# Research Article

## Social Networking Sites As Emerging Communication Avenue For Social Influence Via E-Formity: Insights And Future Perspective In Indian Economy

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Abstract: In rapid changing technological environment, a number of communication tactics are available for marketers of the 21st century that involves several new features including mouth- to- mouth promotion that has taken radical step in the form of social media marketing especially via social networking sites (Ceil, 2019). This new form of marketing is also known as Electronic Word –of- mouth communication (e -WOM) and viral marketing (Roy, Datta, & Mukherjee, 2019). In current paper, an attempt has been made to discuss the hidden insights about significant contributions of social networking sites for social influence in the form of e-formity. In order to proceed for this study, the deep and critical literature review was done by reading the research papers from Jstor, Emerald, Wiley, Taylor and Francis, Science Direct, Elsevier, Google scholar, etc. The information about internet user behavior of top ranked counties will also provide insights and knowledge to researchers or marketing professionals so that online marketing strategies can be cultivated for business organizations accordingly.

**Keywords:** Social Networking Sites, E-Formity, Social Influence, Marketing Communication, Blogs, Discuss Forums.

### 1. Introduction

In the present era of revolutionary and digitized business environment, Marketing Communication has shown its immense importance and the evidence for this is revealed from the growth in advertising expenditure that had that expected rise to 57,486 crores (15.5%) in 2016 with digital advertising expanding at the fastest pace of 47% (Choudhary, Vidhi, 2016). Adaptation of technology and internet of things by business organizations is the significant element for overall development of their business models(Traşcă, Ștefan, Sahlian, Hoinaru, & Şerban-Oprescu, 2019). The success of marketing in fast changing communication environment depends upon how efficiently companies communicates with its customers (Shukre & Singh, 2009) in order to inform ,persuade and remind them about the brands and products which it sells (Kotler *et al*, 2009). For an instance, adaptation of technology can be understood by knowing this information that social media partner Facebook has recently lunched new app like Pinterest called 'Hobbi' which is well accepted in the western part of the world countries like USA, Australia and Canada (2020, <u>www.livemint.com</u>).

In the past, marketing communications and advertising went to work only for the purpose to increase sales, but today advertising is being considered as one of the important elements of customer service(Royo-Vela & Black, 2020). With the development of communication technology, advertising is creating value for customers (Yoo, Lee, & Park, 2010). Moreover, the emergence of internet has changed the total scenario of adverting and marketing. It has vastly altered the ways in which people view, use and interact with media and this has in some way changed the effectiveness of traditional marketing techniques while creating new marketing opportunities (Ulin, 2019)). Traditional advertising is all about interruptions and it distrusts the people and draws their attention when they are concentrating on it, like a T.V. program, news papers or magazine articles. People have become so inundated with advertising that they have stated ignoring these messages (YILMAZ, 2019)). As advertiser, communicates the messages to the people without knowing their willingness to receive the messages that interrupts people's activities. Therefore in modern times, consumers are increasing resistant to traditional marketing (Vimali & Khan, 2018)). While facing these problems, companies are also compelled to think of new ways to communicate with their target audience, which are more effective with regards to budget /brand recognition ratio (Vimali & Khan, 2018)). In current paper, an attempt has been made to discuss the hidden insights about significant contributions of social networking sites for social influence in the form of e-formity.

In rapid changing technological environment, a number of communication tactics are available for marketers of the 21<sup>st</sup> century that involves several new features including mouth- to- mouth promotion that has taken radical step in the form of social media marketing especially via social networking sites (Ceil, 2019)). This new form of marketing is also known as Electronic Word –of- mouth communication (e WOM) and viral marketing (Roy, et al., 2019).

### 2. Electronic Word -of- Mouth Communication

Electronic Word -of- mouth communication is electronically extended version of traditional form of word-of -mouth that takes place online for sharing consumption related information by the customers (Datta *et al.*, 2005; Schiffman, *et al.*, 2011).Some researchers used to express e-WOM in different terms such as online word-of-mouth or internet word-of-mouth (Sun *et al.*, 2006; Godar, 2005; Goyette *et al.*, 2010). Electronic Word -of-mouth communication (e-WOM) refers to "any positive or negative statement made by potential, actual or former customers about products or company, which is made available to a multitude of people and institutions via internet" (Hennig – Thurau et al., 2004).The power of interpersonal influence is further accelerated with introduction of new communication technologies (Cheug and Thadani, 2010).

### 2.1. Technologies for Spreading Electronic Word –of- Mouth Communication (E -WOM)

- Virtual Opinion Platform have emerged as special internet websites that enables the consumers to read the opinions, comments and experiences of other consumers relating to wide of merchandise, services and companies (Hennig Thurau and Walsh, 2003; Khasmmash, 2008). These are used as spreaders of information about products and services. The web base opinion sites allow posters to make comments on variety of items (Godar, 2005). The famous opinion platform in India is mouthshut.com having 10,000,000 100,000,000 registered users (www. Social networking, findthebest.com; Sharma and Kaur, 2014).
- **Discussion Forums** has thousands of participants from many countries. These forums are web based applications that allow the posting of comments and responses often involving members of virtual community. Moreover, these are more popular with consumers as they seek information and share experiences about products and services (Godar, 2005).
- **Blog or Weblog** is personal online journals or diaries which are well initiated and managed by bloggers (Godar, 2005; Kotler *et al*, 2009; Schiffman, *et al.*, 2011). This is the most powerful platform for exchange of consumption related information and also includes comments posted by readers (Schiffman, *et al.*, 2011).
- **E-mail** is effective communication channel that enables easily transmission of promotional from companies to consumers or from consumers to consumers.
- Social Network or Media Sites benefited marketers and consumers (Gunawan and Huarng, 2015). And since last few years the usage of social network and media sites is growing very quickly (Farooq and Jan,2012; Gunawan and Huarng, 2015). In India, www.facebook.com is one of the famous networking sites which has 112 million Indian users, second largest users base after USA (Farooq and Jan, 2012). Social networking sites are online virtual communities that allow the users to pass along the promotional messages to other persons of similar interests or with whom they have strong relations (Gunawan and Huarng, 2015; Schiffman, *et al.*, 2011).
- Video Sharing Websites are online which enables the users to upload, watch, download and comment on video clips or commercial advertisements (Rune and Vinberg, 2009). The most famous video sharing website is <u>www.youtube.com</u> (Kotler et al., 2009; Schiffman, *et al.*, 2011).

### 3. Understanding E–Formity

One of the biggest factors that may influence the buying behavior is the group to which the individual belongs. In context of e-commerce, it will refer to virtual community that enables an individual to connect and share their views with others, at global level, even if they are not physically meeting with each others. Smartphones have made possible for an individual to connect with their circle of friend, family, colleagues and workmen at anytime and anywhere. This close-up the distance between the two and hence an easy share of information and views regarding a product and services. Based on these information and the belongingness of an individual towards the group will cultivate the concept of consumer conformity. Harris and Rae (2009) concluded that future of the markets and business organizations is solely dependent on the social network channels because they are helpful to make business environment modern as it transform business to be open and collaborative. Akehurst (2009); Huang (2011); Hudson & Hudson (2013) stated that in the context of restaurant, social media provides platform to not only reach to the n number of consumers but it also influence others to make purchase or buy decisions.

Furthermore, Hays, Page and Buhalis (2013) suggested that social media is on the experimental stage with high percentage of variation in the term of strategy. Therefore, it is required that restaurant area to be vaster that can convert social networking site engagement threw conversation, collaboration and sharing etc. This advanced

virtual or virtual community is an essential point of discussion for marketers as well. Online (virtual) community of diversified portfolio in context of preferences, tastes etc have the ability to reorganize the personality and prospect of how consumers think, grasp and make judgments while make any purchase decision for products and services. These new ways of communication or interaction by internet, a form of social influence is coined as internet conformity).

#### 4. Research Methodology

In order to proceed for this study, the deep and critical literature review was done by reading the research papers from Jstor, Emerald, Wiley, Taylor and Francis, Science Direct, Elsevier, Google scholar, etc. Apart from this, latest information related to usage of the internet and adaptation of social networking sites has been explored with the help of various websites which provide relevant, significant and authentic information and acts as reliable source. This methodology facilitates the researchers to draft the roadmap for developing this review paper on Social Networking sites as emerging Communication Avenue for Social Influence via e-formity. Identified statistical information from the e-resources were used to develop the graphical and tabulation representation of relevant data so that meaningful interpretation can be developed for better understanding of addressed topic in this study. This methodology also helps the researchers to identified the significant scenarios related to adoption of social networking sites which surely will used by future researchers in order to understand the emerging insights related to current topic of study.

#### 5. Role of Internet and Social Networking Websites for E-Formity

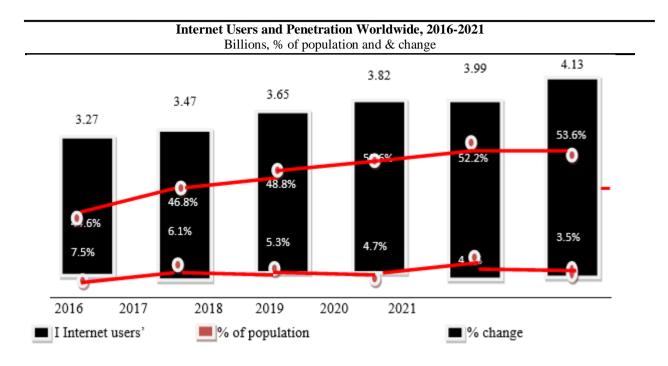
The internet has facilitated customers with new and advanced forms of conforming influences. Now, consumers can easily interrelate or commune on a worldwide level and contribute their thoughts to their views in such a way that earlier it was not feasible. Consumers can interact with others in many dissimilar ways through internet communication. A survey done by Nielsen and Net Ratings (Bausch & Han,2006) described that social networking web sites system proceed up to 47 % growth level consecutively from year by year. Bausch & Han (2006) revealed that information about number of users of internet that are normally the frequent users of social networking sites and found that 45% of the internet users are frequent visitors of SNS. Blogs, on the spot chatting and video calling are the popular modes via which online communities or consumers can share their common point of views, thoughts and interests, and persuade others.

According to a research report of SBI, the e-retail market was around USD 6-billion in 2015(PRESS TRUST OF INDIA, 2015). The internet access through computers, smart phones, 3-G and 4G services have enabled social websites to facilitate their consumer share information and views, hence arises the concept of consumer conformity and virtual community influence. One of the Mr. Narendra Modi's programs "Digital India" for the development of India is also going to contribute a lot in the field of e-commerce activities directly or indirectly. Social websites are emerging as a powerful tool for the consumers to be synchronized with the latest trend in the market, resulting excessive buying behavior too(Evans, 2010).

As it is well known fact that internet facilities are increasing day by day and whole world is getting more ways to interact with each other via web world. In today's world, consumers are communicating and sharing information on a large scale through internet, as earlier it was not possible. Now days, more users are using social networking sites to be in touch with each other, building more trust, more community relationship and for getting more social support. Basically, for keeping up close social ties, social networking sites are widely used. In similar context, Wang & Chang (2013) explained the relevancy of online platform usage to access information for customers and concluded e-commerce websites users are normally dependent on various online sources for information. Now a day's SNS creates an important avenues on the facilitation of global social interconnections. De Bruyn (2008) stated that social media helps the internet user to not only share or exchange information but it also creates positive as well as negative word-of-mouth (WOM) not only about product restaurant consumption as well which are available via internet.

Techno driven system of various counties motivates the general population to adopt the internet platform for their daily life style. Individuals all over the world are more influenced to use internet for their various activities where they are related to purchasing, entertainment, knowledge seeking etc. Thus usage pattern of the world population changes dramatically. Internet users are the individuals who are the frequent dependent on internet via personal computers, mobiles, laptops etc. In 2017, 46.88% of the world population was users of internet at least once in month (As per report of e Marketer estimates based on World Internet & Mobile Users, 2017).

Further, it is estimated that internet acceptance by individuals will touch halfway landmark till 2019, where 50.6% of the world level population will be the adopters of internet usage (approx. 3.82 billion population of world). Steadily and consistent growth of internet usage pattern in Figure 5.1, shows that in 2021 the 53.6% of the world population will be the frequent users. Thus, organizations continuously put their efforts to draft digital marketing strategy in such as way so that effective two way communication between web system and user facilitates to attain competitive edge. Normally, P-O-E-M Framework (Scott, 2013) is one of the acceptable models for execution of digital marketing strategy



Note: Individuals of any age who use the internet from any location via any device at least once per month. Source: E-Marketer April 2017

Figure 5.1. Internet Users and Penetration Worldwide, 2016-2021

Table 5.1 reveals basic information about internet usage pattern among the individuals country wise.

Rank	Country	No. of Internet Users (in Millions )
1	China	772
2	India	462.12
3	United States	312.32
4	Brazil	149.06
5	Indonesia	143.26
6	Japan	118.63
7	Russia	109.55
8	Nigeria	98.39
9	Mexico	85
10	Bangladesh	80.48

Table 5.1. Top Ten Countries ranked for internet users (as till December, 2017)

Source: www.statista.com

It has been observed from the table 5.1, usage pattern of internet by individuals among various counties progressing at very fast extent. Although United States is one of the developed economies of world but as per the above mentioned data, it can be easily depicted that developing counties like India, China are leading in utility of internet by people of these counties which shows the acceptance of web technology by population of these counties. As of 2017, China is at leading position having (772 million internet users out of 1.38 billion

populations) because of its ongoing and rapid economic development and cultural orientation towards technology followed by neighbor country of china i.e. India having (462 million internet users) and United States are one third ranks having (312.32 million internet users). Additionally, one another fact noticed from the above data project that overall, all BRIC economies had more than one hundred online internet friendly individuals, accounting for 4 of the 7 economies with more than hundred million online internet users.

As in present study, researchers strives to understand the consumer conformity with the help of social networking sites, hence basic information about usage pattern of social networking sites by individuals needs to be explored. For same, usage pattern of various social networking sites by individuals worldwide is presented in table 5.2.

Most famous social network sites worldwide as of April 2018			
S.No /Rank	Social Network Sites	No. of Active Users (in millions)	
1	Facebook	2234	
2	Youtube	1500	
3	Whatsapp	1500	
4	Facebook Mesenger	1300	
5	WeChat	980	
6	Instagram	813	
7	Tumblr	794	
8	QQ	783	
9	Q Zone	563	
10	Sina Weibo	392	
11	Reddit	330	
12	Twitter	330	
13	Baida Tieba	300	
14	Skype	300	
15	Linkedin	260	
16	Viber	260	
17	Snapchat	255	
18	LINE	203	
19	Pinterest	200	
20	Telegram	200	

Table	5.2
rabic	J.4

Source: www.statista.com

From table 5.2, it has been noticed that facebook having (2234 million active users) attained the first rank followed by youtube and whatsapp having (1500 million active users) each till April 2018. From the above mentioned data. It is clear that acceptability of users towards social networking sites increases day by day at international level. It means people have adopted the new technology for their daily life in very positive manner for their social construction with the help of virtual communities.

#### 6. Internet usage behavior among Indian population

Internet as well as social networking sites user base has been consistently increasing as depicted in table 1.4 and 1.5 respectively. In 2015, numbers of internet users in India were 315 million depicting 25% of the overall population of country. Further it was in progression stage as in 2016 and 2017, number of internet users were 373 & 429 millions, again representing 30% & 34% of the whole population of Indian demography. Table 6.1 also reveals the fact about future projections about the users of internet in next coming years which finally portraits the uplifting scenario.

Year	Number of Internet users in India(in millions)	Internet Users (%) of Population
2015	315	25
2016	373	30
2017	429	34
2018	479	37
2019	492 (Projected)	40 (Projected)
2020	518 (Projected)	42 (Projected)
2021	534 (Projected)	45 (Projected)
2022	548 (Projected)	47 (Projected)

Source: www.statista.com

As the internet friendly individuals when engaged in online activities, it has been observed that social networking are at top position. Table 6.1 reveals the information about usage pattern of the Indian population from 2015 to 2022. In 2015, 2016 & 2017, the numbers of social networking sites users in India were 142 million, 168 million and 196 million respectively, representing 13%, 15% and 17% of the overall population of country. The main reasons for excellent usage by Indian people can be penetration of smart phones usage, easily and cheap availability of internet data by mobile networking companies.

Year	Number of social network users in India (in millions)	SNS Users (%) of Population
2015	142	13
2016	168	15
2017	196	17
2018	226 (Projected)	19
2019	258 (Projected)	21
2020	292 (Projected)	24
2021	336 (Projected)	27
2022	370 (Projected)	29

Source: www.statista.com

The abovementioned explanation reveals that in India

1. Awareness and acceptability of online techno driven mechanism

2. Popularity among Indians for E-commerce.

3. Progressive trends of Internet usage pattern

4. Up gradation in computer literacy.

5. Acceptability of Indian Population for Social Networking sites

Therefore, kind of growth in online industry fertile soil for healthy adaptation of internet services by business organizations in India. In coming years, this techno driven system has made the customers demanding with anytime and anywhere accesses for their online related activities. So companies have no any other option but to execute online services in their business models.

#### 7. Discussion and Conclusion

Digitalization and modernization of various economies like India social networking sites are being used by individuals for exploring information and they are considered as emerging sources for social Influence for final purchase decision. Various virtual social linkage activities like commenting, tagging and sharing information, views and experiences are being adopted by the social networking users. These websites facilitates to the users not only to assess and give opinions to their close reference group members like family, friends and professional friends but also provide opportunity to other people also to share information about products or services used by them (Curras-Perez et al, 2013). Roggeveen & Coulter (2012) stated that Facebook as social networking platform helps the companies or firms to create their own business (product) pages and further this provide clues to websites users to follow these product pages. These provisions by social networking sites give options to them to receive or disseminate product related information. The information about internet user behavior of top ranked

counties will also provide insights and knowledge to researchers or marketing professionals so that online marketing strategies can be cultivated for business organizations.

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