Social Media and Customer Engagement on Vehicle Usage: an Optimists Approach

P Divakar

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Divakar.P

Research Scholar

Vellore Institute of Technology, Chennai

ABSTRACT

The changing online environment across the globe has impacted various walks of consumer life. An ongoing investigation of the online impact on consumption is evident worldwide. School of thoughts such as technology shapes value, attitude and pattern or vice versa is not a new debate. Consumer's connectivity among themselves are far more impactful because of social networks. The social media and networking sites have given enough room and access to the marketers as well as consumers to create content which are readily available to the consumers. The time spent by consumers on the online domains has thrown challenges to marketers in order to segregate favourable and unfavourable aspects of their products or services. Therefore, marketers need to go back to their board room in order to carve out new marketing plan keeping social media as their focus. This study makes an attempt to investigate the relationship between the communication on social networks and its effect on purchase intention and more specifically the impact on young consumers with special reference to the automobile purchase in India. The integrated model developed in the study can be useful for academicians and industry practitioners.

Key words: Social Media, Customer engagement, Vehicle usage.

INTRODUCTION

Social media facilitates users to experience a virtual world for expressing, exchanging their opinions and control messages. Marketers are now able to reach them via this virtual world and involve them in interaction and thought exchange. Social media has already established its strong presence in the market and therefore, it is the reality for marketers. It is also challenging for marketers as the virtual world is dynamic and in short period of time many such platforms have mushroomed in this world of virtual connections. With the help of internet connectivity and smartphones, social networking and thereby social media has become the base of the communication between consumers. The internet is working as a bridge in order to remove the distance of rural and urban consumer likings, choice and decision. Many such individuals who are very active on these platforms become advocate, reference leader and motivator for consumers connected to his chain of networks. Human beings are social animal and therefore, they would like to be part of group such as family, work, hobby, sports etc. The development in

internet platforms has added a lot of flavour to the groups. People can reach the best hobby group in the world and exchange thoughts. People can professionally get connected with the skill expert and exchange thoughts. In fact the internet era has reduced the physical distance and brought the whole world on same platform. The addiction of social media group chats and the motivation to express the desire has made consumers habituated of sharing information about the product or brand they desire to buy. Many such individuals who are either a customer of those products/ brands tend to respond to the message/information posted on these sites.

The growth of online social networks provided many different additional online activities for consumers such as blogging, chatting, gaming, and messaging. Facebook.com is one of the most popular social networking sites. Individuals who are members of Facebook can construct dynamic profiles about themselves and sharing information with other individuals within the group (Boyd & Ellison, 2008). Social interaction with others created new behaviours and also affected on consumer's daily purchase decisions (Rogers, 2003). The emergence of online social networks influences people in various ways and moreover, the effect is predicted to be high on the young consumers, the target group who is more exposed themselves to the online social media. It is believed that the social networks influence the purchase intentions and therefore it is important to study the potential impact of online social networks in this field.

REVIEW OF LITERATURE

In comparison to conventional sources like print media, hoardings, radio broadcast and TV telecast, FCC (Firm- generated) and social media communications have been acknowledged as bulk phenomena with widespread demographic demand (Kaplan and Heinlein 2010). This acceptance of the implementation of social media communication among companies can be explained by the viral broadcasting of information via the Internet on social media websites (Li and Bernoff 2011) and the larger capacity to reach to the local public when matched with the conventional media (Keller 2009).

As per the study Trusov et al.(2009) electronic word of mouth and social media advertising assists marketers in fascinating customers and attracting them towards brands at lower costs and in tangible time by promising faster service and free delivery as the internet allows customers to share their views, opinion, standpoints, likings, inclinations and experiences. From the benefits of social media marketing and advertising marketers are allowed to correct remarks, address questions and rapidly and professionally modify their online marketing and advertising policies and plans (Evans, 2010). Therefore, firm-created social media communication should be perceived by individuals as advertising and arousing brand awareness and brand perception (Maclnnis and Jaworski 1989).

User-generated content is a speedily growing factor for brand conversations and consumer perceptions (Christodoulides et al, 2012). From the study conducted by the Anindya et al, (2012)

the concept of User-generated content on social media platforms and product search engines is fluctuating the way customers buy the products online. Product reviews by the users on the internet before buying and customers` concern of these reviews is the most significant aspect of communication by word of mouth using social media. Therefore, word of mouth using electronic medium critically affects customers` product reviews and their purchase intention and decision making. (Zhu and Zhang, 2010; Bambuer et al, 2011).

Nevertheless, present product search engines are unsuccessful to effectively influence information produced across miscellaneous social media platforms. Moreover, present ranking algorithms in these product search engines incline to encourage customers to emphasis on one single product specification. This method largely overlooks customers' multidimensional inclinations for products.

The concept of brand equity is a strategic marketing strength (Styles and Ambler 1995) that can build a relationship that discriminates the links between a company and its customer and that encourages long-term purchasing behaviour (Keller 2013). The measurement of brand equity has come up from two major viewpoints in the literature. Some studies have focused on the financial aspects of brand equity (Simon and Sullivan 1993), while others have highlighted the customer-based aspects (Aaker 1991; Keller 1993; Yoo and Donthu 2001). Thus, the main stream of study has been grounded in reasoning psychology, concentrating on memory arrangement (Aaker 1991; Keller 1993).

The literature review supports the concept that branding communication influences brand equity by increasing the likelihood that a brand will be combined into a consumer's consideration set, thus assisting in the process of brand decision making and in the process of the choice becoming a habit (Yoo, Donthu, and Lee 2000). The study conducted by Farquhar (1989) opines that there are three elements that are important in structuring a strong brand with the user: positive brand assessment, positive brand attitude, and a reliable brand image. This indicates that positive attitudes are likely to endorse brand purchase, which is an outcome of brand equity. Faithful users tend to purchase more than moderately faithful or newly joined costumers (Yoo, Donthu, and Lee 2000). This also includes more positive consumer perceptions about the superiority of a brand are related with stronger purchase intentions and decision making (Aaker 1991).

Olson and Mitchell (1981) define brand attitude as a "purchaser's overall assessment of a brand". Brand attitude is normally conceptualized as a world-wide evaluation that is based on positive or negative reactions to brand-related motivations or philosophies (Murphy and Zajonc 1993). Another research work contributes to the fact that the central factor to be considered in consumer-based brand equity and interpersonal exchanges are brand related motivations or philosophies (Lane and Jacobson 1995; Morgan and Hunt 1994).

Brand attitude is based on product characteristics such as stability, durability, quality, deficiencies, defects, serviceability, structures, features and performance, or 'appropriateness and

final display' (Garvin 1984). Nevertheless, brand attitude may also comprise of the affect that is not apprehended in measurable characteristics, even when a large set of features is involved. Researchers conducting study on Brand building multi-attribute models of customer inclination have incorporated a general constituent of brand attitude that is not clarified by the brand attribute standards (Srinivasan 1979).

It is standard that the communication between customers is an influential source of information broadcast from one to many (Dellarocas, Zhang, and Awad 2007). From the improvement and development of social media, communication between individuals who are not even related has enhanced (Duan, Gu, and Winston 2008). Research by Li and Bernoff (2011) revealed that social media channels are a cost- effective substitute to provoke peer-to-peer communication. Online brand community members tend to share knowledge with each other and exchange useful information and knowledge. Irrespective of online or offline status, communication takes place in the brand communities, groups share information, view, opinion and knowledge with each other about the brand and its products offered. Study says more knowledge that is shared among members in the group, the stronger the relationships established with customers and the company. (Tai and Ho, 2010).

SUGGESTIONS

The literature review suggests that there are some key difficulties associated with implementing a social media marketing program and measuring its performance. Designing, managing and implementing a social media marketing strategy is a complex managerial challenge in today's competitive business environment. Globalization, deregulation, more demanding customers, and the advance in information technology all contribute to this complexity. Also the extremity of various uncertainties which are difficult to predict, for example, changing technologies, the corporate culture, and changing lifestyle of Indian customers make it more complex. Previous studies, specifically on Indian social consumers have not received much attention. With the increasing competition and the requirement to have online presence and push from the social media users for brand to remain competitive, marketing managers are under tremendous pressure to perform.

Marketers should maintain a regular pattern in communications on the web. Burst blogging (or tweeting) techniques are annoying to the audience and add extra load. If there is a relatively easy day, then post some of the blog so that the readers get a regular update. Aim to tweet regularly and maintain the connection with the audience too. Thus, being consistent one is able to connect with their consumers regularly and interact with them. There are so many different social networking sites out there that it's so easy to become flooded with information. If more time is spent on Twitter, or to keep up with all of the status updates and changes on Facebook, it won't have any time at all for the rest of the things companies need to do. They need to learn to cut out

all the unnecessary messages. There are some users who seem to have no life beyond their online presence, and other users who smack of desperation. Company's may have accounts on multiple networking sites and update each of them regularly with the same information.

CONCLUSION

However, there are issues with this approach. If companies maintain multiple personas on different sites, and share different kinds of information with different social groups, they may not appreciate business related updates on their personal network. Additionally, there might be some friends who follow the company on many of the social networking sites and who may not appreciate the same information on each of their sites. One of the best ways to be proactive about this is to buy all of the combinations of company's brand name as domain names. Once they have secured the domain names, they should use one of their registered names to start and build their positive online reputation. They can start to publish a blog on the domain. Word press and similar blogging platforms offer a simple way for companies to redirect their own domain name to their website. Even it would be interesting to evaluate the effect of peer pressure in using the social media and its effect on the purchase decisions. It would also be interesting to carry out the research both in developing countries and developed countries and study the implications for social media on the brand managers in these economies, specific to the product categories selected in this study.

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