

SOCIAL MEDIA AND BRAND LOYALTY

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Abstract

Building and maintaining brand loyalty are one of the central themes of research for marketers for a very long time. Marketers have utilized various means to maintain the brand loyalty of their customers. One of the recent means is the social media marketing. The aim of this study is to identify the effect of social media marketing on brand loyalty of the consumers, given that the concept is receiving increasing attention from marketing academia and practitioners. The following study investigates how to use social media to increase consumer loyalty to a brand. With the increasing trend in the utilization of social media practices in the fields of public relations and marketing, it is becoming significantly important to understand how to effectively reach and communicate with consumers through this medium. This study focuses on the necessary tools, tactics, and strategies that should be utilized through social media in order to increase consumer loyalty.

Keywords: Brand community; social media; brand loyalty; value creation practices; community markers; brand trust.

Introduction

Building and maintaining brand loyalty are one of the central themes of research for marketers for a very long time (i.e., Oliver, 1997; Chaudhuri and Halbrook, 2001; Bennett and Rundle-Thiele, 2002). Brand loyalty can be conceptualized as the final dimension of consumer brand resonance symbolizing the with a brand (Keller, 2008). As brands gain exclusive, positive, and prominent meaning in the minds of a large number of consumers, they become irresistible and irreplaceable, and win the loyalty of the consumers. Brand loyalty, in return, brings sales Revenues, market share, profitability to the firms, and help them grow or at least maintain themselves in the marketplace (Keller, 2008; Aaker, 1991, Kapferer, 1997). Marketers have utilized various means to maintain the brand loyalty of their customers, including brand elements, classical marketing mix variables, and new methods of marketing such as events, sponsorships, one-to-one marketing activities, Internet marketing and social media marketing (Keller, 2008; Kotler and Keller, 2007). The aim of this paper is to focus on the latter mean of building brand loyalty, social media marketing, defined as the process that empowers individuals to promote their websites, products, or services through online social channels and tap into a much larger community that may not have been available via traditional channels (Weinberg, 2009, p:3). More specifically, the paper tries to identify the effect of social media marketing on brand loyalty of the consumers, given that the concept is receiving increasing attention from marketing academia and practitioners (Zarella, 2010; Kaplan and Haenlein, 2009; McKee, 2010; Coon, 2010) .

This study focuses on how current public relations and marketing strategies incorporate various aspects of social media to positively affect consumer loyalty to a brand. Within the past few years, social media has become an increasingly popular medium for brand and consumer engagement. "The interactive nature of social media (its ability to establish conversations among individuals, firms in communities of sellers and customers, and involve customers in content generation and value creation) has excited practitioners with its potential to better serve customers and satisfy their needs". For years, public relations and marketing professionals have used different mediums to provide customer service and promote products. Social media has fostered the growth of trusting relationships between consumer and brand, making it an increasingly important medium to utilize in order to maximize brand loyalty.

Background of the Problem

The existing literature regarding social media is fairly recent and mainly focuses on the opportunities and benefits of engagement between the consumer and the brand. By understanding and utilizing social media marketing, knowing the expectations of social media consumers, and creating trusting relationships with those consumers, social media can be applied to any local business or large corporation to increase consumer loyalty. Social media has allowed customers to talk about what they want, need, like, and do not like in real time, creating an opportunity for businesses to tap into this data and connect on a personal level. Since social media is being utilized at an increasingly rapid pace by consumers, it is imperative to conduct research on the current strategies used by professionals in marketing and public relations by collecting expert opinions on the topic of social media marketing.

Literature Review

Safko and Brake (2009, s.6) define social media as activities, practices and behavior among communities of people who gather online to share information, knowledge, and opinions using conversational media. According to Robinson (2007) social media are the tools used for communication. That have Web 2.0 attributes that is, they are participatory, collaborative, have knowledge sharing and user-empowering tools available on the Web. As an effective use of time and resources, social media marketing give companies better communication grounds with the consumers to build brand loyalty beyond traditional methods (Jackson, 2011; Akhtar, 2011). A study by Info-graphics puts forward that at least half of Twitter and Facebook users say they have become more likely to talk about, recommend or purchase a company's products after they began engaged with the company on social media (Jackson, 2011). Businesses can promote products and services, provide instant support, and/or create an online community of brand enthusiasts through all forms of social media such as social networking sites, content communities, virtual worlds, blogs, microblogging sites, online gaming sites, social bookmarking, news sites, forums and more (Zarella, 2010; Kaplan and Haenlein, 2009; Weinberg, 2009). Additionally, social media enables consumers to share information with their peers about the product and service brands (Stileman, 2009; Mangold and Foulds, 2009). These conversations between the peers provide companies another cost effective way to increase brand awareness, boost brand recognition and recall, and increase brand loyalty (Gunelius, 2011).

Thus, it can be said that social media helps firms to build brand loyalty through networking, conversation, and community building (McKee, 2010). According to Greenberg (2010) social consumers "expect information to be available to them on demand and at the same time have the tools and the desire to share and socialize that information with their trusted peers - whether they actually know them or not" (p. 411). Social consumers require transparency and authenticity from their peers and the companies they choose to deal with (Greenberg, 2010, p. 411). Khan and Khan (2012) state that the social media demographic consists of "your customers, your friends, your family, your workers, your constituents, your shareholders, and, like it or not, you" (p. 4). Social consumers feel compelled to share information with peers they might never have met, but who are "someone like them" (Greenberg, 2010, p. 412).

Understanding social media and consumer relationships with it, allows companies to successfully fill a customer service void ("Customer Relationship Management," 2012, p. 29). According to Handley (2012) "for a branded product people expect response for online posted complaints and positive feedbacks" (p. 22). Roger Sant, vice-president of Maritz Research says, "It would be seen as much more intrusive if a company contacted someone without having good reason. If a person has posted something online, out in the public domain, there does seem to be an expectation that the company has a right to contact you; and when they do, it will have a generally positive impact" (Handley, 2012, p. 22). The more effectively a company responds to complaints and positive feedback posted online, the more quickly they will demonstrate that they care about the consumers' concerns, leaving customers happy and feeling as if they made a contribution to the brand (Handley, 2012, p. 24).

Research Questions

The following research questions were created and designed to answer fundamental gaps in the existing literature on the relationship between social media marketing and brand loyalty. After analyzing and researching the existing information on the topic, each question was established to obtain additional and necessary data from professionals in the fields of marketing and public relations.

1. How is social media used as a means to increase consumer loyalty to a brand?

2. What specific social media tactics and tools are currently being used to increase brandloyalty?
3. How a brand is managed strategically through social media aspects including: customerrelations management, crisis management, and understanding the consumer's needs andwants?
4. How has marketing and public relations practices changed over time?
5. How can the success of consumer loyalty to a brand be measured?

Hypothesis:

H1: Brand loyalty of the customers is positively affected when the brand offers advantageous campaigns on social media.

H2: Brand loyalty of the customers is positively affected when the brand offers relevant contents on social media.

H3: Brand loyalty of the customers is positively affected when the brand frequently updates its contents on social media.

H4: Brand loyalty of the customers is positively affected when the brand offers contents that are popular among the friends on social media.

H5: Brand loyalty of the customers is positively affected when the brand appears on various platforms and offers applications on social media.

Data Collection and Methodology

Data was collected through the administration of a structured questionnaire with a sample of 30 people who were social media users, and followed at least a brand on social media platforms. Two filter questions were employed to make sure that the respondents qualified to be included in the research. One question asked whether the respondent was using social media more than once in a week. Another question asked whether the respondent followed at least one brand on social media. If the answers to both of the questions were positive, then the respondent was given the questionnaire. The sample consisted of all male. The average age of the sample was 21. The questionnaire was developed to measure brand loyalty, reasons to follow brands on social media, and content categories shared on social media. The element under brand loyalty

measure included intention to interact more with the brand, intention to increase sales from the brand, trust towards the brand, intention to get interactive with other brands through social media, and intention to recommend the brand to friends. The questions to measure reasons to engage brands on social media were drawn from the literature review (Mangold and Foulds, 2009; Leggat, 2010; Freidman, 2011; Brito, 2011; Kim and Adler, 2011). The items included advantageous campaigns, relevancy of the content, frequent update of the contents, popularity of the content among other users and friends, and variety of platforms and applications provided on social media.

Discussion

Each person responded by discussing their perspectives on the significant aspects that encompass social media as a medium for communication with consumers. Each of them expressed social media as way to communicate effectively with consumers who attach themselves to your brand and provide them with something valuable to ignite loyalty. Social media as a way to measure and track word of mouth. The literature reflects this popular theme. "Social media is the most cost effective and easy to use platform to communicate and share information about brands, businesses, new products and services, events and anything else" Overall, it is possible to conclude that social media marketing can be used to increase consumer loyalty through its ability to communicate directly with fans and consumers. For the first time, consumers feel that their feedback is being appreciated and listened to through real time communication methods on social media sites.

Summary

This study was conducted in response to recent utilization of social media to increase consumer loyalty to a brand through a variety of tactics, tools, and strategies. Recently, social media marketing has become a growing trend among professionals in the marketing and public relations industries. Since the majority of case studies involved vague aspects regarding social media as a tool and the effects it has on consumers, it was essential to gather data from experts in the marketing and public relations fields regarding their opinions on successful social media marketing. To find more information on the current tactics, tools, and strategies being

utilized by professionals, experts from these fields were interviewed based on a single questionnaire designed to answer the following research questions for the study:

1. How is social media used as a means to increase consumer loyalty to a brand?
2. What specific social media tactics and tools are currently being used to increase brand loyalty? How a brand is managed strategically through social media aspects including: customer relations management, crisis management, and understanding the consumer's needs and wants?
3. How has marketing and public relations practices changed over time?
4. How can the success of consumer loyalty to a brand be measured?

These research questions were slightly altered in ways to create applicable questions for the interviews with each respondent. The questionnaire provided a wide array of opinions and responses in relation to the literature on social media marketing.

Recommendations

After completion of the study, substantial data has been collected and analyzed on the topic of using social media to increase consumer loyalty. Given the information obtained, it is important to highlight the most important content and present it for future marketing and public relations industry professionals. Some recommendations for using social media include communicating with consumers in an open and honest way to better understand their needs, create engaging content to generate more loyal fans, establish personal relationships with consumers through effective customer service strategies, and determine measurements of success to gauge whether or not goals have been met or reached.

Conclusion

In conclusion, given the general findings of the study, thorough and qualitative research should be conducted regularly on the topic of social media and consumer loyalty. Since this medium is being utilized at increased rates, routine data collection and interviews should be performed to better understand social media's effect on consumers. Overall, the study presented the collective opinions of experts within the fields of marketing and public relations and a review of literature on the current topic. The results gathered were opinion based, therefore

the study and overall recommendations for using social media to increase consumer loyalty to a brand cannot be applied to all individuals and professionals in these industries. However, the study conducted can serve as an educational tool for marketing and public relations professional who are interested in strategies, tactics, and tools utilized within social media to increase brand loyalty.

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