

Social Media in Reference to Automobile Sector

Aparna Bhargava

Reserarch Scholar, Department of Commerce, D. N. College, Meerut

Dr. Sudhir Kumar

Associate Professor, Faculty of Commerce & Business Administration, D. N. College, Meerut

Abstract

Indian market is one of the largest markets of cars. The rising income levels of an individual especially middle class family has lift up their standards of living and has diverted their purchases towards commodities which can make their lives more comfortable. This has given a tremendous encouragement in the growth of automobile sector in India.

With the growing vast popularity of the social media, from the manufacturers to the dealers, the entire automobile industry is embracing towards the social media for its promotions.

This paper is an attempt to study the growing popularity of social media and its impact on the audience and hence the automobile sector must take advantage of this medium in order to gain publicity.

Keywords : Social media, automobile industry, promotions.

1. INTRODUCTION

Earlier industries and organizations use to spend a good amount of money as much as even 50 to 60 percent of their profits in promoting their products and services through hoardings, television advertisements, newspapers & magazines and even large sum of money on getting their products endorsed by popular celebrities. These methods of promotions were not only expensive, but involved a lot of time too.

The release of social media sites gave opportunities to all the organizations to promote them at a very large scale without pertaining much of cost. Social media is a platform that connects consumers directly with the organization and this is the reason now every company is available on social media. Social media is that marketing wave which is gaining huge popularity and is being admired by all. Being a globally used platform the connectivity is very strong and people

round the globe can easily reach and stay in touch with each other.

This is one network which is being used worldwide to connect with friends and known ones and can establish a social relationship and can even get answers and solutions for their queries. Thus each and every company must take best advantage of this channel and should try to connect as much as possible to promote their goods and services.

Social media is creating buzz in the field of marketing. It is a fusion of technology and social interaction that creates a social relationship between two parties by sharing of thoughts, ideas, images, videos, audios and pictures. Michelle Chmielewski says -'Social media is not about what each one of us does or says, but about what we do and say together, worldwide, to communicate in all directions at any time, by any possible (digital) means'.

Social media are works of user-created video, audio, text or multimedia that are published and shared in a social environment, such as a blog, wiki or video hosting site." —Caplanou

"An umbrella term that defines the various activities that integrate technology, social interaction, and the construction of words and pictures." —Anvil Media

It is a tool of persuasion which acts as a bridge between the company and the customer where the company by the help of blogs, wikis, podcast, mini blogs etc communicates with the customers and establishes a long term relationship with them. The internet never sleeps and so is the non stopping social media. Despite of the age, male or female consumers are generating a 24/7/365 relation.

According to a recent statistics of January 2016, Facebook is the first social network to surpass 1 billion registered accounts and currently sits at 1.55 billion monthly active users. Audi Cars stands in the 1st position at Facebook whereas Volkswagen is leading at Twitter. Ford has maximum number of fans at Facebook and in the race of generating maximum user; Audi and Mercedes are at the top.

Examples of Social Media marketing in context to automobile sector : Porsche used the concept of "social media-loving car" as a Facebook page to attract customers towards it. Porsche used the Facebook edition page for its 911 GT3 R hybrid race car and gained one million fans on Facebook which happened to be the fastest number in the history of automotive. The car is blue and white in colour having millions of tiny words printed in black colour on the entire body of the car, which are the names of all those fans who pressed the "like" button on the Porsche Facebook page.

Ford Motor Company on the other hand gained tremendous popularity on the social media on the launch of the redesigned Fiesta in the year 2009. Ford Motors made a "Fiesta Movement" campaign where they organised a contest and select 100 drivers to drive Fiesta for one complete year. They asked the drivers to drive the car and share their experience in

the form of stories and pictures and live videos on twitter and Facebook. The concept brought huge popularity and pulled such a vast number of clients for Fiesta that the company revamped and re-launched Fiesta again in the year 2014.

According to the AdAge report, the GM has almost shifted its 25% of the total marketing towards the social media from the past three years and is gaining outstanding response.

However it is sad to find that apart from few big producers, others still finds the medium risky and do not trust a lot. They are still missing sales opportunities and are not gaining business leads through social media. They still want to stick to the old stereo type advertising modes and hence are not allowing their potential customers to draw conclusions and give inputs & suggestions about their brands.

The automakers looking for opportunities in the market should reduce their TV & newspaper spend and should step up towards the social channels to introduce their products, its features, the brand name and the model where they can give the opportunity to the audience to communicate and share their feelings and thoughts. And latter can follow up with the aggressive social media and Internet advertising programs which are more customer oriented, targeted and cost effective too.

2. RESEARCH METHODOLOGY

Research Methodology is thus a manner of solving a problem systematically by conducting an in-depth research in a scientific manner. Here the researcher tries to find out solutions of a given problem by undergoing various numbers of steps along with a set of logics and hypothesis designed with great care.

3. STATEMENT OF THE PROBLEM

Social media is growing day by day but is used as a platform to socialise with friends, relatives and known ones. It is high time for the automobile sector to understand its importance and use this platform at a large scale to promote their brand. To achieve the goals of marketing the sector should be very clear with what their customers think about this media and how much are they aware about it.

4. OBJECTIVES OF THE STUDY

The objective of the study is stated as under:

1. To understand the concept of the term social media and social media advertisements.
2. To study the growing popularity of automobile sector in India.
3. To study the various strategies adopted by automobile companies to promote their products.
4. To study the effectiveness of the advertisements in the automobile sector through social media.
5. To study the response of consumers and general public towards the marketing strategies adopted by the automobile companies through social media.

5. HYPOTHESIS

- H1: Customers are aware of the various brands in automobile sector.
- H2: Each customer has a direct access to social media channels.
- H3: The prospective customers are well aware of social networking sites such as Facebook, Watsapp, Youtube etc.
- H4: Different age groups have different views about social media and their purpose of use also varies.

6. RESEARCH DESIGN

Based on the survey conducted for this research, the research design will be descriptive in nature and also fits in both the qualitative as well as the quantitative research in a perfect manner.

7. SOURCE OF DATA

The primary data was collected by the help of a well designed and well structured self constructed questionnaire. Utmost care was taken while designing and sequencing the questionnaire which was distributed to the population physically in personal and they were requested to fill it up on the spot.

The secondary data was collected from a

number of journals, research papers and the number of blogs and articles available on the internet.

8. SAMPLING

The period chosen for the research was the first week of September 2016 to third week of September 2016.

The location selected for the research was Noida, Uttar Pradesh.

A total number of 150 questionnaires were distributed to the customers on random basis out of which 7 questionnaires were incomplete and 9 were found to be irrelevant/biased/reluctantly filled by the customers. Therefore the research was conducted on 134 questionnaires returned back by the customers.

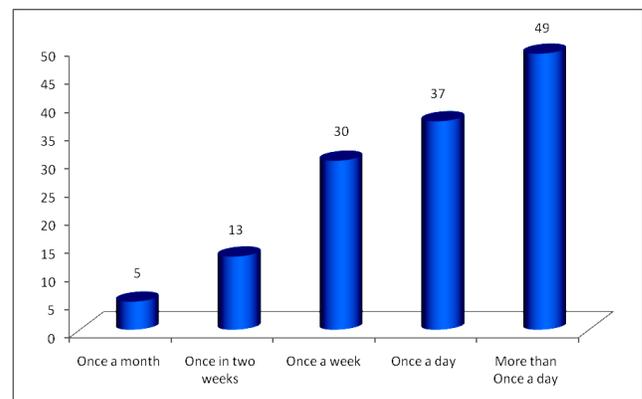
9. DATA HANDLING & ANALYSIS

The collected date was further decoded and analysed, relevant data was kept and rest was saved for future study. To give a more clear and precise understanding, tables and graphs were used.

10. INTERPRETATION OF DATA

1. How often do you use social media?
 - (a) Once a month
 - (b) Once in two weeks
 - (c) Once a week
 - (d) Once a day
 - (e) More than Once a day

Graph 1



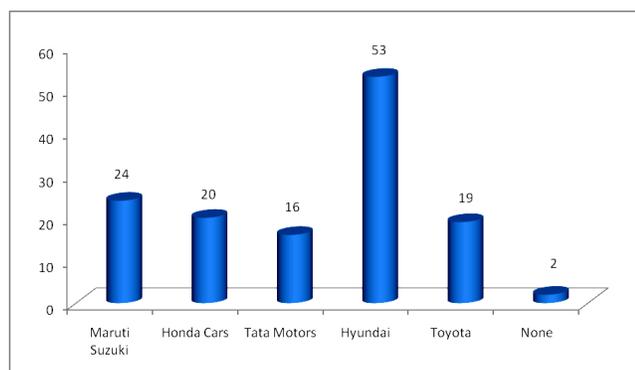
It is quite visible from the above table that maximum numbers of customers is constant users of

Social Media and are using it more than once in a day. The social media is quite popular among them and is used at a large scale. Only 3.73% of the total surveyed population said that they use it once in a month.

9.70% of the total surveyed population agreed with the fact that they use social media once in two weeks, 22.38% said they use it once in a week, 27.61% said they use it once in a day, whereas 36.56% accepted the fact that they are regular users of social media and use it more than once in a day.

2. Which brand in automobile sector have you observed most on the social media?
- (a) Maruti Suzuki
 - (b) Honda Cars
 - (c) Tata Motors
 - (d) Hyundai
 - (e) Toyota
 - (f) None

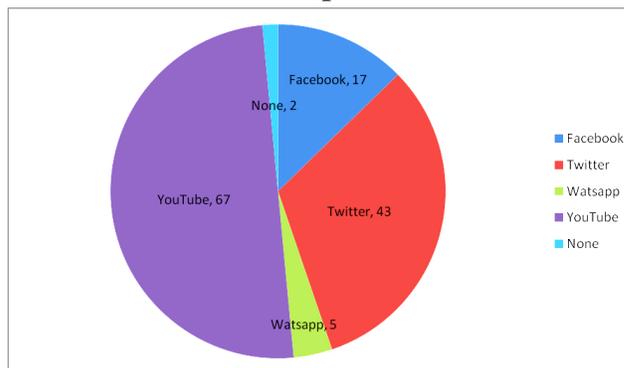
Graph 2



11.94% of the customers claimed that it is Tata Motors having least presence on social media, in comparison to other automobile sector. It can be clearly seen from the table that it is Hyundai (39.55%) according to the customers who is having the highest presence on the social media, followed by Maruti Suzuki (17.91%), Honda Cars (14.9%), Toyota (14.18%) and last the Tata Motors.

3. On Which social networking site do you find promotions the most?
- (a) Facebook
 - (b) Twitter
 - (c) Watsapp
 - (d) YouTube
 - (f) None

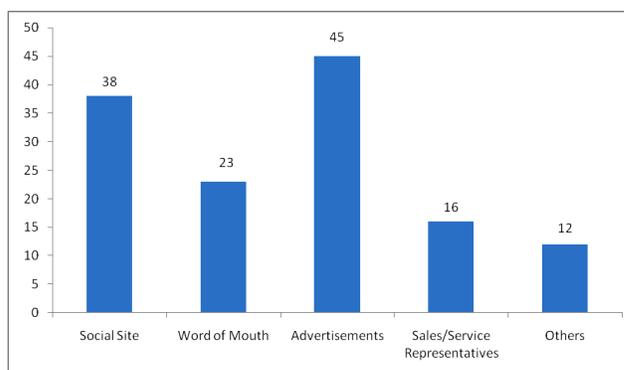
Graph 3



When asked this question maximum claimed that it is the YouTube (50%) which is having maximum coverage as it is an audio-video mode and is having widest coverage. On the other hand only 3.73% claimed the same for watsapp, having the least coverage for social advertisements.

4. What factors influenced you to buy the product?
- (a) Social Site
 - (b) Word of mouth
 - (c) Advertisements
 - (d) Sales/Service representatives
 - (f) Others

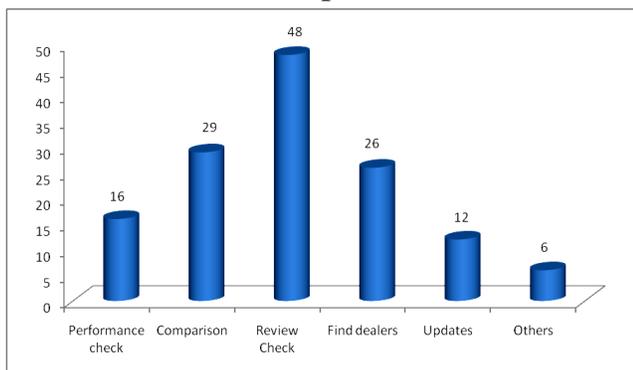
Graph 4



Maximum of the total population i.e. 33.58% said that it were the advertisements that influenced them to buy the product. At the second position came the social sites, a total of 28.35% agreed for it. 17.16% said word of mouth, 11.94% said sales and service representatives and 8.95% said that it were some other reasons which influenced them to buy the product.

5. What is the best part you find in promotions through social media?
- (a) To check the performance
 - (b) To compare
 - (c) To check reviews and feedbacks
 - (d) To find dealers
 - (e) To know the latest updates and features
 - (f) Others

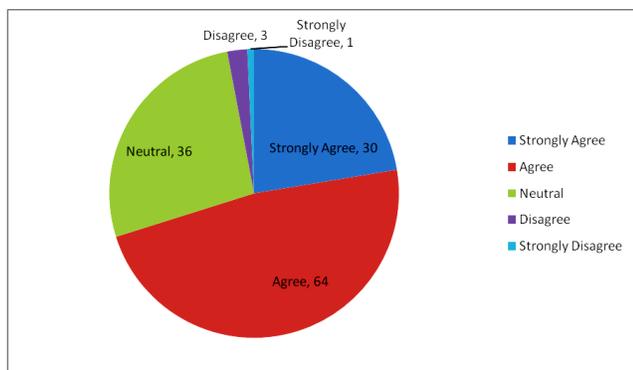
Graph 5



Based on survey, it can be observed that 11.94% said it is the performance check, 21.64% said it is the comparison, 35.82% it is review check, 19.40% said to find the dealers, 8.95% said to know the updates, 4.47% said there are other reasons which they found to be the best part in promotions through social media

6. Should Automobile sector use social media as a promotion tool for advertising?
- (a) Strongly Agree
 - (b) Agree
 - (c) Neutral
 - (d) Disagree
 - (e) Strongly Disagree

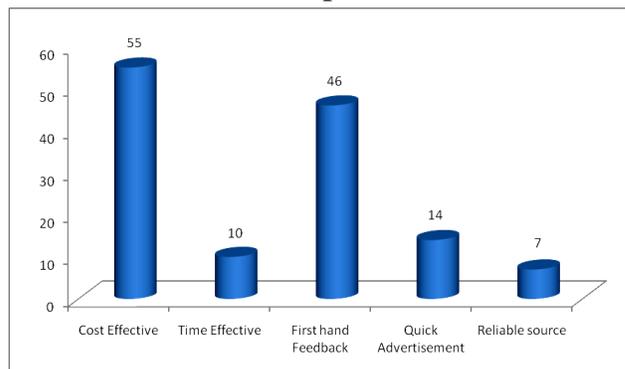
Graph 6



47.76% of the total surveyed population agreed that the automobile companies should use the social media as a promotional tool. Only 0.75% strongly disagreed and 2.23% disagreed for the promotions, rest were 26.86% neutral and 22.38% totally agreed with this.

7. Why should the industry use the social media?
- (a) Cost Effective
 - (b) Time effective
 - (c) First hand feedback
 - (d) quickest mode of advertisements
 - (e) reliable source

Graph 7

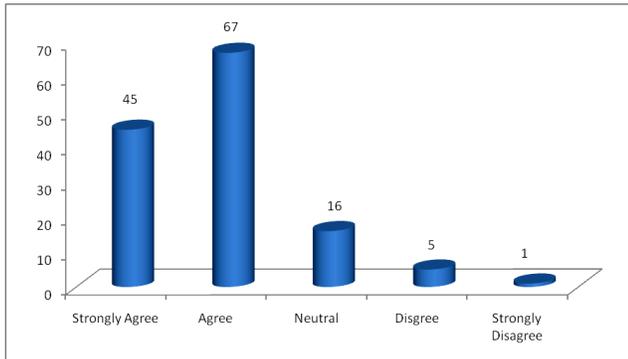


On asking this question, maximum percentage of people, i.e. 41.04% said that by advertising the brands through social media, the overall cost of the company can be saved whereas, 7.46% said that this will save the valuable time of the company, 34.32% said that these promotions helps the company to share their first hand information with the public, 10.44% said that it is the fastest mode of advertisements as the promotions are very quick with quick response, whereas 5.22% said that the information provide on this platform is very reliable.

8. Does companies using more social media are more liked & trusted by the customers?
- (a) Strongly Agree
 - (b) Agree
 - (c) Neutral
 - (d) Disagree
 - (e) Strongly Disagree

When surveyed, 50% & 33.58% said that they agree and strongly agree with the fact that the companies using social media are more liked and

Graph 8



trusted by the customers, whereas 11,94% are neutral with this whereas 3.73% and 0.75% disagree and strongly disagree with this.

11. CONCLUSION

The survey showed a very impressive result and it can be concluded that with change in technology, the social media and its presence is getting popular worldwide. Right from brand awareness, to the training

outlets and finally to the customer interaction, each buyer is special and has their own digital footprints.

To succeed in the market, automakers need to approach the audience directly and have a holistic approach to sell their product to the buyers of the next generation. Social media is one of the most important tools of promotion and should be maximum used not by the automobile sector but by other industries too.

12. LIMITATIONS

One of the biggest limitations of this research is the time constrain. Since the subject is related to social media and its advertising, it is a macro concept which requires lot of time and research, due to limitation of time I had to limit my study up to Noida city only. Moreover while conducting the survey it was observed that some respondents were either bias or too reluctant to fill up the questionnaire, which became a hurdle in the research.

○

REFERENCES

1. Published by Canadian Center of Science and Education The Effects of Social Media Marketing on Online Consumer Behavior, research Paper.
2. Hagel, J., & Armstrong, A. G. (1997). Net gain: Expanding markets through virtual communities.
3. Trusov, M., Bucklin, R. E., & Pauwels, K. (2009). Effects of Word-of-Mouth Versus Traditional Marketing.
4. Ebay Motor Research.
5. <http://www.convinceandconvert.com/digital-marketing/automakers-increase-internet-ads-why-it-will-work/>
6. <http://www.dreamgrow.com/-automotive-digital-advertising-campaigns>.
7. http://www.cpi.edu.in/wp-content/uploads/2014/07/PS_AG_Role-of-social-media-marketing-in-automobile-sector.pdf
8. <http://research.ijcaonline.org/volume97/number6/pxc3897219.pdf>