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### Impact of Social Media: A Study on Company's Perspective

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**Abstract:** Social media is a powerful instrument playing a vital role in the field of communication and their impact on day to day life is inevitable. It is a tool having its own role in television, newspaper, radio and so on.. These Medias through their accessibility and scalable communication and also with the help of web- based and mobile technologies are able to turn communication into interactive dialogue. Social media defines, a group of web based applications that to create an ideological and technological foundations which helps to allow to exchange over the network. Due to development of web technologies the companies also use this technique for their business. Social media or consumer generated media helps not only for communication, as well it includes online interaction between users.

**Keywords:** social media, performance, satisfaction, company, perspective.

### INTRODUCTION

Social media is a powerful instrument playing a vital role in the field of communication and their impact on day to day life is inevitable. It is a tool having its own role in television, news paper, radio and so on.. These Medias through their accessibility and scalable communication and also with the help of web- based and mobile technologies are able to turn communication into interactive dialogue. Social media defines, a group of web based applications that to create an ideological and technological foundations which helps to allow to exchange over the network. Due to development of web technologies the companies also use this technique for their business. Social media or consumer generated media helps not only for communication, as well it includes online interaction between users. Social media is characterized by the following:

- It involves the complete and continuous participation of everybody enabling them to share news, to give feedback etc.

- The content and dialogue is really important and it should be reachable as well as opened for discussion also if need. This will help us to receive quality feedback or/and other information's about our product/ services.
- Sharing information such as common interests, hobbies, passions among the groups.
- It also offers linkage between group of peoples, accessing resources, life styles etc, this will enable for providing the benefit of strategy for communication and also to create a common platform to attracts the clients and prospects of products/services.

### **OBJECTIVES OF THE STUDY**

1. To study the role of social media in businesses to bring about the cordial relationship between the companies and the customers.
2. To study about influencing factors for the use of social media keeping in mind with drawbacks.
3. To study about why companies are giving more preference to use of social media for businesses.

### **RESEARCH METHODOLOGY**

A primary study has been conducted with 30 industries from different sectors in Vellore district through a structured questionnaire using convenient random sampling technique to find out the usage of social media for improvement of their products and (or) services and also problems they faced, followed by secondary study to find out the methodology they used for the social media for their operations to market their products. Required information's are collected through journal articles and websites for the study. For the purpose of study, the previous literature reviews have been critically analyzed to get a clear understanding about the topic and research gap.

### **SOCIAL MEDIA FOR BUSINESSES**

Many companies around the globe, all most all types of companies now focusing social media because of competitive. The companies both national and international have utilize this opportunity to enhance their business which includes frequent market research, new product development, effective services to customers, retention of employees, MOU's with international organizations and recruitment and training. After globalization, in India every year new startups are coming up, this also will create an impact to retain their businesses that's why the companies are focusing on new technologies like social media to attract more customers and retain them. Majority of the companies including Fortune companies focusing social media tools like Facebook, Youtube, Twitter accounts and Blogs for their business operations. In India the companies are not exceptional, they are also using new medium of technologies including major IT firms like TCS, Infosys, Wipro etc.,

Social media is providing enormous benefits to companies as well as consumers like awareness about product, brand reputation, increasing sales, comparing similar type of product using search engines, web traffic, consumer satisfaction, and revenue and other areas of businesses. It also enables the executives to assess consumer opinion to help in the process of improvisation of products, customer services and perception. Social media outlets helps the companies in the figuring out their competition and customers

and also the markets. With low cost environment to reach larger in terms of customers instantly including stake holders.

## **REVIEW OF LITERATURE**

Chen. S (2001) studied that there prevails a relationship between internet facilities and brand management. He stated that the development of electronic commerce has its impact on the progress of brands. The study finds that the popularity of brands is supported by type of the product and the way of purchasing the products by the customers. The development of internet play a major role in the progress of brands and even it affects the brands directly.

Kumar, Novak & Tomkins (2006) divide users among different groups: passive, and “connectors”, that participate fully in the networks’ social evolution.

Corcoran and Cate et al (2009) has conducted study and concludes that, Social media helps to the organization in terms of brand loyalty, boosting of sales and creating awareness. With this the customers can easily will come to know about the company, product information and other aspects related to product will get under one roof itself as well as creating relationships among the customers.

Dutta s. (2010) studied that how social media affect the business. The study insists on the importance of social media in business development. It describes the role of internet in modern times for low cost, highly accessible and easy communication. The study suggests that the present day business leaders should be attached to social media like Facebook, LinkedIn etc. for faster development of business.

Pekka Aula (2010) studied that how social media leads to reputation risk. Social media now – a - days has become open to all. The participants can receive, send, and process anything of others. The study found that the organizers face the difficulty in the form of operation and reputation risk. The study suggests that the executives should be aware of the types of risk produced by the media and its consequences and how to manage the risk.

Hunt, Kristin Gunderson (2010) indicates from his study, Social media playing vital role for the recruitment process of their companies’ business operations. It is opportunity for companies to display the information about the needs and requirement of the candidates for their company. Through social media the information is spreading across globe, will have a chance to get quality candidate in their company. From these studies it is apparent social media is not only focusing socialization but also helps in terms if monetary benefits form the company.

Kaplan et al. (2010) discusses the idea of social media being the top of the plan for business executives. To make a firm profitable decision makers, as well as consultants are trying to identify modes for it through use of various social media. They also put forward a clear understanding of what the term “Social Media” exactly means. At last, they have provided with 10 pieces of guidance for organizations which have decided to use Social Media.

In (2012) Deloitte Consulting firm has conducted a study and conclude that, the Social media was found to enable companies to focus advertising towards a specific group of users once they had become fans of the firm. Through monitoring the communication between consumers and engaging visitors, companies can promote their brand in a more effective and meaningful way, in order to generate awareness and new sales.

Kumar and Singh (2013) makes the case that how social media as a marketing communication tool helps in building brand equity and customer relationship. In their study they have examined the strategy “Live the moment” used in social media campaign by Maruti Suzuki for its Ritz car to creating awareness and preference for its car. They found that using social media strategy used became a most successful campaign by the company and was capable of building a strong brand and strengthen its customer relationship through social media network.

Valeecha and Reza (2013) tried to analyze how far social media is helping the telecom brands in Karachi, Pakistan and how consumers are responding to it by identifying those factors that are crucial for the success of telecom brands.

Sulaiman Ainin, Farzana Parveen, Sedigheh Moghavvemi, Noor Ismawati Jaafar, Nor Liyana Mohd Shuib, (2015) in their study revealed that Facebook usage has a strong positive impact on companies financial performance and it was also found that Facebook usage positively impacts the non-financial performance of SMEs in terms of cost reduction on marketing and customer service, improved customer relations and improved information accessibility. Additionally, factors such as compatibility, cost effectiveness and interactivity was identified as factors that influence Facebook usage among SMEs.

A. Maryam, N. Maarop, and R. Ibrahim (2015) in their study conclude that, the Social media such as Blog, Facebook, Twitter, Instagram, WhatsApp etc. have gained worldwide popularity. The unique features of social media and its widespread use have transformed marketing method from traditional to online, especially in communication and promotion. Moreover, with the higher speed connection, social media allows communication between companies and customers everywhere at any time without face-to-face meetings.

### ANALYSIS AND INTERPRETATIONS

The various statistical techniques that are used to determine the impact of social media, such as percentage analysis, Chi-square analysis and average score analysis. The few results are:

**Table 1**  
**Company using social media?**

<i>S.No</i>		<i>No. of respondents</i>	<i>Percentage</i>
A	Yes	21	70
B	No	9	30
	Total	30	100

From the above table shows that out of the total respondents taken for the study, 70 percent of the respondents are using social media for business promotions and 30 percent of respondents are not using any type of social media. Majority are using social media.

**Table 2**  
**Media do you prefer to promote your business?**

<i>S.No</i>		<i>No. of respondents</i>	<i>Percentage</i>
A	Traditional Method	1	3
B	Social Media (Method)	5	17
C	Both	24	80
	Total	30	100

From the above table it is understood that out of the total respondents taken for study, 80 percent of the respondents are using both traditional and social media for their business, 17 percent of respondents are using only social media and 3 percent of respondents are using traditional method only. It is concluded that majority of the respondents are using both the methods for their business promotions.

**Table 3**  
**Customers to approach through social media about your product?**

<i>S.No</i>		<i>No. of respondents</i>	<i>Percentage</i>
A	Yes	24	80
B	No	6	20
	Total	30	100

From table above table, it is observed that 80 percent of the respondents are prefer to customer approach through social media and 20 percent of the respondents are not preferred. Majority of the respondents are prefer for customer approach.

**Table 4**  
**Reach out more customers through social media?**

<i>S.No</i>		<i>No. of respondents</i>	<i>Percentage</i>
A	Yes	25	84
B	No	5	16
	Total	30	100

From the above table shows that out of the total respondents, 84 percent of the respondents are using social media because of to reach out more customers and 16 percent of respondents felt that with social media not able to reach out more customers. Majority of the respondents have felt that social media helps to reach out more customers.

**Table 5**  
**Problems faced by customers**

<i>S.No</i>		<i>No. of respondents</i>	<i>Percentage</i>
A	Message not Clear	6	20
B	Not understandable	14	47
C	Displayed image is differ from product image	10	33
	Total	30	100

From the above table it is understood that out of the total respondents taken for study, 47 percent of the respondents are pointed out the information is given by the companied are not understandable, 33 percent are mentioned the images displayed in the social media are different form original image of the brand and 20 percent are pointed out the messages are not clear.

**Table 6**  
**Reasons for using Social media**

	<i>N</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Mean</i>	<i>Std. Deviation</i>
My Competitor uses it	30	1	5	3.55	1.272
To satisfy customer needs in better way	30	1	5	2.88	1.296
To reach out more customers	30	1	5	2.40	1.341
Supplements with traditional method	30	1	4	2.59	1.020
Valid N (as per list)					

From table above table, it is observed that, the companies are preferring social media to promote their products and or services rather than traditional one because it helps to get more customers and the companies can able to satisfy the needs and queries as much as possible (with in short span of time).

**a) Findings from Secondary Data**

Despite the high advancements in technology it is clear from the studies are:

- Majority (83%) of Indian companies and in globally 74% of companies are using social media as an important tool for their trade operations.
- It helps to create more awareness about their business internationally and both Indian and global companies are felt that more comfortable than traditional one but they also pointed out some circumstances Indian companies preferring traditional method also.
- The new technologies will help to enhance their businesses by use of media marketing like using of digital tools, online campaigns, forums, and blogs.
- From the study indicates that each and every year in India the usage of social media is tremendously increasing. This leads to new life style with their target audience and will help to increase the sales frequency year by year.

**b) Findings from Primary Data:**

The following data provides a detailed account on benefits and problems experienced the companies based on the study.

The major findings are:

- (i) Majority (70%) of the companies stated that social media helped a lot to promote their products/ services and in the global context almost 84% of companies are used traditional as well as new technologies for their businesses.

- (ii) From the study, it is observed that 80% of companies are given more preference for social media to approach their business customers and in globally 84% of the firms are stated that social networking is the only preferable mode to attract and access more number of customers.
- (iii) The companies are most satisfied with creation of easy brand awareness and build up their brand image through social media among the other additional benefits obtained.
- (iv) From the study we understood that, the majority of the customers are faced problems about information provided by companies because of unclear and not able to understand.
- (v) The study also indicates that, the image displayed in the website or online about their product are not similar to the original, this will create a negative feedback from customers about their brand and leads to poor sales.

## **CONCLUSION**

The study concludes that, the usage of existing and new technologies, with this we understand how the technologies are supporting for day to day business to the company's operations to attract and access more number of customers and to serve them the best. It is also clearly observed that with the help of social media the companies enjoyed more benefits and satisfied with that and also helps them to provide the services to the customers in better manner. A golden opportunity for business firms or companies to improve their brand promotion and reputation by use of social media. There is a greater scope for marketers to accommodate more number of consumers, as a golden opportunity to stability of their brand in their businesses. So we conclude that companies rather than going for traditional one better to move new medium of technologies like social media, will help to increase their brand loyalty as well as consumers. For that the companies have to concentrate more in their messages, product images and other information's related to their business products and to avoid irrelevant information.

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