

The Impact of Social Media Marketing on the Business

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ABSTRACT

Social Media is based primarily on internet or cellular phone based applications & tools to share information among people. It is the management process through which goods & services are moved from the concepts to customers. Impact of social media on marketing before the social media & marketing after the introduction of social media & type of technologies used in social media.

Key words: Marketing before social media, evolution of social media, social media today, web technology, impact of social media on marketing, concerns and criticism of social media.

INTRODUCTION

History of Digital Marketing:

The term 'digital marketing' was first used in the 1990s. In the 2000s and the 2010s, digital marketing became more sophisticated as an effective way to create a relationship with the consumer that has depth and relevance. While the term 'digital marketing' may not have been used until the 1990s, digital marketing itself has roots to the mid-1980s when the *Soft Ad* Group, now *Channel Net*, developed advertising campaigns for several major automobile companies, wherein people would send in reader reply cards found in magazines and receive in return floppy disks that contained multimedia content promoting various cars and offering free test drives.

The rapid evolution of digital media has created new opportunities and avenues for advertising and marketing. To give support to increase in number of devices to access digital media, this has led to the exponential growth of digital advertising.

In 2012 and 2013 statistics showed digital marketing remained a growing field.

Digital media growth is estimated at 4.5 trillion online ads served annually with digital media spend at 48% growth in 2010. An increasing portion of advertising stems from businesses employing Online Behavioral Advertising (OBA) to tailor advertising for Internet users. Though an innovative resource, OBA raises concern with regards to consumer privacy and data protection. Such implications are important considerations for responsible communications. Digital marketing is often referred to as 'online marketing', 'internet marketing' or 'web marketing'. The term 'digital marketing' has grown in popularity over time, particularly in certain countries. In the USA for example, 'online marketing' is still prevalent, and in Italy it is referred to as 'web marketing,' but in the UK and worldwide, 'digital marketing' has become the most common term, especially after the year 2013.

Digital technologies are becoming increasingly important in most sectors of economic activity. Due to high levels of interconnectivity, the Internet has been likened to the wheel and the airplane in terms of its ability to affect the future development of business and society. Consequently, the Internet has provided the encouragement for many companies to rethink the role of technology, and evidence already indicates the extent of its global impact.

An interview was conducted with Mr. Sumit Ghosh,, Founder CEO- Globussoft Co-Founder-MarketMongoose, a global marketing company that specializes in online marketing. In the interview we discussed the importance of digital marketing, and its impact on business.

Mr. Ghosh introduced me to the digital marketing world by explaining its primary components, the strategies of good digital marketing plans, as well as the challenges facing this marketing sector. The contents of the interview are analyzed in the next section of this report.

AIM OF THE STUDY

The aim of this research project is to investigate the impact of digital marketing on business, how the experts in this field implement the marketing plans and how they measure the success.

INTERVIEW ANALYSIS

According to Mr. Ghosh, digital marketing is the way you communicate and send your product or service message to your customers through the online channels, and the main digital marketing channels are social media: “anything that relates to the two way of communications,” video advertising, contents marketing, digital direct marketing, and mobile advertising.

The main tasks that digital marketers deal with on a daily basis are choosing the best channels to promote their client’s business, to utilize these channels to get the best of to gain the highest reach, to coordinate between publishers or suppliers of online services

A Digital Marketing Plan starts with a meeting between the client and the media team to discuss the client’s business, the product/service, and the client objective out of this upcoming marketing plan, which is referred to by marketers as “the briefing.” After listening to the client’s needs, the team conducts internal research through utilizing the save data they have, which is “the records” or the database (which might be provided by the client) in order for the marketing team to analyze the data to identify what problem the client has and where the gaps are in his current marketing plan.

During a briefing meeting, the client will typically mention that his product is high quality, has a good performance and competitive price, but it is not being purchased. Therefore, the marketing team does their analysis on the data and the current marketing plan, which the client has by using SWAT analysis, root causes analysis..

Based on this interview, I am convinced that by using the technology of the digital media, we can target the right customer for our product. In other words we can predict those who are willing to buy our product based on various statistics and insights from the customer such as what they are eating, their age, gender, income, and even last places they visited. For example, knowing that a customer opened an advertisement on a website for 20 seconds will indicate that he was curious about that product. The next time he visits the website, marketers can change that ads into something that will attract the same “future customer”

such as a discount, an offer, or even a prize. This is called retargeting; a very smart approach to digital marketing.

The disadvantage of digital marketing is that we have to track the channel contents, such as the website or online portals contents to ensure brand safety. We don't want the client's ads beside a breaking news story about ISIS human rights abuses or content that utilizes racist remarks. With offline marketing, such issues are not likely to happen.

At the end, it is about the product or the service that the client is providing for the market. To build a good brand image in the mind of customers is critical, because based on studies, the mind of a normal person absorbs 3 main brands, so client should build a good brand to compete with in the market and this product must be engineered well, be up-to-date, and needed by the customers. "Everything else will be easier after that" according to Media Marketing Manager Mr. Shadab.

Concerns and Criticism of Social Media

As the social media has grown in popularity, multiple concerns have emerged regarding technology. If comments and tweets are posted in haste, it can lead to some marketing disasters that can damage both the client and their agencies reputation. The moment consumer finds a brand's social networking activity intrusive or annoying then consumer is lost. There are many instances where brands try to abuse the system through fake comments. Since marketers are directly dealing with the public can not lurk behind the scene but have to become more accountable for the brand. Other concerns of social media are social media stalkers, child predators and privacy concerns.

In spite of potential drawbacks of social media, popularity of social media is overtaking traditional forms of marketing. If compare TV commercials with online virals promoted through social media, TV commercials can cost millions; are poorly targeted and do not enable data capture where as cost on social media is almost nothing. That is why social media become popular among marketers.

CONCLUSION

The impact of digital marketing on business in general will minimize the marketing costs by transforming from traditional/offline marketing to a mix of offline and online marketing with a focus on the online marketing, and the cost per unique users will decrease. For example, the 10,000 JOD investments on an offline advertisement will attract less than 6,000 users, but with the same amount of money online, at least 100,000 users will be attracted and consequently may be interested in your product.

Online marketing also will increase your product and awareness of your business because in Jordan and worldwide the online marketing channels are the highest reach.

Promoting your business online eventually will lead to an increase in product sales because you do the right targeting. If you placed your ads in a newspaper, you don't know who will read your ads, or if you placed an outdoor sign, you don't know who will see your ads. With digital marketing you do 100% true targeting, so your product will be profitable and you will reach more people.

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Appendix

Interviewed Questions

- In your own words, how do you define Marketing?
- Also how do you define the digital marketing
- Can you tell us more about your Job as a digital marketing manager?.
- How marketing plans being prepared?
- What are the digital marketing channels?
- How do you measure the success of a marketing plan?
- Does the digital marketing increase the customer retention?
- What are the challenges facing the digital marketing?
- Finally I want to ask you in general, what is the impact of digital marketing on business?