

Influence of social networking sites (SNS) on brand loyalty: An analytical study

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Abstract

Ever since the phenomena of brand loyalty are identified, one of the key themes in marketing research is constructing and maintaining brand loyalty. Marketers make use of various innovative strategies to build maintain and strengthen brand loyalty of their customers. The marketing through social networking sites is the latest strategy that they are heavily depending upon. The aim of the current research is to identify impact of marketing through social networking sites on brand loyalty. The scope of the study comprises of customers who follow at least one brand on social networking sites in India with special reference to face book. The data were collected through the administration of a structured questionnaire with a sample of 155 customers of Himalaya herbals and tested via appropriate statistical tools. ANOVA, chi square test Correlation and regression analysis were the statistical tests made use in the study.

The results of the study showed that brand loyalty of the customers is optimistically affected when the brand (1) lets people express their experience (2) responds immediately to their queries (3) offers various interesting useful and enjoyable applications through SNS. (4) offers relevant, popular and interesting content, (5) appears on various platforms (5) does advantageous campaigns. Customers show an intensified tendency to share captivating picture messages, music, funny and motivational audio and visual contents on social media platforms. Based on the results, this study can be considered as a pioneer in this area of marketing since the internet population has an interestingly different kind of composition in India in the last couple of years.

Keywords: ANOVA, social networking, SNS, audio and visual contents

1. Introduction

Having an elevated psychological attachment towards a brand is defined as brand loyalty. Brand loyalty can be conceptualized as the final measurement of consumer brand resonance signifying the consumers final relationship and level of recognition with a brand (Keller, 2008) [14]. It, being the most advantageous phenomena in the point of view of the marketing of a brand, has been studied quite extensively. According to Oliver (1997) [21]; Chaudhuri and Halbrook (2001) [6] and Bennett and Rundle-Thiele (2002) [4] building and maintaining brand loyalty are one of the central themes of research for marketers for a very long time. As the brand acquires exclusive, positive, and deeper impression in the minds of a large number of consumers, they become enticing and unique, and prevail the loyalty of the consumers. In return the brand loyalty reduces the marketing costs considerably, increases the brand revenue and serves as a perfect tool to control competing brands.

To maintain and strengthen the brand loyalty of their customers marketers have made use of different kinds of strategies; including brand essentials, classical marketing combined variables, and new means of marketing such as events, sponsorships, one-to-one marketing actions, online marketing and social media marketing (Keller, 2008; Kotler and Keller, 2007) [14, 16]. This paper focuses on the most recent strategy namely marketing through social networking sites, often referred as social media marketing, used by marketers to construct and maintain brand loyalty. Social media Marketing is defined as the process that allows individuals to endorse their websites, products, or services through online social

channels and spout into a much wider population that may not have been accessible via conventional channels (Weinberg, 2009) [25]. Since the concept of social media marketing gains increasing attention from marketing academia and practitioners (Zarella, 2009; Kaplan and Haenlein, 2010; McKee, 2010; Coon, 2010) [26, 13, 20, 7] this paper tries to identify the effect of social networking sites on brand loyalty of the consumers.

The geographical area of the research is chosen as India. The country has reached a 34.8% Internet penetration rate with more than 462 million people using it (Statisticia, 2016). The country is ranked 2nd among the rest of countries in the world in terms of the Internet usage. Further, according to the average hours of the Internet usage per visitor statistics among the countries throughout the world, India has the 13th place with an average of 2.3 hours per day (2015). In terms of social media usage, it is seen that Face book is the most commonly used social media site in India, followed by whats Aap, Twitter, and YouTube (Statisticia, 2016). Face book exerts a 90% penetration among the Internet users in India, with 142 million active users of which 132 million use it through mobile phone. India has become the world number one user of face book surpassing The USA. Although there are some light changes, social networking sites usage statistics and behaviors in India are very similar to the rest of the countries where social networking sites are keenly used (Bellegem, 2011; Online Marketing Trends, 2012; Social Bakers, 2012) [3, 22]. Given these statistics and information, the choice of region provides a valid platform to study social media and come up with reliable results.

2. Literature Review and Hypothesis Building of the study

The definition for social media can be given as “Activities practices and behaviors among communities of people who assemble online to share information, knowledge, and views using conversational media” (Safko and Brake, 2009, s.6) [23]. Robinson (2007) identifies social media as “the tools employed for communication that have Web 2.0 attributes”, means, they are interactive, collaborative, have knowledge contributing and user-empowering tools available on the Web. Jackson, (2011) [11] and Akhtar, (2011) observes that “As an effective use of time and resources, social media marketing provides an improvised communication platform for companies with the consumers to raise brand loyalty beyond conventional methods. Jackson, (2011) [11] also observes that at least half of Twitter and Face book users say they have become more likely to talk about, recommend or purchase a company's products after they initiate to be engaged with the company on social media. Zarella, (2010) [26]; Kaplan and Haenlein, (2009) [13] and Weinberg, (2009) [25] identifies the potentialities of SNS marketing as ‘the companies can promote products and services, provide instantaneous assists, and/or construct an online population of brand enthusiasts through all sorts of social media such as social networking sites, content communities, blogs, micro blogging sites, online gaming sites, social bookmarking, media sites, forums and more. Moreover, social networking sites help the consumers to disseminate information with their friends about the product and service brands (Stileman, 2009; Mangold and Foulds, 2009) [19]. These exchanges between the like minds endow the firms with another cost effective means to intensify brand awareness, boost brand recognition, and strengthen brand loyalty (Gunelius, 2011) [10]. Hence, it can very well be identified that social networking sites provides companies plenty of opportunity to build brand loyalty through networking, conversation, and community building (McKee, 2010) [20].

There is a highly striking difference in the marketing through social networking sites compared to traditional marketing methods; hence, it demands keen attention and specific strategies to achieve brand loyalty. Social media marketing is related to relationship marketing where the companies need to shift from “trying to sell” to “making connections” with the customers (Gordhamer, 2009). Companies also need to keep away from “big campaigns” and depend on “small acts” since small campaigns can easily get companies in touch with lots of people and achieve the objectives in a very little period of time (Coon, 2010) [7]. Social networking marketing is also more genuine in its communication with the consumers; it always endeavors to show what the brand is rather than trying to control its image. Furthermore, today's customers are busier and powerful hence the companies should be reachable and available in every social networking site at any time (Gordhamer, 2009).

It needs highly innovative and stunningly solid strategy to stay competitive in today's rapidly moving business arena. Coon observes that Content and characteristics of the offers and activities by companies in social networking sites are designed and executed by highly competent social media experts and consultants so that brand wins the hearts and minds of the consumers and brand loyalty is followed. Within this perspective, the aim of this paper is to study the consumer perspective on the effects of social networking sites on brand

loyalty. Researches has shown that consumers go to social networking sites to keep up with a brand's products and promotional campaigns (Mangold and Foulds, 2009; Leggat, 2010) [19, 18]. For example, Himalaya Herbals launched summer campaigns in its face book page by inviting pictures of 'spending beautiful summer' from the female consumers. They also shared the tips for killing the summer and protecting the body. Additionally consumers prefer to see updated content on social media. This has resulted in changing of the algorithm of their search system by Google in order to enable customers to see the updated content first (Freidman, 2011) [8]. Since the internet is flooded with innumerable brand messages, the customer omit the content that is not relevant to them (Brito, 2011) [5]. Therefore, the firms has to be careful in providing relevant and updated content to manage a brand on social networking sites successfully. Since the number of social networking sites platforms is very large and it is impossible to involve in all of them, marketers should analyze carefully their target audience and choose the most effectual platforms to converse with them. In addition, providing mobile applications also allow customers to engage with the brand every day and craft brand loyalty (Kim and Adler, 2011) [15].

Thus, the following hypotheses are formulated

H1: Brand trust developed through social media marketing activities has a negative influence on brand loyalty.

H2: Brand attachment developed through social media marketing activities has a negative influence on brand loyalty.

H3: Customer satisfaction of social media marketing activities has a negative influence on brand loyalty.

H4: Brand image developed through social media marketing activities has a negative influence on brand loyalty

3. Data Collection and Methodology

A sample of 155 people who were social networking sites users, and followed at least a brand on social media platforms was used to collect Data through the administration of a structured questionnaire. Two filter questions were applied to make sure that the respondents are competent to be incorporated in the research. One question inquired whether the respondent used to engage in social networking sites more than once in a week. Another question inquired whether the respondent followed at least one brand on social networking sites. If the response to both of the questions were affirmative, then the respondent was included in the research. The sample consisted of 31.6 % male and 68.4% female. The average age of the sample was 26. About 44.6% of them had undergraduate or graduate level of education 41.3% were still students.

The questionnaire was designed to evaluate brand loyalty and motives to pursue brands on social media. The component under brand loyalty measure included intention to intermingle more with the brand, aims to increase sales from the brand, trust towards the brand, plans to get interactive with other brands through social networking sites, and tendency to suggest the brand to friends. The questions to determine motives to engage brands on social networking sites were designed from the literature review (Mangold and Foulds; Leggat, 2010; Freidman, 2011; Brito, 2011; Kim and Adler, 2011) [19, 18, 8, 5, 15]. The questions comprises of beneficial promotions, significance of the content, regular revision of the contents, popularity of the content among other customers, colleagues and friends, and variety of platforms and

applications provided on social networking sites. In addition, the content categories scale was shaped based on the I Media Report (Smith, 2009) [24].

4. Major Findings of the study

The hypothesized relationships were tested using ANOVA, Independent sample test, chi square test Correlation and

regression analysis. The zero-order correlations between the research variables were examined to comprehend the relationships between them. Taking into consideration that brand loyalty, beneficial campaigns, and relevancy of the content had the highest the correlations with themselves in respective order. The results are displayed in the following tables.

Prediction table of independent variables and attitudinal loyalty

Coefficients					
Model	Unstandardized coefficients		Standardized coefficients	t	Sig.
	B	Std. Error	Beta		
Constant	-.236	.246		-.956	.340
Trust	.347	.116	.278	2.992	.003
Attachment	.000	.151	.000	.003	.998
Satisfaction	.236	.171	.173	1.383	.169
Image	.533	.152	.403	3.510	.001
R	0.806				
R ²	0.649				
Dependent variable: attitudinal loyalty					

Source: primary data

The dependent variable is the attitudinal loyalty. It can be estimated with regression equation with independent variables brand image, satisfaction, attachment, and trust. The standardized coefficient illustrates the involvement of each variable towards the attitudinal loyalty.

The regression equation is

$$Y = -0.236 + 0.347X_1 + 0.000X_2 + 0.236X_3 + 0.533X_4$$

Where Y stands for the dependent variable attitudinal loyalty. X₁, X₂, X₃, X₄ are the independent variables representing brand trust, attachment, satisfaction and image respectively. Since the significance value are less than 0.05 its statistically significant.

Prediction table of independent variables and behavioral loyalty

Coefficients					
Model	Unstandardized coefficients		Standardized coefficients	t	Sig.
	B	Std. Error	Beta		
Constant	-.003	.249		-.013	.990
Trust	.400	.117	.331	3.412	.001
Attachment	-.035	.153	-.028	-.231	.817
Satisfaction	.394	.172	.300	2.290	.023
Image	.300	.153	.234	1.954	.053
R	0.786				
R ²	0.617				
Dependent variable: behavioral loyalty					

The dependent variable is the behavioral loyalty. It can be estimated with regression equation with independent variables brand image, satisfaction, attachment, and trust. The standardized coefficient illustrates the involvement of each variable towards the attitudinal loyalty.

The regression equation is

$$Y = -0.003 + 0.400X_1 - 0.035X_2 + 0.394X_3 + 0.300X_4$$

Where Y is the dependent variable behavioral loyalty. X₁, X₂, X₃, X₄ are independent variables namely brand trust, attachment, satisfaction and image respectively. Since the significance value are less than 0.05 it's statistically significant.

5. Conclusion of the study

The aim of this study was to understand the impact of marketing through social networking sites on brand loyalty creation and strengthening from the perspective of the consumers. Since SNS marketing can be defined as a new, but quickly rising stage for constructing relationships with

customers and forming positive image of the brands in them the study has come up with some results which is of high use both in literature and in practice. Since the social networking sites are immensely explored, digged up, and utilized by the companies the research was timely and needed.

The results of this study shows that beneficial promotions on social networking sites are the most noteworthy drives of brand loyalty followed by significance of the content, popularity of the content among friends, and appearing on different social networking arena and providing online and or offline applications. To have effective social media campaigns companies should take into consideration the benefits, values, and advantages they offer to the consumers that makes the consumers more probable to turn out to be loyal to their brands. Consumers' brand loyalty is also affected by the different platforms and applications that are offered by the brand on social media. The companies may work on creating more appealing, participative, exhilarating applications, games and various audio visual contents to capture the interest of the

customer. Brands and campaigns around brands should be entertaining, fun filled, and innovative. Information and instructional manuals about the brands may also be endowed with on social media since information sharing is also a chief driver of engagement.

Secondly, the immediate, apt and courteous responses play an important role in creating brand loyalty. People are following a fast moving life style and they expects fast and relevant actions to their queries and needs. Hence the companies who wish to have fruitful online marketing activities need to design their SNS activities in such a way that the user has their needs answered in as little time as possible. They may conduct qualitative research or observations to realize the way of life of their customers and convey this knowledge on social media platforms. Another important area is the perfection in user interface. The SNS sites should be engineered in such a way that they can easily navigate through it. Finally, the popularity of the content among friends also increases brand loyalty of the consumers. Impact of word-of-mouth in marketing is inevitable especially in online environments (Gruen *et al.*, 2006). Therefore, companies can offer incentive to the social media users to spread the word about their presence, campaigns, and content on social networking sites with the peers.

This is a preliminary work on the effect of marketing through social networking sites on brand loyalty. Researchers can conduct further research to explore the effects of different types of SNS marketing campaigns on brand awareness, image, and loyalty as well as the influence of word-of-mouth on social networking site marketing. In addition, SNS is a very dynamic and rapidly transforming platform. Therefore, the effectiveness of every new development on social networking sites must be researched and measured to find out and apply ultimate marketing strategies. Since a lot of breath taking technological advances, which has immense potential to change the way of business and characteristics of the SNS platforms, is on its way; both practitioners and theoreticians may apply studies to understand the possible effects of artificial intelligence, wireless communications, cloud computing, online identities and the true convergence of web, mobile gadgets and other gear son brand loyalty. As a final point, since the simple mobile phones have transformed into highly sophisticated smart phones which can handle every possible activities of a personal computer, recently powered by the widely growing popularity of mobile apps, the companies have to study and develop the use of smart phone in marketing through SNS.

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