Social Media Marketing Strategies influencing Customer Engagement - Structural Equation Modelling.

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Abstract: Retaining Customer attention and keeping them Engaged with brands and Products at the least has become a mammoth task in recent days. Customer Engagement has been explained as the bond between business or marketers with the Customers. The relationship between the customers and the Marketers, can happen through several platforms, out of which Social Media is a powerful one. Almost everyone uses Social media now and there is certainly, a continuous increase in the numbers. This platform is used by marketers to increase Customer Engagement through various marketing strategies. The marketing strategies in Social media include promotions and advertisements through various means such as videos, texts, Photos and web-links. These strategies elicit reaction, response or keep customers mentally engaged, which earlier studies on this have substantial arguments supporting this. The engagement can be Passive or active. The present study considers three factors of Customer Engagement and has established the structural relationship between the measured variables and the unmeasured using Structural Equation model. The measured being Personalised, Interactive and Ethical promotional strategies that lead to Customer Engagement. The top ten Social media such as Facebook, Whatsapp, Twitter, Youtube, Instagram, Pinterest, LinkdIn, Tumblr, Snapchat and Tiktok have been taken for the study .The result of the study gives insight to the Marketers on which is the most influential variable on Customer Engagement. The result reveals that Personalised Promotions play a prominent role in keeping Cutomers Engaged. Hence focus on this parameter by the marketers which has an effect on Customer loyalty will help in customer retention..

Keywords: Customer Engagement, Social media, Customer loyalty, Promotional strategies, Interactive.

I. INTRODUCTION

Customer Engagement has been defined as the relationship between business or marketers and the Customers.

The These communications evoke reactions, responses and certain behaviour in customers. This engagement can be passive or active, (i.e) the advertisement content, captures the attention of the customers and keeps them mentally engaged, which is considered passive and when the same transcends into an action like sharing, commenting, it is active engagement. Further the behavioural outcomes are purchase intention and Customer loyalty. For the present study, Social Media, a powerful platform has been chosen and various marketing strategies which keep the customers engaged have been analysed. The top ten Social media such as Facebook, Whatsapp, Twitter, Youtube, Instagram, Pinterest, LinkdIn, Tumblr, Snapchat and Tiktok have been taken for the study.

A. Customer Engagement

The marketer has to send messages about products and services in an impressive manner to reach customers in order to keep the customers engaged. Customer Engagement manifests into Customer responses like loyalty, Purchase intention, Sharing, Liking etc. This is vital to retain customers and sustain the marketer customer relationship.

B. Social Media Marketing Strategies

Personalised Promotions /Ads (Advertisements): Advertisements and Promos according to individuals taste and preference. A message to the consumer on a product which he has searched online earlier.

Interactive Promotions / Ads: Ads and promotions which have provisions to submit feedback, suggestions, chat, change options according to customer's preference.

Ethical Promotions / Ads: Ads and Promotions which do not put down other brands and do not show any kind of discrimination.

II. II SIGNIFICANCE OF THE STUDY

Social media is a tool, which can be used in an effective manner to bring about customer engagement. Novel smart phones increase the aesthetics of advertisements and its content, which serves as an added advantage to the marketers. Keeping Customers engaged and sustaining customer's attention is essential in the current market scenario. Impressive promotional strategies in Social media enhances customer engagement which in-turn leads to positive customer responses, thereby retaining the Customers.

The recent information overload is gradually resulting in unstable customers. Hence this study becomes important to identify strategies to maintain constancy of customers.

III. III STATEMENT OF THE PROBLEM

The recent information overload may gradually result in unstable customers. Hence this study becomes important to identify strategies to make customers loyal.

IV. OBJECTIVE OF THE STUDY

➢ To analyse the influence of Social media promotions and advertisements on Customer Engagement.
➢ To develop a conceptual framework for Customer Engagement.
➢ To ensure the fitness of the model using Structural Equation Model.

V. LITERATURE REVIEW

Sashi (2012) establishes four kinds of Customers in Social media namely Transanctional Customers, delighted Customers, loyal Customers and Fans. The Customer has to undergo a cycle of Engagement in order to become Fans and this is done through Emotional bonding and relational exchange [1].

Schivinski et al (2016) have measured Consumer's Engagement with Social Media Brands related content and conclude that consumption, contribution and creation are dimensions which enhance Customer Engagement, using COBRA a behavioural framework [2].

Laurence Dessart (2017) has arrived at a model for antecedents and outcomes of Customer Engagement and says that individual characteristics of customers play an important role in their engagement in which the type of content also is an influential factor. The researcher also concludes that community engagement should gradually transform into brand engagement [3].

Barbara Mazza et al (2018) have discussed on the user engagement on content in Facebook, put across by different companies and shown results which denote that Company's presence and impressive content is important for user generated engagement [4].

Zayan Guedim (2019) writes that a particular social media allows advertisers to discriminate people, based on sex, culture, religion and ethnicity which is unethical [5].

Garry Wei-Han Tan et al (2018) has presented that interactivity is the most influential factor in behaviour intention of Customers [6].

VI. LIMITATIONS OF THE STUDY

The study has been carried out only on Promotions or ads in Social Media only. This study is limited to respondents in Chennai district.

VII. RESEARCH METHODOLOGY

Structural Equation model has been done to establish the relationship between the measured variables that lead to Customer Engagement which is latent. The study has been carried out with 100 respondents in Chennai District.

VIII. DATA ANALYSIS AND INTERPRETATION

Data was collected from 100 respondents in Chennai with a properly structured questionnaire.

Table – I: Demographics

S.No.	Gender	%	Age	%	Marital Status	%	Social media usage per day	%
	Male	51	Upto 20	23	Single	53	Upto 2 hrs	47
	Female	49	21 - 30	31	Married	47	2 – 4 hrs	23
			31 - 40	31			Above 4 hrs	30
			Above 40	15				

A. Structural Equation Model On Customer Engagement

This is a statistical tool that is used to analyse multiple variables. This model is used to establish the relationship between Personalised, interactive and Ethical promotions/ads which are the measured variables with the unobserved variables. Thus the theoretical model can be used with confidence for further study.
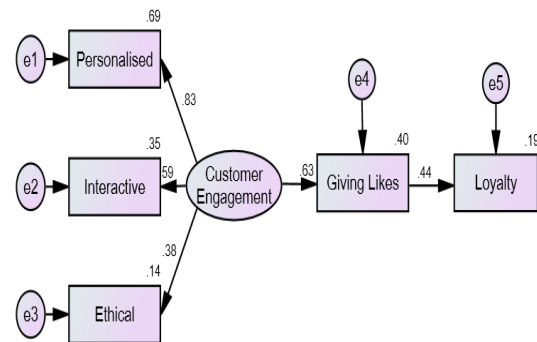

Fig. 1. Conceptual Model (*Path of Variables*)

Table - II Variables in the Structural Equation Model Analysis

Variables			Unstandardised co-efficient (B)	S.E of B	Standardised co-efficient (Beta)	t value	P value
Personalised	<---	Customer Engagement	3.337	0.443	0.829	7.541	<0.001**
Interactive	<---	Customer Engagement	2.234	0.404	0.592	5.528	<0.001**
Ethical	<---	Customer Engagement	1.633	0.477	0.377	3.420	<0.001**
Giving likes	<---	Customer Engagement	3.819	0.647	0.633	5.903	<0.001**
Customer Loyalty	<---	Giving Likes	0.238	0.049	0.435	4.811	<0.001**

Note: ** denotes significant at 1%level.

Interpretation

Fig 1. depicts the conceptual model indicating the path of the variables.

There are 6 independent variables in the model which are error terms of Personalised, Interactive and Ethical ads or Promotions leading to Customer Engagement and error terms of Giving Likes and Customer Loyalty.

There are 5 dependant variables which are observed variables such as Personalised, interactive and ethical ads /promotions including Giving likes and Customer Loyalty.

From the unstandardized coefficient values in Table II for each of the variables on Customer engagement, it is understood that the link between the variables is positive.

A unit increase in Personalised, Interactive, and Ethical ads/promotion will result in increase in Customer Engagement by 3.337, 2.234 and 1.633 units respectively.

A unit increase in "Giving likes" will increase Customer Engagement by 3.189 units.

A unit increase in "Giving likes" will increase Customer Loyalty by 0.238 units.

Personalised ads/promotions have the highest value which denotes the most influential aspect in keeping Customers Engaged.

B. *Testing Of Model Fit*

Null hypothesis   : The hypothesized model has a good fit.
Alternate hypothesis   : The hypothesized model does not have a good fit.

The following table displays the observed values of the fit indices and it is compared with already established standard values. The hypothesis has been framed to test the fitness of the model. The results can be deduced from the observed values in the table accordingly**.** The interpretation states clearly the standard value for each index.

Table III Model fit summary of Structural Equation Model

Indices	Observed Value
P value	0.151
GFI	0.97
AGFI	0.909
NFI	0.921
CFI	0.966
RMR	0.068
RMSEA	0.079

Interpretation: The values obtained in Table III denote that the theoretical model is fit. The observed values match the standard values of Goodness of fit (GFI > 0.9), Adjusted goodness of fit (AGFI > 0.9), Normal Fit (NFI > 0.9), Comparative Fit indices (CFI >0.9) and indicate perfect fit of the conceptual model. The Root mean square error of Approximation (RMSEA<0.08) and Root mean square residual (RMR<0.08) values meet the standard [7]. Model fit also confirms that the Personalised, Interactive and Ethical ads/Promotions constitute factors of Customer Engagement.

IX.   DISCUSSION AND SUGGESTIONS

- It has been inferred from the Structural Equation model that the model is a perfect fit. This establishes the relationship between the measured variables and the latent construct. The positive values of the unstandardized coefficients indicate that Customer Engagement increases on improving the content of Social media promotions according to the preferences and opinion of the Customers.
- The study shows that in general people like advertisements or promotions to be customised or personalised. They feel that the Social media ads should be for products which are relevant to them and for a product which they have already searched for.

Retrieval Number: F9163038620/2020©BEIESP
DOI: 10.35940/ijrte.F9163.038620
Journal Website: www.ijrte.org

4120

Published By:
Blue Eyes Intelligence Engineering
& Sciences Publication

- This is followed by "Giving Likes" which is another influential aspect on Customer Engagement. Customers have expressed that they give "Likes" when the Social media ad is for a product for which the customer's experience was good and for a content that is humorous, exciting, attractive and beautiful.
- Interactive ads where customers are able to give their feedback, change options and give suggestions are also influential.
- Marketers should strive to make ads more personalised and interactive wherein they can strengthen the bond with Customers and improve Customer Engagement.
- As it is becoming increasingly difficult to retain customers due to high competition in the Market and information overload, novel strategies have to be initiated to ensure retention. Hence it is important that the content in the advertisement prompts Customers to give "Likes" which converts Customers into marketers. Thus they unconsciously become participants in Marketing.
- Moreover, Personalised, interactive and Ethical ads/promotions in Social media keeps Customers Engaged and prompts them to give "likes" which in-turn enhances Customer Loyalty. This ensures stable customers and prevents customers from switching to other brands or products.

X. CONCLUSION

Social Media has excellent reach and it pervades every walks of our day to day lives. Nokia's annual mobile brand index (MbiT) study states that Indians have consumed over 11GB data on an average in December 2019. This is because of the cheap data plans, mobile handsets at cheaper rates and increasing popularity of videos. Altogether an increase of 16%. (Source: The Hindu dated 28/02/2020). This opens up a tremendous opportunity for Marketers to make use of Social media to reach out to Customers, enhance Customer Engagement through personalised strategies and convert the vacillating customers to loyal ones. As it is observed in the result of the study, making more individualised ads and promotions, encouraging feedback and implementing the suggestions and treating customers in a fair manner will definitely improve Customer Engagement positively. If the Marketers keep the Customers Engaged in a positive manner, giving "Likes" will increase and they become loyal customers. When other customers view the number of "Likes" given, they also stay engaged and there is enormous potential of them turning loyal. This ensures that the Marketers stay right on top in today's competitive business scenario.

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