Analyzing the Role of Social Media as a Platform of E-Commerce

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Abstract

In the realm of digital marketing, social media plays a significant role. It aids any firm in enhancing its attempts to retain loyal customers while also reducing expectations. Business organizations may simply run their companies through a transparent presence in the internet market thanks to the rise of social media. As a result, social media has emerged as an effective medium for e-commerce to expand its company while ensuring its long-term viability. Social networking with e-commerce might be a great match to put forward sustainability in the business. All business marketers utilize social media channels to engage with their consumers, so it's no surprise that many people shop and fulfill their wants online. The researchers effectively analyzed the effects of social media on e-commerce in this case using quantitative primary research. The study group has been substantially benefited in giving appropriate facts in this case thanks to the primary research. It has allowed the researchers to successfully present efficient insight into ground-level facts that would assist them in concluding their investigation. To perform the study properly, the researchers recruited about 31 retailers from the e-commerce industry to get broader perspective. Moreover, the researchers have also put forward trend analysis where the revenue pull of Mi brand is pitted against the maximisation of their engagement in social media. The income pull of the Mi brand has been clearly proven through an annual breakdown. The Mi brand's growth rate has accelerated over the past year, and the number of followers on their Face book page has risen in lockstep. It's worth
emphasising that the more engagement the brand management generates on their social media platform, the greater their sales revenue would be.

**Keywords:** Social networking sites, E-commerce, survey methodology, business sustainability, retail marketing, facebook, Brand growth

1. **Introduction**
Social Media comprises a huge role in the field of digital marketing. It assists any business organizations to boost their efforts in retaining strong consumers as well as mitigating their demands. Through the emergence of social media business organizations can easily conduct their businesses through a transparent presence in online market. Due to this reason, most of the e-commerce industries incorporate social media as their key plan of marketing [1]. A well execution of social media helps those e-commerce businesses to achieve their desired goals in a short time. This research paper is going to explore a detailed effect of social media on the ecommerce businesses and a detailed survey can also be done that represents the impact of social media on the e-commerce field.

1.1 Active users
Every business organizations priory analyze the sheer size of a market and according to a journal , social media comprises a strong consumer base of almost 3.5 billion people [1]. This strong consumer base can hugely incentivize several e-commerce businesses to incorporate this social media marketing as the key plan.

2. **Literature review**

2.1 Immense usage of social media
According to research, it can be stated that compared to previous years the utilization of social media has been gradually enhanced at a significant level. Nearly 60% of people all over the world have continued their business where social media comprises a key part of marketing [2]. In addition to this, the maximum number of people of any age boundary spends most of the time surfing various social networking sites. Due to this reason, it becomes a most reliable business platform.

2.2 Influencing E-commerce Business at a Significant Range
There is a huge amount of people who engage themselves in various social networking sites every day and this actively enhances the scope of online marketing. This is the actual thing that every E-commerce business wants to provide. Due to this reason, a huge revolution has been seen in the field of e-commerce. On various social media platforms, people transparently share their likings as well as several real life experiences and this can be a huge opportunity for every e-commerce business to realize the current trend in the business market.
According to the estimation put forward by Hoot suite, around four billion people tend to employ social media daily. It is essential to mention in this particular scenario that social media and e-commerce can be a match made in heaven. All the marketers associated with the business tend to employ social media platforms to efficiently connect with the consumers and it is not a surprise that many people are using the online mediums to shop and meet up their requirements [3]. Social can be utilized in a very creative manner as both organizations and consumers can effectively rip benefit from it.

![Graph showing the influence of social media in the e-commerce organization](image)

**Fig 1.** The influence of social media in the e-commerce organization

It can be efficiently witnessed from the graph that around thirty per cent of e-commerce organizations employ social media platforms for business transactions. Different e-commerce organizations must employ social media for the betterment of their business through:

- Building brand awareness
- Advertising
- Social listening
- Efficient consumer service through social media
- Providing the chance to collaborate with other e-commerce organizations

A social media ecommerce strategy is a set of social media tactics organizations can use to market their ecommerce business and the efficient growth in social media ensures the success mantra that would assist to reshape the business model of the organizations efficiently.

**3. Proposed work**

The proposed work is mainly going to explore research objectives as well as a clear statement of some problems arising at the time of business through social media platform.

**3.1. Research objectives**

http://www.webology.org
The main aim of conducting this research study is-

- To realize a detailed impact of several social networking sites on the E-commerce businesses.
- Analysis of current trends of the market though evaluating public reviews in social media that also encourages e-commerce businesses.

3.2 problem statement
Though social media platforms can be considered as an effective platform of e-commerce business, it has been observed that some people willingly replied to negative reports to many products for declining the reputation of the respective brand. This can create a huge problem and many e-commerce businesses also face a huge lose due to this kind of behaviour of people.

4. Research methodology
The systematic and logical presentation of concepts, methodologies, and processes used by study groups to combine the key components of research material is referred to as research methodology. This department is critical to the research group since it requires the study group to use the most advanced methods, tools, and figures, as well as get the most accurate data, in order to present the inquiry in a way that will benefit them in the long term [4]. As a result, effective use of the appropriate tools and procedures is critical for this study's stated goals and objectives to be met.

In this particular scenario, the researchers have utilized quantitative primary research to effectively analyse the influence of social media on e-commerce. The primary research has effectively assisted the study group to put forward authentic information in this particular scenario [5]. It has enabled the researchers to effectively put forward efficient insight regarding the ground-level data that would help them to conclude their study. The researchers have gathered around 31 retailers associated with the e-commerce sector to effectively conduct the study. All the ethical deliberations were maintained during the survey.

The researchers have effectively employed 31 participants who are retailers in the e-commerce sector and they have a strong grasp of the social media functioning.

5. Results and Analysis

Survey Question 1: Do you think that social media helps in the e-commerce business?

Table 1: The influence of social media in the e-commerce business

<table>
<thead>
<tr>
<th>Options Given</th>
<th>Total Participants</th>
<th>Response collected</th>
<th>Percentage</th>
</tr>
</thead>
</table>

http://www.webology.org
The first question effectively tries to analyse the influence of social media in the e-commerce sector. It is important to mention in this scenario that around 50 per cent of the participants agreed that social media possess a gigantic influence in the e-commerce sector. However, eight per cent does not believe that social plays as an influence agent in this domain. While four per cent remain undecided.

**Survey Question 2: do you think that social media can predict market trends?**

**Table 2: The importance of social media in deciphering the market trend**
Fig 3. The importance of social media in deciphering the market trend

The second survey question tries to shed light on whether social media is efficient enough to predict the market trend. In this context, Thirty-eight per cent strongly agreed with the question as they believe that it is efficient enough to predict the market trend of the e-commerce sector [6]. However, four per cent was sceptical regarding the employment of social media and twenty per cent remained undecided in this context.

Table 4: Sales of Mi mobile and its relation with the social media engagement

<table>
<thead>
<tr>
<th>Year</th>
<th>Unit sold</th>
<th>Number of followers in Facebook (million)</th>
</tr>
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<tbody>
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http://www.webology.org
<table>
<thead>
<tr>
<th>Year</th>
<th>Followers</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>12 million</td>
<td>1</td>
</tr>
<tr>
<td>2010</td>
<td>12.5 million</td>
<td>1.5</td>
</tr>
<tr>
<td>2011</td>
<td>13 million</td>
<td>2.5</td>
</tr>
<tr>
<td>2012</td>
<td>14 million</td>
<td>2.9</td>
</tr>
<tr>
<td>2013</td>
<td>20 million</td>
<td>3.8</td>
</tr>
<tr>
<td>2014</td>
<td>24 million</td>
<td>4.7</td>
</tr>
<tr>
<td>2015</td>
<td>25 million</td>
<td>6.9</td>
</tr>
<tr>
<td>2016</td>
<td>32 million</td>
<td>10</td>
</tr>
<tr>
<td>2017</td>
<td>45 million</td>
<td>10.5</td>
</tr>
<tr>
<td>2018</td>
<td>54 million</td>
<td>10.7</td>
</tr>
<tr>
<td>2019</td>
<td>60 million</td>
<td>12</td>
</tr>
<tr>
<td>2020</td>
<td>65 million</td>
<td>15</td>
</tr>
<tr>
<td>2021</td>
<td>76 million</td>
<td>25</td>
</tr>
</tbody>
</table>

In this particular table, the revenue pull of Mi brand has been effectively represented through yearly break down. It can be efficiently seen that the growth rate of the Mi brand has increased over the year and the followers on their Facebook page has also increased in a similar manner. It is important to mention that in this particular scenario that the more engagement the brand management establishes in their social media platform the more their sales revenue increases. It can be efficiently seen that social media engagement indeed puts forward an enormous influence on the revenue maximisation of the organisation. A similar pattern can be seen in their Twitter and Instagram page as consumer engagement increased at a significant rate and influenced positively the revenue maximisation.

6. Threats to validity

The method used for sampling such as convenience sampling can introduce sampling errors thereby; exactly the same results may not be achieved of a different sample.

7. Conclusion

After evaluating the whole research study it can be concluded that social media hugely influences the ecommerce business through realizing the current trends of the market, creating a strong brand
reputation, boosting up customer retention as well as advertising innovative ideas on product manufacturing. Thus it can be stated that all e-commerce businesses must include this strategy as their backbone.

References