

Impact of Social Media on Customer Loyalty

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Abstract: The study focuses on how social media marketing influence brand loyalty. The customers repeat the same choice if certain brands were to be selected. As social media is rapidly becoming the big-ticket tool for brands, the primary focus of this study is to find out how various social media activities influence the behavior of consumers and most import the kind of loyalty they maintain. It was found that the trend in loyalty building in the consumers is urged by deal made on a promotional offer, Content that another brand shares can be particularly relevant or useful, Content that is relevant to its audience.

According to the study, it was also noted that consumers are forming an affinity, especially for music, video, and entertainment. The findings confirms the edge as suggesting the appropriate use of social media by building a stronger relationship between the brand and its customers, providing an excellent starting pointer in social media marketing. Social media lets brands interact and reach the audience directly. Personalized interaction like replying to some queries/comments through comments and messages. Addressing concerns on time-trapping allows the customers to feel daughters of more value.

Key Words: Social media, Influencer, Brand, Promotion, Customer loyalty, On time-trapping

INTRODUCTION

Brand loyalty has become one of the factors most sought by customers when interacting with a brand. To encourage the brand loyalty of their customers, marketers have utilized a variety of tools such as elements of brands, the classical marketing mix, tools and methods of marketing which are new such as events, sponsorships, one to one marketing activities, internet marketing, social marketing.

For a long time, marketing scholars paid serious attention to consumer repeat purchase behaviour and the emotional connection they have with a product.

REVIEW OF THE LITERATURE:

1. E-WOM

Electronic Word of Mouth or e-WOM refers to word of mouth (WOM) which is distributed through the

Internet. On the contrary, e-WOM does not necessarily mean that a sending party will only send to a few people that he/she desires to share.

It could be an email, a short on SMS, or through social network platforms (Brown, 2010), but also on review platforms, where information could reach a wider audience (Ono & Kikumori, 2018). e-WOM could have amplified powers of dissemination via cybernetworks if the contents being broadcast worldwide are extremely humorous or persuasive (Kremers, 2017).

2. Online Community

An online community is a community of people brought together through the Internet, sharing common interests (Zou & Park, 2015).

An online social media platform gives better flexibility and efficiency to form an online community, The purpose of social media is essentially to establish a willing environment for existing common interests to engage, produce, and disseminate content amongst each other (Ha, 2018; Lahargoue, 2017).

3. Online Advertising:

Online advertising refers to any marketing option utilizing the Internet. Online advertising can deliver marketing messages across a wide spectrum of prospective customers while driving traffic to certain sites or landing pages (Ao & Nguyen, 2020; Business Dictionary, 2018; Feifer, 2018). The most paramount advantage of online marketing is the ability to promote products without a geographical barrier (Janssen & Janssen, 2018).

4. Brand Image:

According to the American Marketing Association, in Kotler and Keller, a brand as a name, term, sign, symbol, design, or a combination thereof is intended to identify goods or services from one of the sellers or groups of sellers and differentiate them from those of competitors. Ginting defined a brand as a name, term, sign, symbol, design, or a combination to mark the

products or services of one seller or group of sellers and differentiate it from competitors (Dam 2020).

5.Brand Loyalty

Branded loyalty has been interpreted as customer preferences for future purchases of same-branded product or use of the same-branded services, as advanced by Tarkiainen, Ellonen, Ots, and Stocchi, Loureiro and Šerić and Mollá-Descals (2016). It is logically more profitable to develop the existing customers into brand loyalty than to go through an arduous and costly process of developing a new customer database to capture from the competition.

Therefore, it is voiced that every type of customer throughout the business' life cycle must be converted into loyalty i.e., he or she should acquire a permanent self-sustaining place in the hearts of the existing company's customers, since retaining a customer is cheaper than attracting a new customer (Oh & Park; Penefit).

OBJECTIVES OF THE STUDY

- To study consumer feedback towards the social network advertisements.
- To investigate the way social websites are appreciated.

RESEARCH METHODOLOGY

Moving further with analytical methods of this research, we are now in a position to go into both quantitative and qualitative aspects of the data analysis processes in detail.

Quantitative Analysis

1. Sampling method:

Purposive sampling targeted respondents aged 23-30, focusing on generation Y. A sample size of 150 was planned, which is typically adequate for exploratory research involving regression analysis. Of interest in this age category is brand perception and loyalty toward this demographic group.

2. Data Collection:

A structured online survey was utilized, thus generating homogeneous data throughout all respondents. The survey was set to determine three independent variables:

Electronic Word of Mouth assures the respondents of how much online reviews and recommendations influence their perception of a brand

Online Community: was used to determine engagement and interaction in brand-oriented online communities.

Online Advertising: was used to evaluate how effective online advertisements were perceived by respondents.

Likert Scale Ratings:

Respondents were supposed to mark with a standard 5-point Likert scale, where 1 was strongly disagree and 5 were strongly agree, thus yielding quantifiable objective attitudes.

3. Data Analysis:

Multiple Regression Analysis:

Used to analyse the relationships between independent variables (e-WOM, online community, online advertising) with dependent variables (brand image, brand loyalty) to identify the strength and direction of these relationships; thus, it is at the same time facilitating the identification of those factors significantly influencing brand image and loyalty among the target population.

Assumption Testing:

Normality, linearity, and homoscedasticity assumptions are checked before running regression analysis. Assumption testing is highly pertinent in validating the regression model and garnering credibility into the statistical findings.

Qualitative Analysis

Besides the numerical data, any open-ended responses within the survey (if the case applies) could yield qualitative insights. Examples of qualitative aspects include:

Trends in Brand Perception:

Getting insights or deeper understanding of respondents' qualitative comments on what aspect of some online review or advertisement caused them to have loyalty towards a certain brand might give further insight.

Community Engagement:

Respondent responses regarding on-line community engagement will present insights into the different ways of engaging and interacting with the brand to establish brand loyalty and improve brand image beyond numerical ratings.

Challenges in Online Advertising:

Respondents' perception of online advertisements could comprise sentiments about their effectiveness, relevance, or their possible intrusiveness and shed the light on those standards that could affect ad receptivity among Generation Y.

Summary

The combination of quantitative and qualitative analyses is helpful since they can provide a comprehensive view of the data. The multiple regression analysis quantifies the relationship among variables, while qualitative insights could provide contexts and rationales behind respondents rating, leading to a holistic understanding of the factors influencing brand perceptions and loyalty...

DISCUSSION AND RESULTS

The results indicated that

e-WOM affects both brand image and brand loyalty positively and significantly, An online community has a positive and significant impact on brand image and loyalty, and Online advertising is positively correlated with brand image and brand loyalty, all proposed hypotheses were accepted, thus corroborating the role of social media in shaping brand perceptions and loyalty for Generation Y in Indonesia.

For organizations, social networking sites have fundamentally transformed client relations. Connecting possible clients, creating a sense of communities and providing clients with tailored experiences, enhances their loyalty.

Major Findings and Research Discussions:

1.Improved Customer Engagement:

Research: Several studies go ahead to demonstrate that minority social media targeting is not only possible, but practical in reaching out to many consumers on a relatively intimate interaction level.

Discussion: Brand interactions with consumers result in the consumers feeling heard and appreciated when brands actively reply to comments, messages and reviews about them.

2.Targeting Consumers Individually:

Research: Through social media platforms, businesses are able to make use of social media analytic tools to learn more about what their customers want and their buying habits.

Discussion: This information allows brands to personalize their offers and content for customers, thereby enhancing their experience since the content is specific rather than generalized.

3.Building Up Communities:

Research: Customers who interact with companies engaging in these practices and develop online communities grow more attached to them as consumers.

Discussion: Social media not only encourages interaction but encourages sharing which cultivates the attachment of the consumers to the brand and helps spark brand loyalty within the consumers.

4.Clarity and Reliability:

Research: A brand's operational characteristics, its principles and its service-related levels can be conceptualized and communicated through social media platforms.

Discussion: During any interactions with customers, being frank and transparent about the issues goes a long way in gaining customers' trust which is vital to retaining the customers.

5.Eager to Collaborate with Influencers:

Research: Facilitating the brand's message through likeminded users in social networks is effective in increasing loyalty to the brand.

Discussion: The opportunity to penetrate the markets through trustworthy opinion leaders ensures a wider scope and endorsement of the brand which in effect converts into sales and brand loyalty.

CONCLUSION

The overarching goal of this study is to identify the magnitude of effect that social media marketing has on the brand loyalty of the consumers, given that this issue is receiving increasing attention from marketing academia and practitioners.

Building and maintaining brand loyalty have been some of the major topics of research for marketers for an extended period, To ensure the loyalty of their consumers to their brands, marketers have utilized various strategies.

A total of 338 responses were collected through an administration of a structured questionnaire from consumers who have expressed liking towards at least

one brand on social media in Turkey and run through a stepwise multiple regression analysis.

Customers prefer to share music, technology-related, and ridiculous content on social media outlets. Based on our results, this study can be considered pioneering in this new area of marketing and will suggest several tactics for the practitioners.

Leaning from the limitations of this study like for most studies with similar approach in the field of sports marketing, limitations worth noting are the entire range of students and university graduates included.

Thus, the conclusions obtained with this sample may be transferable to the entirety of the underlying platform.

LIMITATIONS OF THE STUDY

Issues Arising from Studies on the Effect of Social Media on Customer Loyalty

Even though a lot of studies have been undertaken on the influence of social media on customer loyalty, the study is limited to research on the impact of social media on customer loyalty and working in these projects with the following often appearing:

Equipment and Materials: The studies that depend mostly on self-reports data through surveys or questionnaires are usually vulnerable to biases. Respondents can make mistakes in recalling or may not reveal their attitudes and behaviors as they actually are.

Longitudinal Design: A lot of cross-sectional studies take up the cross-sectional design that is to unfold the data in one and individual points. The subsequent result of such a research design is the inability to identify case relationships and the change of the variables with time.

Reliability: Research about certain industries like biotechnology, pharmacology or topics such as health, poverty, drug abuse, geographical regions may be too much specialized thus the results may be applicable to that scenario only.

Overview of Loyalty: Analyzing customer loyalty is a challenging task, as it is not a single dimension but a combination of behavioral, attitudinal, and relational.

Overlooked Factors: Social media is a multifaceted platform that is affected by many factors such as cultural context, individual preferences, and market

competitiveness. Mostly, these variables are not considered in several studies.

Ethical Considerations: Studies regarding data from social media that is being fed up raises questions regarding ethics of transparency, willingness, and data security.

Scientists as lawful people ought to stick to the principles of their work and so they take responsibility for the data brought up by social media to their findings.

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