" which are limited to 140 characters. Whereas Facebook is a full-fledged social networking site that allows users to share updates, photos, join or post events and a variety of others activities. Facebook also allows users to create free pages for businesses, brands, causes and communities, a huge perk and a free advertising vehicle which many firms and small business owners are using to their advantage. Simply put, social media marketing is the process of getting traffic or attention through social media sites.

Social media marketing is an addition to the integrated marketing communications plans of personal, small business, corporate and non-profit organizations. The crux of social media marketing programmes is to create content that both attracts attention and encourages readers to share it with their social networks. A corporate message which spreads from user to user and presumably has greatly impact because it appears to come a trusted, third party source, vis-a-vis the brand or company itself. Hence social media marketing is driven by word-of-mouth, resulting in earned media rather than paid media.

**Consumer involvement:**

Consumer involvement refers to the involvement of consumers with one another, with a company or a brand. This initiative for involvement can be led by consumers or companies and the medium of involvement can be on or offline.

Online inter-customer involvement is a recent social phenomenon that has evolved with the wide diffusion and adoption of the internet in western societies in the late 1990s. Although offline consumer involvement predates online consumer involvement, online consumer differs from offline consumer involvement in qualitative terms.

The first definition of customer involvement was given by the Advertising Research Foundation in March, 2006, "Involvement is turning on a prospect to a brand idea enhanced by the surrounding context". However, this definition was largely found to be very broad. As with any other concept, there are different ways of looking at consumer involvement. Eric Peterson's definition projects consumer involvement as a metric, "involvement is an estimate of the degree and depth of visitor interaction against a clearly defined set of goals".

Consumer involvement can also refer to the different stages consumers travel through as they interact with a particular brand. The most commonly accepted five stages of consumer involvement are: awareness, consideration, inquiry, purchase and retention. The online involvement among people has brought about both the empowerment of consumers and the opportunity for businesses to engage with their target customers online.

**Common Social media platforms used in social media marketing:**

Businesses, marketers, brands and social media consultants use a number of social media platforms to carry out social media marketing programs, brand building endeavours and engage consumers. Following are some of the more important social networking tools that are being used for marketing.

**1) Social networking sites:** It like facebook which provide free pages for people, products, businesses and communities to share updates, pictures and encourage dialogue between users. Paid advertising options are also available.

**2) Blogs:** Web log are a type of website, usually maintained by individual with regular entries called "blog posts" which may be in the form of commentary, descriptions of events or other material such as photographs and videos. In recent times most retailers and business owners generate blogs to provide additional product or category information as well as engage with the customer.

**3) Micro-blogging:** It is another form of blogging in which the size or length of entries is restricted. The very popular micro-blogging site, Twitter allows a maximum of 140 characters per entry. Subscribers can receive "Tweets" from other subscribers whom they are following and respond to them. Businesses are using micro-blogs like Twitter, Reddit, Digg etc. to offer coupons, sales and promotions.

**4) Co-shopping:** It is a form of social commerce which enables two people to share a joint shopping session from different locations. The two people involved can be customers virtually shopping together or possibly a customer and sales associate, who is assisting the customer with their purchase decisions. This typically uses live instant messaging to enable communication.

**5) Widgets:** Widgets are tiny applications that can be embedded into a web site, blog or social network. Widgets are relatively inexpensive to create and they are portable.

**6) Social bridging:** It allows users to connect directly to and from their facebook or other social network accounts. It can be used to drive traffic and engage existing and new customers.

**7) Mobile social networking applications:** It allows users to access social networking directly from a Smartphone like an iPhone or Blackberry. All of the social networking tools

described above can be used on the mobile device and this method of interfacing is growing rapidly.

**8) In-store kiosks and flat panels:** It can be provided to enable customers to use social networking tools from within the store.

**9) Digital media platforms:** It like YouTube, which allows users to upload videos about products, services, techniques, advertisements etc. YouTube offers instructors, educators and information marketers' attractive revenue sharing programs thereby enabling them to market their skills and expertise with a simple internet connection, a basic video and an email account.

### **Part: 2: Opportunities:**

Technology is changing the way consumers interact; obtain information and purchase goods and services. More than 25 per cent of the world's population, 1.73 billion people is online and the number of people is estimated to reach 2.2 billion by 2013. Americans alone have access to: 19.98 billion web pages<sup>1</sup>, 65000 iPhone apps<sup>2</sup>, 10500 radio stations, 5500 magazines and 200+ cable networks.

There are 9 times more mobile phone accounts than cars in the emerging world<sup>3</sup>. Approximately 63 per cent of adults research through social networks and blogs and 47 per cent of the time, they are influenced by what is read. In a way the voice of the consumer has never been stronger.

A recent consumer survey ranked consumer content as the #1 aid to a buying decision, cited by 91 per cent of respondents (JC Williams Group, 2006). Findings revealed that 78 per cent of consumers trust other consumers for information, versus 13 per cent for mobile text ads and 63 per cent for newspaper ads<sup>4</sup>.

Closer to home, mobile devices have helped deepen penetration and have helped overcome concerns of limited broadband access in India. According to the latest TRAI subscriber figures, broadband subscription reached 12.98 million in October 2011 while active wireless subscribers in the same period stood at 626.18 million. 30 million Indians who are online are on social networking sites, 20 million of these spend time on social networking sites daily, nearly 40 million Indians are using online reviews to inform purchase decisions, 67 per cent of Indians who use the web use online reviews to make purchases, over the six months, 45000 online Indians intend to join social networking sites every day, 25 per cent of online Indians were able to recall brands using social media, 60 per cent of Indian social media users are open to being approached by brands and social media in India is likely to touch 45 million users in 2012.

### **What social media tools did brands use in 2011?**

Facebook: 92%, Twitter: 84%, LinkedIn: 71%, Blogs: 68%, Video marketing is on the rise and 77% of marketers plan to use YouTube and video marketing and 70% of marketers want to learn more about Facebook and 69% about blogging. (Figures shared by The Nielsen Company with the help of Absolutdata and Social Media Examiner.com).

It is evident that with more and more people choosing to use social media platforms the opportunity to reach out to people with marketing messages here is great.

It times when the internet has empowered people with the ability to search for information, compare, explore and make online purchases social media often feeds into the discovery of new content such as news stories and discovery is a search activity. Social media can also help build links that in turn support into Search Engine Optimization efforts. Many people carry out searches at social media sites to look up social media content thereby creating a whole new opportunity.

Social networking sites enable small businesses to grab space and consumer attention on the web through free pages, thereby enabling firms that do not have big advertising budgets to spread the word around.

Most marketers and social media campaigns tend to focus on the youth, while this is good the opportunity to reach out to the 50 plus age group on social networks also exists and needs to be explored with a view to tapping this market segment which has the propensity to spend.

The emergence and growth of social media marketing has opened up avenues for information marketers, authors and strategists who are helping companies, people and brands to leverage their presence on the web. Ventures like Social Wavelength and Social Samosa are valuable repositories of information on social media for both the uninitiated and experienced marketers.

### **Challenges:**

While social media marketing seems to have caught the attention of consumers and marketers alike it has its own share of challenges. Some pertinent challenges were highlighted by findings of a survey by Gartner, Inc.

Gartner surveyed 6295 respondents between the ages of 13 and 74, in 11 developed and developing markets in December 2010 and January 2011. Consumers were asked about their use of and opinions about social media sites with the objectives of examining usage trends and determining how enthusiastic users were about social media in general across a range of countries.

There are signs of maturity in the social market, as some users in certain segments are showing “social media fatigue”. Of the respondents, 24 per cent said they use their favourite social media site less than when they first signed up. These respondents tended to be in segments that have a more practical view of technology. But 37 per cent of respondents, particularly those in younger age groups and more tech-savvy segments, said they were using their favourite site more. 33 per cent of the respondents including the young and upwardly mobile said they were concerned about online privacy.

The trend shows some social media fatigue among early adopters and the fact that 31 per cent of Aspirers indicated that they were getting bored with their social network is a situation that social media providers should monitor as they will need to innovate and diversify to keep consumer attention.

### **Suggestions:**

The need to keep branded content fresh is significant as a brand must be able to capture people’s attention instantly. The new generation of consumers is restless and short on attention span which is why a lot of creativity is needed to make a meaningful impact, evince and retain customer interest.

The level of consumer concern around privacy will require ongoing vigilance for brands concerning customer opt-in and education. There are some important lessons to be learnt from the likes of facebook as they test the boundaries of consumer tolerance in search of more revenue.

Another recent global study, the TNS Digital Life 2012 Report has revealed that 50 per cent of digital campaigns fall on deaf ears resulting in tremendous waste of the marketing budget. In a successful social media campaign as in any other digital media campaign, “Content is King” and content that is riveting and interesting is the only way to garner, build and retain consumer interest.

### **Part: 3: Conclusion:**

Social media marketing offers tremendous scope and opportunities to marketers and consumers to engage in real time dialogue. While it helps companies in consumer involvement simply posting daily polls, questions, promotional offers and updates is not enough to retain already involved consumers not will it be sufficient to attract new consumers. In the absence of content that is riveting and different consumer involvement will prove to be difficult.

The digital space allows approaches that have never been done before without the shackles of convention and restrictions of traditional media. Talking about real issues and real people encourages greater participation and helps the brand to stand out in the brand blitzkrieg in the market and on the web.

Social media campaigns that are “liquid and linked” are likely to be more popular simply because they can be “consumed” with ease. Mobile devices are changing the way media is consumed and media campaigns that facilitate consumption on mobile devices will beat bandwidth problems and reach more people.

Finally, the key to any successful social media campaign is to understand one’s target audience and connect with them on their preferred channels. The success of a social media campaign hinges on exploring various platforms like search engines, content streaming, publishing, gaming, messaging, peer-to-peer sharing, web-based e-commerce enterprises and blogs, basically getting out there where their target audiences. In order to achieve successful consumer involvement businesses must evaluate the right mix of content, strategy and platforms.

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