

EFFECTS OF SOCIAL MEDIA MARKETING ACTIVITIES ON BRAND PREFERENCE AND CONSUMER RESPONSE IN FMCG COMPANIES

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Abstract:

Industry 4.0 is a blend of advanced analytics, big data, robotics and automation, artificial intelligence, across the business value chain.

The current study analyzes the effects of social media marketing activities on brand preferences and consumer response in FMCG (Fast Moving Consumer Goods) Companies. A survey is conducted for who used social media marketing websites for buying products. The data was collected via an online survey. The result is showed that trendiness is the most important social media marketing activities components, as well as corporate image, service quality and price is also important which provides consumer satisfaction and consumer loyalty, that effects on brand preferences.

Keywords: Social Media Marketing Activities, Brand Preference, Consumer Response, Trendiness, Corporate Image, Service Quality, Price, Consumer Satisfaction, FMCG(Fast Moving Consumer Goods), etc.

Introduction

The term 'Social Media' according to the Cambridge English dictionary, is defined as 'websites and computer programs that allow people to communicate and share information on the internet using a computer or mobile phone'. The accessibility and scalability of social media make it a lucrative option for the purpose of marketing. Social media has already revolutionized marketing. Most of the companies claim they have benefited from Social Media Marketing. Effective use of social media networking sites can be a promising means of not only finding a new potential customer, but also providing an avenue to get feedback from the already created customer. The following figure illustrates the potential enormity of the audience at one's disposal via social media. Facebook has 2.23 billion registered account (October 2018), Twitter 335 million (June 2018) and LinkedIn 562 million (September 2018). According to a study in 2018, India had the largest growth in terms of social media users. There are 294 million Facebook users and 30.4 million Twitter users in India (2018). The term social media marketing according to the word stream 'Social media marketing is a powerful way for businesses of all sizes to reach prospects and customers.

Your consumer is already interacting with brands through social media, and if you're not speaking directly to your audience through social platforms like Facebook, Twitter, Instagram, and Pinterest.' Marketing experts predict that social media is becoming more and more integrated in the organization and gaining significance as a means of communication. The Explosive growth of personal computers and smartphones is making social media connectivity easier.

FMCG industry is the most prominent and the largest category on social media today. Use of social media can benefit business by improving sales, consumer base and penetrating new markets. However, reputation management has become a critical issue to manage as social media can instantly spread both negative as well as positive traits of the product and also the response of the customer. Companies have to be alert to potential risks of negative feedback and respond immediately. Many companies took a serious hit to their reputation simply because they took too long to respond to issue raised on social media.

Objectives of the study

- To study about consumer preference on brand.

- To assess the role of social media marketing as an emerging marketing tool.
- To study about what factors consumer consider before buying a product.

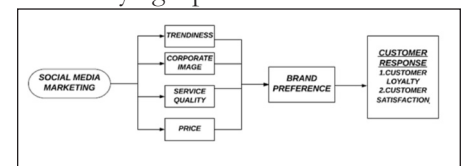


Figure 1: Conceptual Framework

Literature Review

Social Media Marketing

According to Lisa - the buyer group, "Social Media is today's most transparent, engaging and interactive form of public relations. It combines the true grit of real-time content with the beauty of authentic peer to peer communication". According to Michelle Chmielewski- Synthesio "Social media is not about what each one of us does or says, but about what we do and say together, worldwide, to communicate in all direction at any time, by any possible (digital) means". According to Dave Kerpen - Likeable Media 'Social Media is online text, pictures, videos and links, shared amongst people and organizations.

Brand Preference

According to Ashley Friedlein- E consultancy, 'Brand preference is the sum total of how someone perceives a particular organization. Branding is about shaping that perception'. As Dave Kerpen –Likeable Media 'Branding is the representation of your organization as a personality. Branding is who you are that differentiated you'. As David Ogilvy, author of advertising 'A brand is the intangible sum of a product's attribute: its names, packaging and price, its history, its reputation, and the way it's advertised.

Consumer Response

In general language, Consumer response is the reaction by the organization to the queries and activities of the consumer. Dealing with these queries intelligently is very important as small misunderstanding could convey unlike perceptions. During the situation, if the supplier wins to satisfy the consumer by properly answering his queries, he succeeds in explicating a professional and emotional relationship with him.

Consumer response is the positive or negative feedback a company receives about its products, services or business ethics. A consumer response can be solicited by the company or initiated by a consumer. The Response can include a letter or answer to questions about a product or issue within the company.

Hypothesis

H1: Social media marketing has a positive effect on consumer's brand preference.

H2: Social media marketing has a positive effect on consumer loyalty.

H3: Social media marketing has a positive effect on consumer satisfaction.

Research Methodology

For getting a better understanding of the impact of social media on consumer response, the nature of the study is qualitative. The methodology that is followed includes primary data

collection. Primary data collection includes a simple questionnaire. Such a questionnaire helps us to ascertain the difference in consumer response and brand preference towards positive effects of social media marketing on brand preference and consumer response.

The questionnaire items used in this study were developed based on the previous questionnaire. The questionnaire surveyed effect social media marketing on consumer response with five components – trendiness, corporate image, service quality and price. The data was collected through structured questionnaire. 120 questionnaires distributed among consumers and received back 93 questionnaires which were properly filled. 93 questionnaires are fairly attempted with 78% response by the consumer of FMCG (Fast Moving Consumer Goods) Companies.

Results

Table 1: Demographic Characteristics

Gender	Frequency	Percentage
Male	44	47.3
Female	50	53.8

Table 1 indicates the gender of respondents to the survey. This shows that FEMALE comprises the highest percentage of respondent of the study.

Table 2: Age Profile of Respondents

Age	Frequency	Percentage
15 TO 20	36	38.79
21 TO 30	51	54.89
31 TO 40	2	2.29
41 TO 50 and above	4	4.39

Table 2 indicates the age profile of respondents to the study survey.

This shows that 21 to 30 age group comprises the highest percentage of respondent of the study.

Table 3: Occupation of the respondents

Occupation	Frequency	Percentage
Student	58	62.3%
Business	5	5.3%
Employee	17	18.27%
Household	5	5.3%
Professional	8	8.60%

Table 3 indicates the occupation of the respondents of the survey. This shows that students comprise highest percentage of respondents of the study.

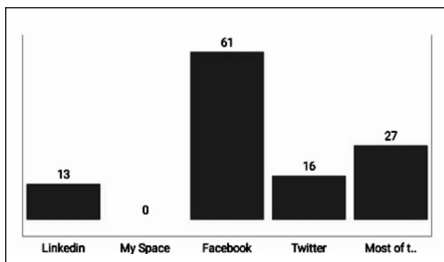
Data Analysis

Data analysis focused on three major aspects of FMCG market:

- Use of social networking sites and brand preference.
- Factors affecting consumer's brand preference majorly that is trendiness, corporate image, service quality, and price.
- Which age group use more social media marketing for making buying decisions?

Most Familiar Social Networking Sites

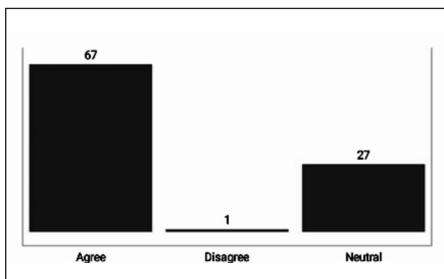
This histogram shows that facebook is the most preferred social networking site among respondents followed by Twitter and LinkedIn. The reason Facebook is most mainstream Social Networking Sites. Since it gives a multi-stage to users, the client can share by means of blogging, pictures, videos, make pages and so on it is significantly easier to understand. Twitter is quickly picking up ubiquity, it is still contemporary and youth is still amped up for the new interphase.



Graph 1: Most Familiar Social Networking Sites

Help To Find Their Potential Consumer

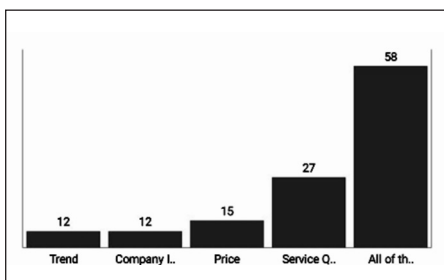
Question was asked on three points that is Agree, Disagree and Neutral. According to this study, social media marketing help to find their potential consumer.



Graph 2: Help To Find Their Potential Consumer

Factors Consider Before Buying FMCG Product

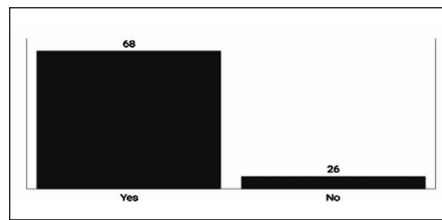
This study shows that trendiness is not a single factor to consider before buying a FMCG product but also consider the corporate image, service quality and price.



Graph 3: Factors Consider Before Buying FMCG Product

Consumer Loyalty

This study shows that consumers are strongly loyal with their brand preference of FMCG products.



Graph 4: Consumer Loyalty

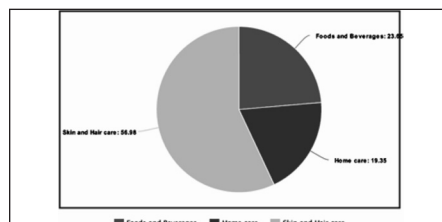
Table 4: Age Group w.r.t More Use of Social Media for Making Buying Decision

Age Group	Social Media User	Percentage
15 TO 20	29	80.56%
21 TO 30	44	86.27%
31 TO 40	1	5%
41 TO 50	3	75%

This table shows that 21 to 30 age group use more social media marketing for making buying decision that is 86.27% in respect of the survey.

Influence of Social Media Marketing on Demand of products of FMCG Companies:

By the help of social media marketing, the demand of products in FMCG companies was influenced with the share of 19.35% of homecare products, 56.98% of skin and haircare products and 23.65% of food and beverage industry.



Graph 5: Influence of Social Media Marketing on Demand of products of FMCG Companies

Conclusion

Social media marketing is a very powerful tool of marketing which is yet to meet its full potential in the Indian FMCG market. Today's business is more about consumer's orientation and

consumer feedback and social media can be the channel to communicate with the consumers. It is more important to build a social relationship rather than a transactional relationship. The trendiness is a most important factor of social media marketing activities, as well as corporate image, service quality and price is also important which provides consumer satisfaction and consumer loyalty, those effects on brand preferences. The customer 21 to 30 age group use more social media marketing for making buying decisions.

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