

Understanding The Effectiveness of Social Media Advertising in India

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Abstract

The emergence of social media has brought about a fundamental transformation in advertising methods, especially in India, where platforms like as Facebook, Instagram, and Twitter have become very popular. This abstract investigates the efficacy of social media advertising, highlighting the platform's quick expansion and assimilation into modern marketing strategies. It showcases the many social media ad formats, such as picture, video, carousel, and narrative advertising, all of which are intended to captivate people in different ways. Influencer marketing is a well-known technique in social media advertising that uses a brand's actual customers to increase its legitimacy and reach. Even with all of its benefits like low cost, wide audience, and interactive features social media advertising still has drawbacks. These include time commitment and worries about security, privacy, and trust. The studied literature highlights how social media marketing is changing, highlighting how consumers' behaviour is becoming more influenced by it and how it may have a big impact on corporate results.

Keywords: Social Media Marketing, Advertising Strategies, Consumer Behavior, Digital Advertising Trends, ROI (Return on Investment)

Introduction

Business practices and social interactions have changed in the last 40 years. The advent of e-commerce, the Internet, and personal computers has revolutionised how firms run and promote their products. The rapid development of social media technologies will likely have a continuing and comparable effect on companies. Companies that adapted quickly to the availability of new technology saw significant gains. Big names in tech like Google, eBay,

Amazon, and Microsoft are just a few examples. A relatively new phenomenon, social media has quickly risen to prominence among today's young Indians. Everyone in business is curious about the potential of social media to boost their company's bottom line, as social media marketing has recently emerged as a dominant marketing strategy. Information significant to people is collected or shared since people are naturally friendly. For businesses, the key to success in social media marketing is figuring out how to use technological advancements to streamline people's social networks. Social media affects every aspect of your customer's life, whether for personal use, business-to-business or business-to-consumer contacts. "Social media" along with "social networking sites" (SNS) get utilised interchangeably in everyday speech. When it comes to sharing and discussing data, social media is crucial. It is an online journalism style that appreciates and accepts user feedback. This social tool allows users to communicate with one another in a two-way fashion and share information inside a specific network. This kind of online activity involves the user actively participating in content development.

Participation in social media may range from the very basic, like leaving a remark or casting a vote, to the very advanced, like suggesting material to other users based on the tastes of others who share their interests and way of life. Therefore, social media is an umbrella word encompassing a wide range of online activities where users generate, share, bookmark, and network material at an unprecedented pace. Conversely, one may meet new people and establish existing communities online using social networking services. Using various forms of social media, online social networks make connecting and building relationships easier. Members of these online communities may create a profile, add friends, and see and manage their connections with other community members. Finally, we have social media, which includes social networking sites. Examining how social networking sites affect daily operations is essential since basic communication increasingly depends on technology. A social media platform welcomes users of all ages, from teenagers and young adults to ladies and men, from wealthy families to retirees. After signing up, users may start chatting and making friends who share their interests and ambitions. Social media platforms are changing how people form, sustain, and develop connections with everyone, from close friends to random strangers. More information is preferred by consumers nowadays while making purchases. Since many individuals now trust the opinions of their peers more than those of marketing professionals, social media may significantly influence customers' decision-making processes while purchasing. Customers can openly voice their dissatisfaction with the firm and participate in a

two-way conversation. Thus, marketers must approach people in a new and respectful light(Sharma, 2021).

Social media

From a definitional perspective, there are several ways to understand social media. In its more common use, "social media" refers to web-based applications and related software that facilitates user-to-user interaction in online social networks and sharing information and media via these sites. Popular websites and their services, like Facebook, Instagram, and Twitter, may be considered social media in this context. From a more practical perspective, social media is another online medium for advertising and contacting consumers. Alternatively, we may look at social media via a more holistic lens, including digital media, specific technology services, and most people's online Time. From this vantage point, the activities inside these online spaces will take centre stage in social media rather than the underlying technology or platform. Information sharing has predominated until now, with many seeing it as a kind of (digital) word of mouth (WOM) in the marketing realm.

In the future, we see social media as an ecosystem centred on technology where linked players (people, businesses, and government agencies) engage in a wide variety of behaviours, interactions, and exchanges)(Dar & Lakha, 2018). Social media use is pervasive and significantly impacts culture. "Social media" is a broad category that includes many types of digitally-enabled material, information, behaviours, people, and organisations. Its reach goes beyond digital word-of-mouth along with content/information distribution alone. It is widespread across cultural borders and has cultural significance locally and worldwide.

Advertising on social networks

Using social media advertising, businesses may reach a younger population, grow their consumer base, and boost revenue. This brief article explains why social media advertisements are effective. One kind of internet advertising you may use to reach individuals on social media is social media advertising. Advertisements on popular social media platforms like Facebook or Twitter are one example, while sponsored posts from influential users on platforms like Instagram, TikTok, or Twitter are another. Social media ads are a better bet to boost your company's earnings than traditional ads. The world of social media advertising is expanding at a dizzying rate.

Type of advertising on social networks

The many forms of social media advertising each serve unique functions and have their advantages. The following are examples of typical kinds:

Image or photo ads

"Subscribe here" or "Shop now." are some examples of quick calls to action (CTAs) that accompany eye-catching images in photo advertising. Posts in the news feed, banners, or sidebars might be where you see them. To increase interaction, Starbucks, for instance, runs a primary picture marketing campaign with the hashtag #unicornfrappuccinno.

Video ads

Moving pictures are shown in video commercials. In most cases, the effect of a video is more significant if its length is shorter than a minute. The ability for videos to appear in search engine results is a great perk. One example of a video ad would be a home improvement business promoting its services by showing a 30-second time-lapse of a do-it-yourself house remodelling job. The ad would capture the whole transition from beginning to end.

Carousel ads

A carousel ad's rotating images or videos form a unified whole. Each picture may have its title, link, and call to action (CTA). Using the carousel structure, this top-performing Facebook ad by Gap showcases a jacket in various colours.

Story ads

Think about making some Snapchat, Instagram, or Facebook tales. Time-sensitive deals work well with these temporary advertisements. Images, movies, or carousels may all be used as story adverts. If a shoe store wanted to promote a limited-time "Buy One, Get One Free" deal on Instagram, they might use eye-catching images of fashionable shoes and a swipe-up link to encourage quick sales.

Influencer ads

Collaboration with influential social media users may be facilitated using the approaches above. To promote a product, an influencer may make a video for Instagram, such as a story or a reel. A fashion influencer with a large Instagram following may collaborate with a high-end handbag company to promote the label's newest collection. The influencer would then publish a picture ad to their feed with the text "Shop the look" and a link to the website. Such "organic posts" have a knack for connecting with social media users more personally.

Review of the literature

With social media, businesses can have conversations with their consumers, and customers can have conversations with them. By communicating with their consumers, companies may go above and beyond the conventional ways of promoting goods and services and establishing online communities of brand devotees (Constantinides et al., 2010). Additionally, organisations may discover new strategies to increase brand awareness, familiarity, and recall via customer interactions.

Customers are becoming more interested in using the Internet, believing information published on social media is more trustworthy than information released by businesses (da Silva et al., 2018). Studies such as Castronovo and Huang (2012) contend that social media should be investigated and used by marketing strategies that include marketing communications, promotions, media relations, product customer management, and marketing intelligence. Numerous studies have shown the advantages of incorporating social media into marketing plans, and companies are beginning to utilise them for a range of objectives, such as customer relationship management, branding, market research, service delivery, and sales promotion. Nevertheless, many businesses still need to include social media in their plans.

Even though several studies have been conducted that provide proof of the advantages for businesses (Chan & Guillet, 2011). This article examines the literature on the subject because little research has been done on the many aspects of social media and how they are specifically relevant to businesses' marketing endeavours. The cataloguing of the several marketing subfields whose studies have looked into and used social media marketing strategies, as well as the various types of research that have resulted from these studies, is this article's secondary objective, and finally, to speculate on the theoretical and practical consequences that may emerge from these findings.

This article is the first one we are aware of that thoroughly examines social media marketing, which fills a gap in the literature. To enable the study of social media marketing to be further structured and expanded, we want to evaluate the most promising research directions and others that need further research. We also organise and compile the findings from various studies to assist companies in better understanding social media marketing. This will enable them to use social media for strategic purposes or enhance their methodology.

Social Media Marketing and Its features

Even though it is a relatively new tactic, social media marketing allows businesses to connect with their target customers easily. Social media marketing uses numerous channels to promote a company's products. Online marketing strategies such as this work well with traditional online advertising formats like email newsletters and web adverts. Through social media marketing, particularly encouraging people to share messages with personal relationships, a new era of exponential dissemination and trust has been brought about in mass communication and marketing (Lakshmanan & Basariya, 2017). This creative advertising and marketing approach creates new resources and makes them accessible to businesses. Social media marketers increasingly own more and more valuable data thanks to the introduction of analytics tools from official social media sites.

Social networking sites come in various shapes and sizes, each offering unique functions. When we think about social media, Facebook is, without question, the most popular option. The company, now known as Facebook, Inc., started the site in February 2004. More than 900 million people have been actively using Facebook since May 2012. Facebook requires all users to sign up before they can use the site. Once registered, users may build a profile, add friends, and communicate via messaging and automated profile update alerts.

In addition, users may organise their relationships into groups based on shared interests, such as "People from Work" and "Close Friends," and much more. Facebook wants people to be able to share and create a more open, connected, and inclusive global community (Facebook, 2012). Though there are many parallels between LinkedIn, Twitter, and Google Plus, there are also important distinctions.

Social media marketing is available in a multitude of formats. For instance, it is common knowledge on Facebook that a company, tangible item, or organisation might substitute for a genuine "friend" on social media (Wilson et al., 2012). A user may share a link with their network of contacts by selecting to "like" a company or product. More than just Facebook and Twitter can benefit from this concept. Bernie Borges claims that Twitter is a cross between social networking and microblogging. Furthermore, Twitter users can subscribe for quick updates and offers from their favourite manufacturers. Twitter allows users to share content in real-time.

Advantages

As digital marketing continues to grow in popularity, more and more companies are using social media to advertise their goods and services to current and future clients. Several

businesses have altered their advertising strategies with the growth of social media sites like Facebook and Twitter. Several companies emphasise increasing traffic through their social media accounts more than their official websites. Social media advertising has advantages (Natasa et al., 2019).

Increasing reach and reducing costs are social media advertising's primary advantages. The cost of social media promotion is often far lower than that of more conventional forms through advertising, including direct consumer contact through intermediaries. Additionally, social media marketing allows firms to reach customers who would not otherwise be reachable due to conventional distribution techniques' Time and geographical limitations. Social media businesses increase visibility while reducing costs by offering users three unique perks. The marketing firm may provide customers with endless information without human intervention. One advantage over other types of engagement is the vast amount of information that can be conveyed—much more than any other communication (Arsath, 2018). More importantly, the information might be delivered in a style that is easy for customers to understand and absorb. One example of this problem is the development and upkeep of airline reservation and time management systems that meet particular needs. Furthermore, there are a lot of alternatives available, and in this case, it is challenging to provide them in a manner that's better than web-based.

A. Cost-related

The biggest perk of social media marketing is the money it can save. Compared to other forms of advertising, the cost of social media marketing is low. Access, profile creation, and posting on most social networking networks cost nothing (Padival et al., 2019).

Many social media platforms do not charge anything, even for commercial use, in contrast to more conventional forms of advertising that may cost millions. Even with a small marketing budget, businesses may get great results from their social media initiatives. With little to no capital outlay and an eager audience that willingly signs up or follows you, you may reach your target market like never before. Pay-per-click advertisements on websites, including Facebook, are "geotargeted" according to specific criteria to reach the appropriate audience. Social media's viral quality allows it to attract a large audience since users may share your content with their networks.

B. Social Interaction

The two most noticeable impacts of new media are the proliferation and diversification of social connections. A similar amount of Time is spent on communication activities (including social networks, instant messaging, and emails) as on leisure and enjoyment activities, making up more than a quarter of people's Time online. Nowadays, the great majority of internet users visit social networking sites. The proliferation of new media has altered the regularity of online communication, the breadth and depth of people's online networks, and the tools at our disposal for shaping their behaviour. According to research on consumer behaviour, online recommendations and information are more credible. People additionally devote more Time to reviewing websites, which is interesting since research suggests that information from third parties, even when it is virtual, may have a direct influence on purchase choices. Some of the alleged benefits of utilising new media—like an enhanced reputation and the expectation of reciprocity—are closely tied to their social interaction qualities.

C. Interactivity

The interactive nature of new media allows users to actively participate, as opposed to only receiving stimulation, as with traditional media like television and radio. How much control do users have over the layout and presentation of a mediated setting in real-time? In a nutshell, it is how interaction is defined. One characteristic of modern media technologies is the capacity to engage with content; this gives users more control over their experience and makes them more likely to spend more Time interacting with social media postings. It all depends on the context. By "interaction," we mean user-centred engagement using systems, messages, and other users on social networking sites; this kind of engagement places a premium on the experience aspect of networking.

Interactivity may range from basic tasks like filling out forms and visiting links to complex concepts like enabling users to create online content. Research indicates that increasing degrees of online interaction boost engagement, positive attitudes, and source trustworthiness. User involvement allows customers to customise information, scheduling, and conversation in personal social networking. Apps for social media make it easy for users to participate and have a two-way conversation. Everyone from consumers to communities to businesses must work together to manage social networks actively (Arora et al., 2018).

Disadvantages

Social media marketing has both opportunities and challenges in today's internet-driven society. Consistency in strategy, design, execution, and managerial oversight is crucial in

online marketing communication, mainly because the web makes information accessible to all audiences (Goel et al., 2017). Think about these five main problems with social media advertising:

A. Time intensive

Because of the two-way nature of social media conversations, consistency is critical. A new trend in social media marketing focuses on establishing lasting relationships in the hopes of generating more income. An individual is liable to monitor each network, respond to remarks and questions, and share pertinent product details. Companies that do not have social media management services have a hard time competing. The time investment is the primary consideration in social media marketing. In most cases, you need more than substantial results from social media. A business must determine whether the time investment is reasonable considering its current and future activities.

B. Trust, Privacy and Security Issues

Concerns about trust, privacy, and information security may arise as a result of social media marketing of businesses, products, or services. Concerns about acquiring, using, and managing personal data are real, and companies should do all they can to mitigate them.

Social media marketers must establish trust to generate customer loyalty, particularly regarding privacy and transaction security. According to research by Ratnasingham, consumers' hesitancy to shop online is primarily attributable to worries about credit card fraud. In addition, major social media marketing PR flops due to privacy issues have severely damaged brands' reputations.

Facebook and Twitter have privacy policies to control how they use user data and how third parties utilise it on their services. Marketers must be careful not to promote actions against the company's privacy policy while using third-party social media platforms. Organisations in charge of social media or blog platforms should have transparent policies regarding the collection, use, storage, and disclosure of user information to third parties. Trust, closely related to security, is a significant factor in online purchasing behaviour. You cannot usually smell, touch, or feel the goods. Too shy to look a salesperson in the eyes. Such means of establishing credibility are off-limits online. A trusted brand usually alleviates certainty. Another component of a loyal mindset is trust. Brand loyalty and trust help people cope with the negative aspects of the Internet, such as the perception of a predatory, unethical, and unreliable

marketplace. Some potential customers still avoid Internet shopping because of these misconceptions. A system of "third-party approval" helps to establish credibility.

Social networking allows small firms to monitor industry feedback without incurring high market research costs. Companies are shifting resources and reevaluating old communication techniques. The phrase "social media" will become a dictionary entry as it dissolves into the enormous ocean of linked experiences, ushering in a new age of information, accessibility, and encounters beyond distance, Time, and physical borders. All businesses should prioritise social media adoption and engagement (KESAVAN, n.d.).

As of March 2010, the total value of India's display, search, and classifieds markets was 1,623 crores of Indian rupees. By March 2011, the industry's size had grown to 2,277 crores INR, and by March 2012, it had risen to 2,851 crores INR. Advertisers may get more bang for their buck and get higher returns from their ads if they choose larger sizes (MAHADEVAN, 2013).

There is a distinct ecology for every social media site. Making a simple social media presence is easy; motivating the recipients' communities to take action is hard. Message personalisation across platforms aids message dissemination but prevents users from getting duplicate communications (Malviya et al., n.d.).

Conclusion

In conclusion, advertisement on social media platforms has grown in popularity as a means for businesses to expand their customer base and encourage greater engagement with their brand. Adverts, influencer collaborations, carousel advertising, picture ads, and video ads are several ad forms that companies may utilise on social media to reach their intended consumers. Social media platforms provide an excellent opportunity to increase engagement and conversion rates. Their global accessibility, high interactivity, and low cost make them perfect for creating tailored and successful connections with target audiences. In the future, businesses that masterfully use the capabilities of social media platforms possess a distinct advantage over their competitors. Social media advertising has both positive and negative aspects. Managers of social media campaigns need more Time to address concerns about privacy, security, and trust among their target audiences. Upholding a positive reputation for the company requires transparent communication, complying with privacy laws, and addressing consumer worries about data security. Problems arise for businesses when they try to adapt to the dynamic social

media environment. A combination of creativity and accountability is what companies need to maximise social media advertising and remain ahead of the curve.

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