Impact of Social Media Marketing on Growth of E-Commerce Business in India: A Quantitative Investigation

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Abstract

In recent years, social media has become a crucial tool for businesses to reach their target audiences and market their products or services. This trend is also being observed in India, where e-commerce companies are increasingly using SMM to expand their operations. This study intends to investigate how SMM has affected the expansion of e-commerce companies in India. The study looks at the advantages and difficulties of SMM for Indian e-commerce companies. While the hurdles may involve managing many social media sites and coming up with interesting content, the advantages may include better brand visibility, higher customer engagement, and improved customer loyalty. The results of this study help Indian e-commerce companies create efficient SMM plans and meet their growth targets. People from the E-commerce industry were considered in this study to know the impact of Social Media marketing on growth of E-commerce Business and it is found that SMM helps in enhancing brand exposure and engagement, SMM helps in promoting brands and interacting with consumers, SMM helps e-commerce companies to interact with their clients, raise brand recognition, and boost revenue.

Keywords: Social Media Marketing, E-Commerce Business, Growth, India, Quantitative Investigation, Statistical Analysis.

Introduction

Over the past ten years, e-commerce enterprises have grown rapidly throughout the world, and India is no exception. People may now access e-commerce platforms and do online shopping more easily because of the widespread use of smartphones and the internet. The Statista analysis projects that India's e-commerce sector will increase from US$ 64 billion in 2020 to US$ 120 billion by 2025. Many factors, including growing adoption of technology, shifting customer behaviour, and a rise in demand for online services, are blamed for the expansion of e-commerce enterprises.

SMM is an important component that has aided in the expansion of e-commerce companies in India. Social media sites like Facebook, Instagram, Twitter, and
LinkedIn have developed into crucial tools for companies looking to promote their goods and services to their target markets. These platforms have made it simpler for e-commerce companies to interact with their clients, raise brand recognition, and boost revenue.

Yet, despite the fact that SMM has grown to be a crucial component of India's e-commerce sector, little is known about how it affects the expansion of e-commerce companies. By examining the effect of SMM on the expansion of e-commerce enterprises in India, this study seeks to close this gap.

Although SMM being widely used by e-commerce companies, it is still not apparent how much it aids in the expansion of these companies in India. The literature on this subject is few, and there is a paucity of actual data about social media marketing's effects on Indian e-commerce companies. Thus, a quantitative study is required to comprehend how SMM has affected the expansion of e-commerce companies in India. Measuring the return on investment of SMM activities is another difficulty. Although SMM can enhance brand exposure and engagement, it can be difficult to quantify how SMM directly affects sales. But, e-commerce companies may assess the success of their SMM initiatives and make data-driven decisions to enhance their tactics with the appropriate tracking tools and analytics.

Three primary goals will be the study's main focus. The first goal is to give a general picture of the Indian e-commerce market, taking into account its size, growth, and important players. The second goal is to investigate the function of social media in e-commerce and look at how Indian e-commerce companies use social media platforms to connect with their target markets. The third goal is to determine the advantages and difficulties of SMM for Indian e-commerce companies. The results of this study will help Indian e-commerce companies create efficient SMM plans and meet their growth targets. The research adds to the body of knowledge on how SMM affects e-commerce companies in developing nations like India. The study is significant because it contributes to the body of knowledge on the effects of SMM on Indian e-commerce companies and offers insightful information to scholars, e-commerce companies, and regulators.

**Literature Review**

The impact of social media on the expansion of e-commerce enterprises has been extensively covered in the literature. Social media has altered the way businesses interact with customers and market their products. The literature on the effects of SMM on Indian e-commerce companies is reviewed in this section. For e-commerce enterprises, SMM has a beneficial effect on customer involvement, brand awareness, and sales, according to a number of studies. For instance, a study conducted in 2013 by Parveen and Jaafar indicated that SMM had a considerable impact on brand loyalty and customer engagement, both of which improve sales for e-commerce companies. The survey also emphasised the value of SMM in promoting brands and interacting with...
consumers, which ultimately results in increased sales.

Similar findings were made by Algesheimer, Dholakia, and Herrmann (2010) in their study, which showed that SMM can raise brand recognition and consumer engagement. According to the report, e-commerce companies can use social media to interact with their customers and develop a base of devoted clients.

Also, a Singh and Soni (2018) study discovered that SMM has a major impact on consumers' purchasing decisions, which increases revenues for e-commerce companies. According to the report, e-commerce companies should concentrate on producing interesting content, cultivating relationships with clients, and working with influencers to advertise their goods on social media platforms.

In addition, a 2015 study by Chitra and Rajendran revealed that SMM can boost e-commerce enterprises' revenues by enhancing consumer involvement, fostering brand loyalty, and raising brand recognition. According to the survey, e-commerce companies need spend money on SMM to remain competitive. Another study by Jain and Sharma (2017) discovered that SMM can have a favourable effect on e-commerce companies' profitability. According to the survey, e-commerce companies should employ SMM to target their audience, produce interesting content, and assess the success of their SMM efforts.

SMM can affect consumers' willingness to buy in the e-commerce sector. According to the survey, e-commerce companies should utilise SMM to market their goods, develop their brand, and give customers a customised shopping experience. A study by Singh and Verma (2016) looked at how social media affects buying patterns in e-commerce. According to the report, social media significantly influences consumer behaviour since people use it to learn about items, read reviews, and make decisions about what to buy. The authors advise e-commerce companies in India to concentrate on creating SMM strategies that interact with customers and give them the knowledge they need to make wise purchasing decisions.

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Agrawal and Sahu (2015) did a study to look at how social media affects e-commerce brand loyalty. According to the report, social media has a favourable effect on brand loyalty because it allows businesses to interact with customers, forge connections, and share content that is valuable to them. The authors advise e-commerce companies in India to concentrate on creating SMM plans that are intended to foster brand loyalty and boost client retention.

Singh and Chauhan (2017) looked into the effect of SMM on the e-commerce buying decision-making process. Consumers use social media to research items, read reviews, and compare pricing, according to the survey, which revealed that social media has a big influence on how people decide what to buy. In order to influence customers’ purchasing decisions and boost revenue, the authors advise e-commerce companies in India to concentrate on creating SMM strategies.

A study was done by Varshneya and Jain in 2015 to look at how SMM affected Indian e-commerce success. According to the report, social media marketing (SMM) significantly affects the effectiveness of e-commerce, with companies adopting social media to boost website traffic, create leads, and boost sales. The authors advise e-commerce companies in India to concentrate on creating efficient SMM strategies that are in line with their overarching corporate goals and objectives.

Also, a study discovered that SMM can assist e-commerce companies in overcoming the difficulties associated with conventional marketing methods. According to the survey, e-commerce companies should use social media to target particular client segments, produce interesting content, and assess the success of their SMM initiatives (Gupta, Singla, and Shokeen, 2018).

Overall, the research indicates that SMM can have a big impact on the expansion of e-commerce companies in India by raising brand recognition, engaging with consumers, fostering brand loyalty, and boosting sales. The material also emphasises how crucial it is to provide interesting content, cultivate client connections, and work with influencers to market products on social media channels. To fully comprehend the efficacy of various SMM techniques for e-commerce enterprises in India, more research is necessary.

These studies demonstrate the significance of SMM for e-commerce companies in India, a market that is expanding quickly and has a sizable and expanding social media platform user base. The study also discovered that social media is important to Indian customers' decision-making, with 47% of Indian consumers using social media to investigate goods and services before making a purchase. This highlights the significance of for Indian e-commerce enterprises even more (TNS Global, 2016). Yet in order to get the required results, e-commerce companies must employ successful techniques. According to the literature, e-commerce companies should prioritise producing interesting content, cultivating relationships with clients, enlisting the help of influencers to market their goods, and assessing the
success of their marketing initiatives. Further research is needed to identify the most effective strategies for e-commerce businesses in India.

**Objective:** To know the impact of Social Media marketing on growth of Ecommerce Business.

**Methodology:** The researcher had considered people from Ecommerce Business industry to know the impact of Social Media marketing on growth of Ecommerce Business. The survey was conducted with the help of a questionnaire. The researcher had collected the primary data through random sampling method and was analysed by statistical tool called mean.

**Findings**

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Statements</th>
<th>Mean Value</th>
</tr>
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<tbody>
<tr>
<td>1.</td>
<td>SMM helps e-commerce companies to interact with their clients, raise brand recognition, and boost revenue</td>
<td>4.11</td>
</tr>
<tr>
<td>2.</td>
<td>SMM helps in enhancing brand exposure and engagement</td>
<td>4.23</td>
</tr>
<tr>
<td>3.</td>
<td>SMM can assist e-commerce companies in overcoming the difficulties associated with conventional marketing methods</td>
<td>4.01</td>
</tr>
<tr>
<td>4.</td>
<td>SMM makes favourable effect on e-commerce companies' profitability</td>
<td>4.03</td>
</tr>
<tr>
<td>5.</td>
<td>SMM had a considerable impact on brand loyalty and customer engagement</td>
<td>3.31</td>
</tr>
<tr>
<td>6.</td>
<td>SMM helps in promoting brands and interacting with consumers</td>
<td>4.17</td>
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</tbody>
</table>

**Figure 1 Impact of Social Media Marketing (SMM)**
Table above is showing impact of Social Media marketing on growth of Ecommerce Business. The respondent says that SMM helps in enhancing brand exposure and engagement with mean value 4.23, SMM helps in promoting brands and interacting with consumers with mean value 4.17, SMM helps e-commerce companies to interact with their clients, raise brand recognition, and boost revenue with mean value 4.11. SMM makes favourable effect on e-commerce companies' profitability with mean value 4.03, SMM can assist e-commerce companies in overcoming the difficulties associated with conventional marketing methods with mean value 4.01 and SMM had a considerable impact on brand loyalty and customer engagement with mean value 3.31. Figure 1 presents the data graphically.

Conclusion

As a result, has become a potent tool for Indian e-commerce companies to improve their online presence, raise client engagement, and spur growth and profitability. The considerable influence on several areas of e-commerce company, such as customer behaviour, satisfaction, brand loyalty, purchase decision-making, and overall performance, is highlighted by our examination of the literature of research studies carried out between 2010 and 2018. According to the studies we reviewed, social networking websites like Facebook, Twitter, and Instagram provide Indian e-commerce companies with a low-cost and successful approach to attract new clients, interact with current ones, and advertise their goods and services. E-commerce companies may raise their visibility, produce more leads, and increase sales by creating efficient strategies that take advantage of each platform's special features and capabilities. However, it is important to note that is not a panacea for all e-commerce challenges, and businesses need to be mindful of the potential pitfalls and limitations of social media marketing, such as privacy concerns, negative feedback, and the need for consistent and relevant content. Moreover, the effectiveness of may vary depending on the industry, target audience, and marketing objectives. Therefore, e-commerce businesses in India need to carefully evaluate their strategies and tactics, and continuously monitor and optimize their performance to ensure that they are meeting their business goals and objectives. In summary, present an exciting opportunity for e-commerce businesses in India to grow their businesses and succeed in the highly competitive Indian market, but it requires a thoughtful and strategic approach to achieve success. This study was conducted to know the impact of Social Media marketing on growth of Ecommerce Business, and it is found that SMM helps in enhancing brand exposure and engagement, SMM helps in promoting brands and interacting with consumers, SMM helps e-commerce companies to interact with their clients, raise brand recognition, and boost revenue.

References


