

Social Media Influence Unleashed: Gen Z's Role in Transforming Vadodara's Small Business Landscape

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Abstract: Social media has become a powerful tool that influences how people, especially younger generations, make buying decisions. Platforms like Instagram, Facebook, and TikTok shape shopping habits, increase brand awareness, create trends, and impact social behavior. Small businesses, which once depended on word-of-mouth and local ads, now see digital marketing as a way to reach more customers.

In India, the availability of affordable internet and smartphones has led to widespread social media use, especially among Gen Z (born between 1997-2012). Vadodara, a growing city in Gujarat, has seen a rise in digital entrepreneurship, with small businesses using social media to connect with customers. Despite this, there is little research on how Gen Z is driving digital change in Vadodara's small business sector.

Problem Statement: Social media has changed how businesses grow, but there is limited research on Gen Z's effect on small businesses in Vadodara. While global studies explore influencer marketing, social media trends, and online engagement, there is little focus on Vadodara's small business landscape. This study will analyze how Gen Z's digital interactions impact small business success in Vadodara.

Keywords: Gen Z, social media marketing, Vadodara, small businesses, influencer marketing, digital engagement, business transformation

INTRODUCTION

The influence of social media on consumer behavior has continued to grow, especially among young consumers. Platforms such as Instagram, Facebook, and TikTok are now part of many consumers' purchasing decisions, brand involvement, and industry trends. Small businesses that have traditionally relied on word-of-mouth and local advertising are now incorporating digital marketing strategies to grow their market reach. So, indeed social media has absolutely shaped and affected consumer behavior, particularly for younger age cohorts. In India, rapid and cheap internet and the advent of smartphone technology have aided the adoption of social media, especially among Gen Z

(born between 1997 and 2012). Additionally, in Vadodara, an emerging urban center in Gujarat, the current wave of digital entrepreneurship is reflected in small businesses leveraging digital and social media to connect with customers. Although Gen Z is an important group in this process and digital transformation, research on Gen Z being a contributor to the "digital transformation" has not been studied in-depth in particular contexts.

PROBLEM STATEMENT

Although, social media is being used increasingly for business growth, there is little research on Gen Z consumer behavior, submerged consumer behavior, and Gen Z's influence on small businesses (particularly in Vadodara). Most studies focus on influencer marketing and consumer engagement through social media on a global scale. However, local research, particularly in the case of small business in Vadodara is severely limited. This research study aims to explore, describe, and analyze the engagement of Gen Z (online) and how it affects small business (performance).

OBJECTIVES

This research intends to:

1. Explore the level of engagement of Gen Z social media users with small businesses in Vadodara.
2. Evaluate the influence of influencers on the consumer decision-making process.
3. Determine social media tactics that generate visibility and revenue for businesses.
4. Understand the statistical relationship between digital engagement with businesses and their performance.

HYPOTHESIS

H1: The social media usage of Gen Z has an effect, through their online engagement, on the growth of small businesses in Vadodara.

H0: There is no significant direct link between Gen Z's online engagement and the performance of a small business.

LITERATURE REVIEW

1 Generation Z and Digital Engagement

Generation Z, termed as digital natives, refers to individuals born after the commercial adoption of the Internet (PriPara's et al., 2017; Turner, 2015). Due to their constant exposure to digital screen time, Gen Z bases their hyper-connected lifestyle around their engagement with brands and businesses through social media (Francis & Hoefel, 2018).

2 Social Media's Role in Marketing

Social media has become a vital component of marketing in today's society. Companies are now able to alter and share product-related content (Kitchen & Proctor, 2015). The creation of content can increase awareness of a brand and have a word-of-mouth impact to generate sales (Husain & Ghufra, 2016).

3 Brand Loyalty by Way of Social Media Marketing

Social Media marketing can create effective brand loyalty for businesses by strengthening the relationship with customers and creating better goodwill (Ismail, 2017). When a business fosters engagement, the result is consumer trust and loyalty, which leads to better retention rates.

4 Social Media as a Promotional Tool

Social Media has developed into a promotional avenue for companies' advertising, sales, and public relations (Deshmukh, 2013). Companies must develop management strategies that contain digital campaigns, so they are promoting both a higher level of engagement and customer interaction.

5 The Role of Social Media in Developing Customer Loyalty

The role of social media in building brand performance and customer loyalty is widely acknowledged (Rapp & Beitelspacher, 2013). Because of how much young consumers may view their feelings of attachment toward brands in directing their intentions to purchase (Das & Mandal, 2016).

6 Business Strategies Dominantly in Social Media Marketing

Businesses use active and passive strategies in relation to social media approaches to reach

consumers. Active strategies generate customer contact, whereas in passive strategies consumers develop the content of their own brand's perception (Constantinides, 2014). Companies that allocate budgets to digital platforms often note greater profitability (Wiesel et al. 2018).

7 The Impact of User-Generated Content

User-generated content has a significant influence on repeat purchase behaviour (Lin, 2018). And, social media increased customer engagement promotes increased buying intentions (Hussein & Hassan, 2017).

8 Customer Engagement in Social Media and its Impact on a Business' Growth

Businesses that employ interactive elements in social media (games, apps, reviews) often create enhanced customer engagement (Freeman et al. 2014); in contrast, companies come to a halt if there is lackluster or boring content (Krishnan, 2014).

9 Distinctions in a Marketing Approach in Social Media

Companies are known to engage in one-way (defensive) and two-way (exploratory) forms of interaction to market their product (Felix, Rauschnabel, & Hinsch, 2016). Learning how consumers use social media in their lives can help business learn how to develop their service for community connections over time (Fietkiewicz, 2016).

10 The Role of Social Media in Customer Retention

Both outbound and inbound marketing capabilities are enabled via social media and improve satisfaction with customers (Milewicz & Saxby, 2013). Customers who engage with social media act as ambassadors for brands and can help influence friend's purchasing decisions (Whiting, 2016).

11 Advertising Targeting Behaviour

Social media can give targeted advertising based on consumer data, targeting specific users based on consumption (Duffett, 2015). Customers create and disseminate advertisement content, which leads to additional brand exposure (Fisher, 2014).

12 Corporate Social Responsibility on Social Media

Organizations frequently use social media for their Corporate Social Responsibility programs and leverage this usage to associate themselves with

community action and to help define an ethical company persona (Huhmann & Limbu, 2016).

13 Generational Influence on Media Behavior

Customer behaviour is influenced with respect to generational development stages, where evidence suggests that Gen Z will respond more positively to the nature of the digital medium in marketing communications (Williams et al., 2010). Boredom on social media can be detrimental to ad acceptance, as it is crucial for marketers to tailor content to specific age-appropriate appropriate development stage (Singh, 2016).

14 Smart Retailing and Gen Z Experience

Gen Z consumers prefer shopping experiences that are automated, fast and technologically driven (Priporas, Stylos, & Fotiadis, 2017). To accommodate changing consumer experience, businesses must embrace smart retailing.

15 The Essential Role of Social Media for Organizational Success

Social media is vital to organizational success, but businesses must-follow six guiding principles of collaboration to maximize the potential for success (Bradley, 2009.) Applications such as Facebook and Instagram allow users to engage content structures in their relevant news feeds with-news, entertainment and commercial-use content (Turow, 2011)

RESEARCH METHODOLOGY

Data Collection Approach

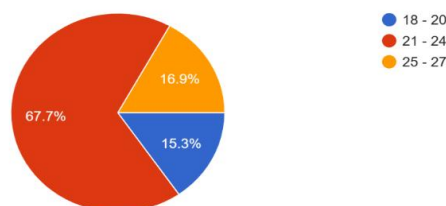
This research studies both primary and secondary data to analyze the influence of social media marketing on small food enterprises in Vadodara.

Primary Data:

1. Surveys and questionnaire – Study the small business owners (food vendors, cafés) Gen Z

QUESTIONS AND INTERPRATATION:

What is your age group?
124 responses



consumers (age 18-27) and social media influencers regarding digital marketing practices and consumer behaviors.

2. Interviews and focus groups – Interview researchers who own businesses, and conduct focus groups of influencers regarding social media trends.

3. Social Media Analytics – Social engagement metrics in addition to several case studies on viral food trends.

Secondary Data:

Industry reports, peer review, research papers, and government publications regarding digital marketing. Prior case studies and articles about influencer marketing and Gen Z behaviors.

Sampling Method & Sample Size:

The researchers employed a stratified random sampling approach to ensure individuals from all three groups, business owners, influencers, and Gen Z consumers, were represented in the sample.

Overall, the sample categories included small business owners, social media influencers, and Gen Z consumers.

Data Analysis Tips:

Quantitative Analysis: Descriptive statistics, a chi-square test, and a correlation analysis to profile the survey data.

Qualitative Analysis: A thematic content analysis of the interviews and focus groups, as well as a case study assessment.

Scope & Limitations:

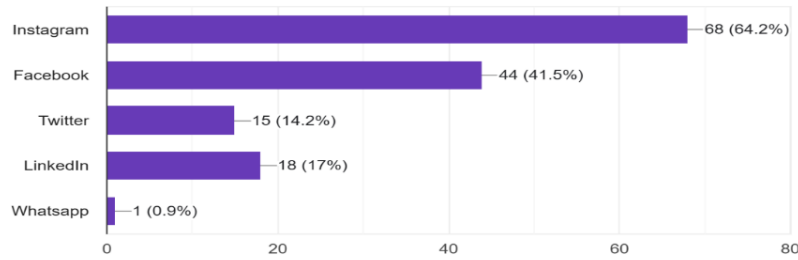
Scope: Research focuses on small food businesses in Vadodara, collaborations with social media influencers, and engaging Gen Z consumers.

Limitations: The research was limited to Vadodara, self-reporting by the respondents may influence findings, and social media platforms can change rapidly.

The pie chart shows the age distribution of 124 respondents. Most (67.7%) are aged 18-20, while

16.9% are 21-24, and 15.3% are 25-27, indicating a younger majority in the study.

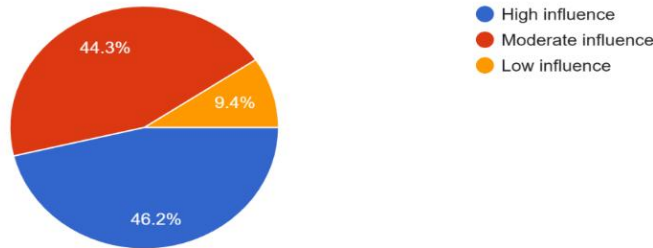
Which social media platforms do you use the most?
106 responses



The bar chart shows social media use among 106 respondents. Instagram is most popular (64.2%, 68 people), followed by Facebook (41.5%, 44 people).

Other platforms include LinkedIn (17%), Twitter (14.2%), and WhatsApp (0.9%), showing varied preferences.

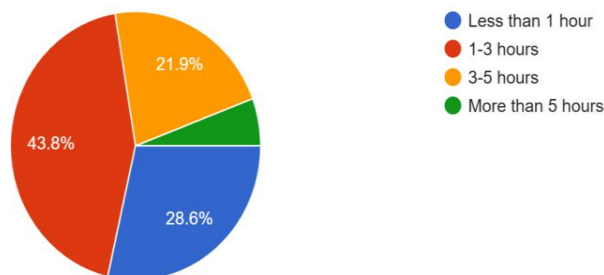
What role do you think Gen Z plays in shaping social media trends?
106 responses



A pie chart shows how 106 people view Gen Z's impact on social media trends. Most (46.2%) say Gen Z has a high influence, 44.3% think it's moderate, and

9.4% believe it's low. This means most respondents see Gen Z as shaping social media trends significantly.

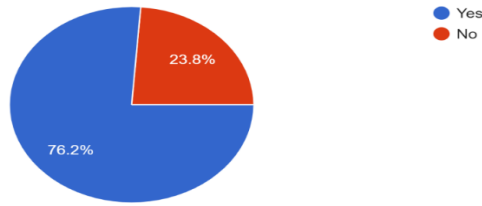
How many hours a day do you spend on social media?
105 responses



A pie chart shows how 105 people use social media daily. Most (43.8%) spend 1-3 hours, 28.6% use it for less than 1 hour, 21.9% spend 3-5 hours, and 5.7%

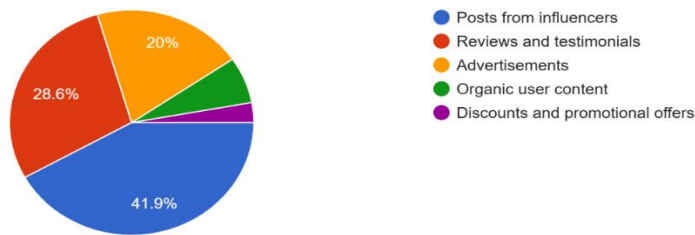
use it for more than 5 hours. This shows that most people use social media for a few hours daily.

Do you follow local businesses in Vadodara on social media?
105 responses



A pie chart shows if 105 people follow local businesses in Vadodara on social media. Most (76.2%) do, while 23.8% don't. This means a large number of people engage with local businesses online.

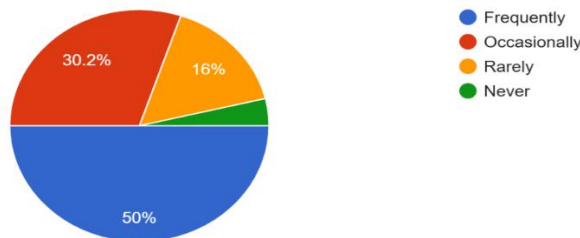
What type of content influences your purchasing decisions?
105 responses



A pie chart shows what influences 105 people's buying decisions. Most (41.9%) are influenced by influencer posts, 28.6% by reviews, 20% by ads,

8.6% by user content, and 1% by discounts. This shows influencer posts and reviews have the biggest impact on purchases.

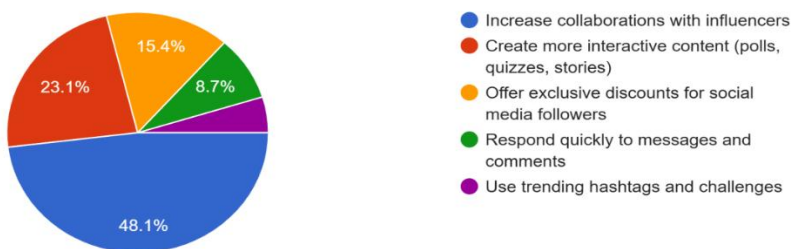
How often do you engage (like, comment, share) with local businesses' content on social media?
106 responses



A pie chart shows how often 106 people interact with local businesses on social media. Half (50%) engage frequently, 30.2% engage sometimes, 16% engage

rarely, and 3.8% never engage. This means most people interact with local businesses online, but some do so less often.

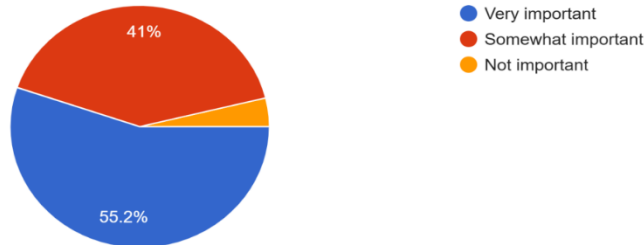
How can small businesses improve their engagement with Gen Z?
104 responses



A pie chart shows how 104 people think small businesses can engage Gen Z. Most (48.1%) suggest working with influencers. Others recommend interactive content (23.1%), exclusive social media

discounts (15.4%), quick responses to messages (8.7%), and using trending hashtags and challenges (4.8%). Influencer collaborations are the top choice.

How important is the presence of a small business on social media when making a purchase decision?
105 responses



A pie chart shows how 105 people feel about a small business's social media presence when buying. Most (55.2%) say it's "very important," 41% think it's

"somewhat important," and 3.8% say it's "not important." This means a strong social media presence helps businesses attract more customers.

Do you believe traditional marketing is less effective than social media marketing for small businesses in Vadodara? Why or why not?
104 responses



A pie chart shows 104 people's views on traditional vs. social media marketing for small businesses in Vadodara. Most (66.3%) say traditional marketing is

less effective, 18.3% believe it still has strong local reach, and 15.4% think both work best together. Social media is seen as the stronger option.

What additional suggestions do you have for small businesses to connect with Gen Z audiences effectively?
102 responses



A survey of 102 people shows ways to connect small businesses with Gen Z. Most (47.1%) suggest using more video content, 24.5% recommend partnering with Gen Z creators, and 16.7% prefer hosting contests. Others suggest focusing on authenticity and real-time engagement to attract Gen Z customers.

RESULTS AND FINDINGS

The Chi-Square test assessing engagement level vs. purchase decisions produced an outcome of 5.83 with a p-value of 0.0543 indicating a weak, borderline

significant relationship between social media activity and purchasing.

The Spearman correlation test, measuring social media hours and engagement level, was not able to be calculated due to insufficient data variation.

The Kruskal-Wallis test, measuring engagement across social media hour groups, was also not able to be calculated, indicating no adequate distribution.

This indicates social media engagement impacts consumer behaviour, but stronger data is required for more statistical validation.

LIMITATIONS

This current study has limitations. First, the study is contextualized on data collection which may not fully encompass the diversity of global e-commerce businesses. Second, the study is contextualized on perception or experiences at a qualitative level of analysis and therefore it is possible for unintentional bias to arise. Third, it does not distinguish industries as the challenges and strategies can vary from one industry to another. Due to this context, we do not deeply assess external measures such as economic measures, regional regulation, or technological advancement. The final and biggest limitation of the study is that we are not considering, or measuring long-term trends. While trends may impact predictions for the future of e-commerce, we simply do not have enough predictive power.

CONCLUSION & SUGGESTIONS

The research illustrates the way Gen Z's obsession with social media activity has altered the Landscape of Street food business in Vadodara by boosting vendor visibility, and participating in purchase decisions. Social media platforms, specifically Instagram, Youtube, and Whatsapp, are critical in engaging a generation participating in food culture trends especially driven by food influencers participating in food culture trends.

However, although engagement on social media platforms might increase visibility, it cannot alone be relied on for subsequent business growth, as therefore taste, hygiene, price and placement remain as key considerations for business viability. There are many street food vendors who are not yet used to working with digital media and social media and rely

on analysts, influencers, or third-party platforms to drive customers to their vendor location. To fully benefit from Social Media as a marketing platform, Vendors should consider focusing on creating engaged video submissions of their food each week, using Whatsapp as a tool to draw comments and note offers of their food product, and will be attentive to responding to consumers directly, and also providing added incentives for consumer engagement.

To promote sustainable success in the Street Food business, either through good digital marketing or social media presence requires a balancing of good quality service and being consistent with both and social media engagement. Thoughtful and responsive marketing and faster providing good food will both help secure online purchase and generate repeat business.

LIMITATIONS OF THE STUDY

The research offered a Gen Z perspective, and there was no tangential input from street food operators and therefore was limited in depicting their perspective on social media and its impact. There is a level of access and reliance on word of mouth used by many vendors in advertising their food or experience and this study cannot account for all perspectives in the researched area. Although some engagement metrics are analysed, the decision was made not to confirm if online interest transitioned to actual purchases. Other offline factors (taste, pricing, cleanliness) contribute to successful business operations, as well. Finally, exploration of seasonal trends, trends for the platform (Instagram), and consideration of depth vs. volume of interest in the operator's engagement can be researched further.

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