

Social Media Advertising: Paradigm shift in Marketing Communication

Manish Dhingra

Research scholar, TMIMT,
Teerthanker Mahaveer
University

Rakesh K. Mudgal

Vice Chancellor, Teerthanker
Mahaveer University,
Moradabad, 244001,
India.

Abstract

Usage of social media is on rise among the consumers and businesses. The promotion strategies which were earlier used to be non-interactive in nature and majorly one way, have now become highly interactive and two way. The credibility of advertisements on social media is high as compared to other means of promotion and social media advertising has led to a paradigm shift in marketing communication. The present paper discusses the importance of social media as a tool in marketing communication context. Various studies highlighting the significance of social media advertising have been presented chronologically in this paper. Fifty-four research papers were identified from the existing literature which focused upon the advertising on social media. Twenty-nine papers were finally selected as they specifically highlighted the importance of social media advertising.

Key words: Social media advertising, Marketing communication, Promotion mix

Introduction

The ways through which companies communicate information about their products and services to the customers so as to influence them is known as marketing communication which is an integral part of promotional mix, and includes tools like sales promotion, advertising, public relations, direct marketing, and publicity to develop unified customer-focused messages so as to achieve organizational objectives (Boone & Kurtz, 2007). Initially print media dominated the advertising worldwide, then television started playing a key role in advertisements. However, marketing communication has become faster, more sophisticated, and more frequent with the advent of internet. Social media, websites, blogs, emails etc. taken a prominent place in conveying the information to the customers. Nowadays, social media has become a key factor for facilitating communication between consumers and businesses. Social media has offered tremendous opportunities to the companies to communicate and influence the consumers; it has now become an integral part of the promotion strategy of all types of organisations- profit or non-profit who have started utilising it for their business. Also, it provides a unified communications platform wherein multiple users can interact with

each other simultaneously (Barnes & Barnes, 2009).

Infact, the way businesses are conducted now has changed manifold. Various types of internet tools like pop ups, links, paid searches, banner advertising etc. have taken a front seat in marketing of products and services. Social media sites facilitates sharing of content, experiences, opinions, and insights among individuals through internet and also informs them about the products, brands and various issues about the companies (Belch & Belch, 2013). Thus, the promotional strategy of companies has changed drastically over all these years.

Literature Identification and Analysis

Academic and peer reviewed journal papers published between 1991 and 2018, addressing the issues related to social media advertising were collected for this study. In total 54 papers were collected out of which 29 were found absolutely relevant to the topic. Findings of these identified papers were arranged chronologically followed by summarizing of the literature which can become a strong basis for future research on social media advertising.

Studies Highlighting the Importance of Social Media Advertising in Marketing Communication

A number of studies highlight the significance of internet and social media in the field of advertising and marketing:

Hastings and Haywood (1991) Web 2.0 helps the marketers to involve their customers in the marketing process thus making them feel involved. The customers have now become a participant and important part of the marketing process and social media facilitates them to be an integral part of the entire promotion process. Ridings and Gefen (2004) asserted that social media facilitate better customer relationship management thus resulting into improving the performance of the businesses. The marketers can create a public vote, offer valuable advice to their customers, exchange information, and solicit customer support through social media.

Haugtvedt et al. (2005) stated that there are a number of social media sites like "Style Chat", mouthshut.com, consumerviews.com etc. which facilitate the customers to exchange their opinion, post their views about a particular product or service, and express their liking or disliking about it. These posts are visible to public at large and hence influences the opinion of other customers about that product or service. Matt (2006) also asserted that one of the most important reasons for the rising popularity of social networking sites is that they pass on the kind of important information to customers which they cannot have on their own. Consumers use social networking platforms to communicate with each other quite frequently about the

brands they use or intend to use. This speciality of social networking sites is considered to be an important feature by the marketers and businesses. Similarly, Seltzer and Mitrook (2007) also supported that the interactive feature of social networking sites makes them an important platform facilitating better communication between the businesses and the customers. This improved communication further leads to strengthening the relationship between them.

Golan and Zaidner (2008) highlighted that diffusion of better bandwidth and improved speed of internet has changed the nature of online advertising in America and Western Europe. The customers have become an important medium for the dissemination of advertisement and information to their acquaintances, family and friends. It's not only business-to-consumer, but rather consumer-to-consumer communication has also become an important part of businesses nowadays. Nicholls (2008) Georgetown Cupcake, a popular cupcake manufacturing company sold 800 cupcakes within a week of the inception of the business by sharing of information about these cupcakes on social networking sites which added quickly to its popularity thus establishing the power of viral marketing over the traditional marketing.

Thackeray et al. (2008) social media leads to better understanding of the customers by the businesses. This media has a wider reach, it facilitates exchange of information and sharing of content and is rich in information which is available in the form of pictures, videos, and images. Simmons (2008) the virtual networks of social media which have become the centre point of holding conversations, can be advantageously organised by the marketers to tap the interests of various niches. Armano (2009) emphasized that social media has advantage in terms of wider reach and greater coverage. The companies have started making social media policies which they believe will them definite cost advantage in years to come.

Angel and Sexsmith (2009) asserted that social media enable consumer driven movement as individual consumers get connected online and it has resulted into a major shift in the fundamental marketing strategy of the companies as the consumers now relate with each other and with the company. Corporate communication is moving far from the one-way marketing involving pushing of the sales message to mass consumers. Mangold and Faulds (2009) social media help in influencing the consumer purchase decision making process as it provides relevant information, recommendations, businesses can leverage the social media by optimising the advertising costs consumers' likes and dislikes which together provide for

taking a decision in favour of or against a particular brand. Social media also provides for the feedback of consumers which is the most crucial information for any marketer.

Aula (2010) the time frame in which the companies can reach out their customers is very less in case of social media. Sites like Facebook, LinkedIn, Twitter etc. have allowed the advertisers to post the advertisements of their products thus facilitating a wider reach in optimum time. Similarly, Dickey et al. (2010) also highlighted that social media increases the efficiency of marketing program of a business. The customers can get useful information besides socialising and connecting with their friends and acquaintances on social media. Thus, there is huge opportunity for businesses to reap out maximum benefits from the social media.

Laker (2010) made predictions regarding the fast-evolving social media as to how it has been adopted by the marketers and how it is expected to grow further. There will be a significant rise in the digital-influencer marketing, content-aggregators will be gaining a prominent place, user-rating sites will be common, and social media collaboration and participation will be revolutionized by Google wave.

Mersey et al. (2010) a small negligence on the part of businesses can lead to loss of not only the current customers, but can also adversely influence the prospective consumers of the product. Social media sites facilitate the businesses to improve upon customer relationship by interacting with them regularly and developing good relationship with them. Nagarajan (2010) also revealed that text on social media is qualitatively different, less formal and lack in context as compared to news, Wikipedia or scientific articles and is found credible by customers.

Various studies highlighted the growing popularity of social media platforms like Twitter, Facebook, YouTube etc. as they have become a crucial part of the promotion strategy of companies because they are now just not only a source of information, they have rather become an important source of influence. Social networking sites facilitate the quick and smooth transition of information and are used for expressing the likes and dislikes, opinions and feelings about the products/brands by the consumers (Hanna et al., 2011; Sinclair & Vogus, 2011; Akrimi & Khemakhem, 2012).

Pandya (2012) social networking sites have a significant influence on the performance of businesses. Social media is an important medium of advertising the products as it has an influence on the masses. The number of social media users is on rise and its impact has been realised by the marketers. Similarly, (Gao et al. 2013) highlighted that the exponential rise in the number of users of social media has

made the companies realise that it is advantageous to include it in the promotion mix of the company. Social media advertising is cost effective in terms of reach as it can reach a large number of customers.

Okazaki and Taylor (2013) found social media as capable tool for international advertising by making use of three capabilities, viz. "networking capability", "image transferability", and "personal extensibility". Social media has the potential to make use of "networking capability" so as to connect people, "image transferability" which makes marketers to create the brand image with large number of people than earlier, and "personal extensibility" which permit interactions and build relationships between larger geographical boundaries than past.

Saxena and Khanna (2013) highlighted that companies are now increasing their advertising budget towards social networking sites like Facebook, YouTube, LinkedIn, and Twitter as the companies understand that reach of these sites to people is much wider as compared to traditional forms of advertising, especially for reaching to the younger generation, whereas Abzari et al. (2014) asserted that both, traditional means of advertising and advertising on social media have an impact on the formation of attitude towards brands but also advocated that the effect of social media advertising is far more significant than traditional advertising.

Few studies suggested that that the customers must be invited in co-creation projects. Fuller et al. (2014) as the co-creation activity is based on interaction among internet users, so in order to successfully support the virtual co-creation made by customers with means of various IT-associated services, internet tools should make the experience of customers and their engagement in such activities entertaining. Also, Vishnoi and Padhy (2015) concluded in their study that advertising on social media platforms has to be creative to engage customers. Brands need to deliver their message in new manners in order to attract customers. The social media websites have empowered users and made them creative so the campaigns which the brands come up with also need to be creative enough to give rise to meaningful and engaging conversations. The concept of co-creation with the users gives the users a greater sense of involvement and helps them identify with the brands at a deeper level.

Kyriakopoulou and Kitsios (2017) as social media is able to influence customers' decision making and purchase intention, managers have the opportunity to do conversations with the users in order to promote their products. Through the virtual interaction with customers, companies have the chance to improve their products, their

brand and total appearance on social media aiming to satisfy consumers' needs. If company succeeds in having satisfied customers, its reputation will be widely spread and will create a positive image of the company's brand.

Ahmed and Raziq (2018) highlighted that by using social media marketers and policy makers of the companies can

develop their promotional strategies more practical, appealing and engaging.

Summary of various studies highlighting the importance of social media advertising as a marketing communication tool is given below in Table 1.

Table1: Summary of studies highlighting the importance of social media advertising as a marketing communication tool

S.No	Year	Author	Importance of social media as a prominent marketing communication tool
1	1991	Hastings and Haywood	facilitates the integration of customers in the marketing process
2	2004	Ridings and Gefen	better customer relationship management
3	2005	Haugtvedt et al.	facilitates exchange of opinions by the customers
4	2006	Matt	pass important information to customers which they cannot have on their own
5	2007	Seltzer and Mitrook	facilitates communication between the businesses and the customers and strengthens relationship between them
6	2008	Golan and Zaidner	facilitates not only B2C but also C2C communication
7	2008	Nicholls	adds to the popularity of the products
8	2008	Thackeray et al.	has a wider reach, facilitates exchange of information and sharing of content
9	2008	Simmons	marketers can tap the interests of various niches advantageously
10	2009	Armano	cost advantage
11	2009	Mangold and Faulds	businesses leverage social media by optimising the advertising costs
12	2009	Angeland Sexsmith	facilitates consumer driven movement
13	2010	Aula	optimum time frame for reaching out the customers
14	2010	Dickey et al.	increases the efficiency of marketing program of a business
15	2010	Laker	social media collaboration and participation revolutionized the marketing strategies
16	2010	Mersey et al.	improvement in customer relationship
17	2010	Nagarajan	text on social media has comparatively many advantages over other promotional mediums
18	2011	Hanna et al.	not only a source of information but also an important source of influence
19	2011	Sinclair and Vogus	platform for expressing the likes and dislikes, opinions and feelings about the products/brands by the consumers
20	2012	Akrimi and Khemakhem	quick and smooth transition of information

21	2012	Pandya	an important medium of advertising the products as it has an influence on the masses
22	2013	Gao et al.	cost effective in terms of reach
23	2013	Okazaki and Taylor	a capable tool for international advertising by making use of three capabilities, viz. "networking capability", "image transferability", and "personal extensibility"
24	2013	Saxena and Khanna	reach of these sites to people is much wider as compared to traditional forms of advertising
25	2014	Abzari et al.	social media advertising has more significant effect than traditional advertising
26	2014	Fuller et al.	the customers invited in co-creation projects
27	2015	Vishnoi and Padhy	co-creation with the users gives the users a greater sense of involvement
28	2017	Kyriakopoulou and Kitsios	the virtual interaction with customers, companies have the chance to improve their products, their brand and total appearance on social media aiming to satisfy consumers' needs
29	2018	Ahmed and Raziq	can develop their promotional strategies in a better way

Source: Table is created by authors of this paper.

Note: In the above table only selective and important studies highlighting the importance of social media advertising as a marketing communication tool have been captured.

Conclusion

It can be concluded from discussions in the above section that there has been an exponential growth in social media over a period of time and social media advertising has become an important tool for communicating marketing messages by the companies. It is found that advertising through social media has numerous advantages over other mediums of promotion. Thus, advertising through social media has become most important marketing communication tool and there are immense opportunities available for companies to advertise their products and services through social media in present as well as in future.

References

- Abzari, M., Ghassemi, R. A., & Vosta, L. N. (2014). Analysing the effect of social media on brand attitude and purchase intention: the case of Iran Khodro Company. *Procedia-Social and Behavioral Sciences*, 143, 822-826.
- Ahmed, Q. M., and Raziq, M. M. (2018). The Social Media Advertising Model (SMAM): A Theoretical Framework. *Journal of Managerial Sciences*. 11 (3), 117-143.
- Akrimi, Y., & Khemakhem, R. (2012). What drive consumers to spread the word in social media? *Journal of Marketing Research & Case Studies*, 1-14.
- Angel, R., & Sexsmith, J. (2009). Social Networking: The View from the C-Suite. *Ivey Business Journal*, 73 (4), Retrieved on Feb 2, 2019 from <https://iveybusinessjournal.com/publication/social-networking-the-view-from-the-c-suite/>
- Armano, D. (2009). Six social media trends for 2010. (November, 2009). *Harvard Business Review*, Retrieved February 7, 2018 from <https://hbr.org/2009/11/six-social-media-trends>
- Aula, P. (2010). Social media, reputation risk and ambient publicity management. *Strategy & Leadership*, 38 (2), 43-49.
- Barnes, N. D. & Barnes, F. R. (2010). Equipping your organization for the social networking game. *Information IEEE Engineering Management Review*, 38(3), 3-7.
- Belch, G. E. Belch, M. A., & Purani, K. (2013). Advertising and Promotion: An Integrated Marketing

- Communication Perspective (9th Ed), McGraw-Hill.
- Boone, L. E., Kurtz, D. L. (2007). Contemporary marketing (13th ed.). Mason: OH: Thomson/South Western.
- Dickey, I. J., & Lewis, W. F. (2010). "The Evolution (Revolution) of Social Media and Social Networking as a Necessary Topic in the Marketing Curriculum: A Case for Integrating Social Media into Marketing Classes". Management and Marketing Faculty Publications. Paper
- Retrieved January 12, 2018 from http://ecommons.udayton.edu/mgt_fac_pub/32
- Fuller, J., Muhlbacher, H., Matzler, K., & Jawecki, G. (2014) Consumer empowerment through internet-based co-creation. *Journal of Management Information Systems*, 26(3) 71-102.
- Gao, J., Sheng, B., Chang, L., & Shim, S. (2013). Online Advertising - Taxonomy and Engineering Perspectives. San Jose State University, Publication, online, USA, 1-2.
- Golan Guy, J., & Zaidner, L. (2008). Creative Strategies in Viral Advertising: An Application of Taylor's Six-Segment Message Strategy Wheel. *Journal of Computer-Mediated Communications*, 13, 959-972.
- Hanna, R., Rohm, A., & Crittenden, V. L. (2011). We're all connected: The power of the social media ecosystem. *Business Horizons*, 54(3), 265-273.
- Hastings, G., & Haywood, A. (1991). Social marketing and communication in health promotion. *Health Promotion International*, 6(2), 135-145.
- Haugtvedt, C. P., Machleit, K. A., & Yalch, R. (2005). Online consumer psychology: understanding and influencing consumer behavior in the virtual world. Mahwah, N.J.: Lawrence Erlbaum Associates.
- Kyriakopoulou, E., & Kitsios, F. (2017) The influence of social media on consumers' behavior. Conference: 6th International Symposium and 28th National Conference on Operation Research/ OR in the digital era – ICT challenges / June 8-10, 2017 / Thessaloniki, Greece, 62-66
- Laker, F. (2010). What social media will look like in 2010? Advertising Age. Retrieved on January 12, 2018 from http://adage.com/digitalnext/post.php?article_id=143145&utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+adage%2Fhomepage+%28Advertising+Age+-+Homepage%29
- Mangold, W.G., & Faulds, D.J. (2009). Social media: The new hybrid element for promotion mix. *Business Horizons*, 52(4), 357-365. doi: 10.1016/j.bushor.2009.03.002
- Matt, R. (2006). Alternative Web Browsing. *Forbes*, May 17, Retrieved April 27, 2018 from http://www.forbes.com/2006/05/17/google-search-bookmarkingin_mr_0517bow_inl.htm
- Mersey, R. D., Malthouse, E. C., & Calder, B. J. (2010). Engagement with Online Media. *Journal of Media Business Studies*, 7(2), 39-56. doi:10.1080/16522354.2010.11073506
- Nagarajan, B. M. (2010). Understanding User-Generated Content on Social Media. Doctoral Dissertation. Wright State University. <https://corescholar.libraries.wright.edu/knoesis/245>
- Nicholls, W. (2008). For two sisters, little cakes are a big hit. *Washington Post*, F01. Retrieved 3 February, 2018, from <http://www.washingtonpost.com/wp-dyn/content/article/2008/02/26/AR2008022600703.html>
- Okazaki, S., & Taylor, C. R. (2013). Social media and international advertising: theoretical challenges and future directions. *International Marketing Review*, 30(1), 56-71. doi:10.1108/02651331311298573
- Pandya, K. (2012). Social Media Marketing in India-Creating New Groundwork in Marketing Innovation. *International Journal of Multidisciplinary Management Studies*, 2, 91-99.
- Ridings, C. M., & Gefen, D. (2004). Virtual community attraction: why people hang out online. *Journal of Computer-Mediated Communication*, 10(1), 1-10. doi:10.1111/j.1083-6101.2004.tb00229.x
- Saxena, A., & Khanna, U. (2013). Advertising on social network sites: a structural equation modelling approach. *Vision, the Journal of Business Perspective*, 17(1) 17-25. doi:10.1177/0972262912469560
- Seltzer, T., & Mitrook, M. A. (2007). The Dialogic Potential of Weblogs in Relationship Building. *Public*

- Relations Review, 33 (2), 227-229. doi: 10.1016/j.pubrev.2007.02.011
- Simmons, G. (2008). Marketing to postmodern consumers: introducing the Internet chameleon. *European Journal of Marketing*, 42(3/4), 299-310. doi:10.1108/03090560810852940
- Sinclair, J. K., & Vogus, C. E. (2011). Adoption of social networking sites: an exploratory adaptive structuration perspective for global organizations. *Information Technology Management*, 12, 293-314. doi:10.1007/s10799-011-0086-5
- Thackeray, R., Neiger, L.B., Hanson, C. L., & McKenzie, F.J. (2008). Enhancing promotional strategies within social marketing programs, Use of web 2.0, *Social Media: Social Marketing and Health Communications*, 9, 338-343. doi:10.1177/1524839908325335.
- Vishnoi, P., & Padhy, N. (2015). Advertising on Social Media: The Indian Scenario. *International Journal of Research in Commerce, IT & Management*, 5(7), 63-65. 4