

# Impact of Social Media Marketing on Business Exposure and Customer Response: A Study on Educational Institutes of Chhattisgarh

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**Abstract:** *This study aims to determine the impact of social media marketing on business exposure and customer response of educational institutes of Chhattisgarh. Business Exposure and Customer Response are considered as the dependent variables & social media marketing is considered as the independent variable. A survey-based exploratory and causal research design was used. A research instrument of 28 items was generated comprising of 17 items for three antecedents of independent variable i.e. peer communication, perceived product informativeness and product involvement and 6 items for dependent variable i.e. business exposure and 5 items for customer response. The data was collected from prospect customer i.e. students and their parents of selected educational institutes of Chhattisgarh through structured questionnaires. Factor analysis with principal component extraction method with promax rotation was used to determine the validity and Cronbach's coefficient alpha to determine the reliability of the instrument. Regression analysis was used to determine the causal relationship between the independent and dependent variables. The study also aims to suggest strategies to increase the Business Exposure and Customer Response of the Education Institutes.*

**Keywords:** Social Media Marketing, Business Exposure, Customer Response, Educational Institutions

## 1. Introduction

Marketing is an important aspect for any company involved in business. As such, it is a competitive world out there, and social media marketing is the „new kid in town“ and it can reach out to the people accessing these social media platform regularly. Communication is essential for any corporation and business, therefore either they change the way information is conveyed or be prepared to lose some of the audience. It is imperative for marketing managers to continuously find a solution to appeal, keep new and current customers (Schneider, 2009). Social network is the ideal platform for communication that applies perfectly with marketing in the virtual world. Social networks are groups of individuals who prefer to communicate with one another through a preferred site based on the profile created for themselves (Laudon and Traver, 2007).

Education industry needs entire new system to fulfill the students' requirements and expectations of their parents, which is now being the central issue for discussion. High competition and changing social environment are two important aspects that forced educational institutions both public and private, to become more proactive and more market-oriented. Educational institutions have been using traditional media to promote their services, which can be categorized as a one-way communication. Their primary customers and target group are students which must be segmented and targeted differentially as there can be: mature students, high-school graduates and international students, and each group has different needs and expectations. Nowadays, institutions face a plethora of issues and challenges in the current era of education system, which is turning more technological. In this respect, institutions are “being urged to provide high quality education, exist as a well-reputed institute/university,

achieve enrolment success, improve competitive positioning, provide contemporary and well-designed academic programs, and maintain financial strength” (Cetin, 2003). This has forced administrators at institutions to begin to recognize that they need to function more like a business and market their offerings utilizing effective strategies (Hancock and McCormick, 1996). In this context, it appears rather ironic that many institutions may preach the virtues of marketing to their business management, yet fail to realize the implications this has for their own institution and so they use it very poorly in their day to day activities.

On the other hand, with the recent technological advancements educational institutions/universities cannot only communicate effectively with their target market, but they can still use social media to disseminate information and receive feedback. Social media can assist them to establish a two-way flow of information. The usage of social media phenomenon is vast and fulfilling the objectives of marketing as effective as other marketing tools. Trust and goodwill are the basis of social networking, and by marketing in the realm of social media these fundamental notions need to be adhered. It is probably the only marketing platform that encourages fool proof communication and accountability among marketers and prospective customers. It is very available to anyone at anytime with an internet connection, it is a platform that is recommended to the education industry to increase their brand awareness and facilitate direct feedback from their customers. The internet and social media offer institute/universities valuable instruments in order to better communicate with their target customers. The main advantage comes from the possibility to obtain feedback, the disadvantage being the impossibility to control every aspect of the two-way conversation.

Therefore, the aim of this study is to explore the concept of social media marketing and examine its impact on business exposure and customer response in educational institutes of Chhattisgarh. The study would also provide guidelines to the educational institutes to uncover the process by which potential student's uses social media and more specifically what the media's role is in increasing the student response rate of the institutes through Social media.

## 2. Literature Review

The more recent introduction of Web 2.0 has facilitated the creation of what is now termed social media as it is an umbrella term representing a wave of new technologies that "enables the social phenomenon of collective media and facilitates consumer-generated content" (Berthon et al., 2012). The ease of internet access has resulted in increased use of a new unconventional channel for communication, commonly known as social media. The spread of social media and social networking sites has changed the direction and objective of social networks. The comments made on the products communication between consumers and marketers is now the objective of use of social media (e.g. Hennig-Thrau et al., 2004; Nambisan and Baron, 2007; Shankar and Hollinger 2007; Wang et al., 2012) and decision making process to purchase as the resultant. Electronic communication, via popular social media tools such as Facebook, Twitter, YouTube and Bloggers has enabled an immediate information flow and opportunity for marketer to reach out to a much wider targeted audience. Through social media marketing, information of any product/service can be made available in a way that attracts attention, generates traffic of customers and makes the readers to share their experiences and opinions with social networks. The comments made on the products/services and communication among peer groups has a cumulative effect that serves the information requirements related to the purchase decisions and impacts purchase behavior (e.g. Lueg et al., 2006; Park and Lee, 2009; Sin et al., 2012). As customers cannot examine the products/services offered, the information and comments available on social media help the customers in evaluation process and facilitates the decision making. In addition, product/service involvement has been found to be another important variable influencing behavior. Studies conducted in this regard (e.g. Novak et al., 2000; Stafford and Stern, 2002; Kim et al., 2010) have reported higher attention and interest of customers when purchasing a product under high involvement conditions.

Social media are online applications, platform and media tool which aim to facilitate interactions, collaborations and the sharing of the information (Richter & Koch, 2007). They include variety of forms, including weblogs, social blogs, micro blogging, wikis, podcasts, pictures, video, rating and social bookmarking. It is internet-based tool for sharing and discussing information among marketer and customer. Social media is all about networking that encourage trust among parties and communities involved. Any website which allows user to share their content, opinions, views and encourages interaction and community building can be classified as a social media. Some popular social media sites are: Facebook, YouTube, Twitter, Digg, My Space, Stumble Upon, Delicious, Scribd, Flickr etc. The meaning of the term

„social media“ can be derived from two words which constitute it. Media generally refers to advertising and the communication of ideas or information through various channels. Social implies the interaction of individuals/groups within a community. Taken together, social media simply refers to communication/publication platforms which are generated and sustained by the interpersonal interaction of individuals through the specific medium or tool. In general, it is the dissemination of information, transforming people from content readers into customers.

Social media uses web-based technologies to turn information into interactive communication. Andreas Kaplan and Michael Haenlein define social media as "a group of internet based applications that build on the ideological and technological foundations of Web 2.0, which allows the creation and exchange of user-generated content." Social media is the medium to socialize. They use web-based technology to quickly disseminate knowledge and information to a huge number of users. They allow creation and exchange of user-generated content. Facebook, Twitter, Hi5, Orkut and other social networking sites are collectively referred social media. Social media represents low-cost tools that are used to combine technology and social interaction with the use of words. These tools are typically internet or mobile based like Twitter, Facebook, MySpace and YouTube. There are two benefits of social media that are important to businesses, they include:

- 1) Cost reduction by decreasing information dissemination time.
- 2) Increase of probability of purchase decision.

Social media enables companies to:

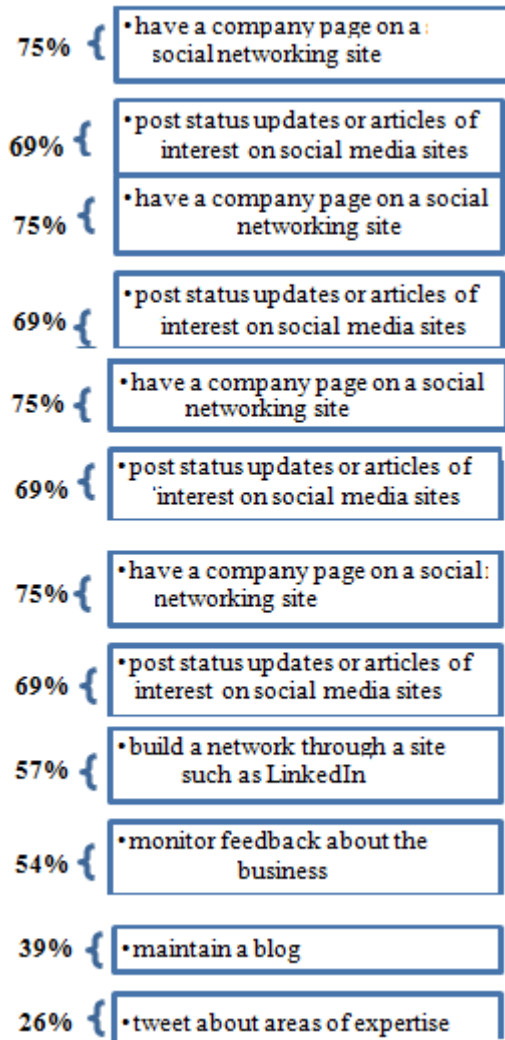
1. Share their expertise and knowledge.
2. Tap into the wisdom of their consumers.
3. Enables customers helping customers.
4. Engages prospects through customer evangelism.

Thus the benefits of social media include: brand reach and awareness, consumer interactions through transactions, referrals and reputation management.

## 3. Social Media Marketing

Social media marketing consists of the attempt to use social media to persuade consumers that one's company, products and/or services are worthwhile. Social media marketing is marketing using online communities, social networks, blog marketing and more. Lazer and Kelly's (1973) define social marketing as "concerned with the application of marketing knowledge, concepts, and techniques to enhance social as well as economic ends. It is also concerned with the analysis of the social consequences of marketing policies, decisions and activities." Social media marketing is not merely about hitting the front page of any social website, but it is a strategic and methodical process to establish the company's influence, reputation and brand within communities of potential customers, readers or supporters. A recent study, The State of Small Business Report sponsored by Network Solutions, LLC and the University of Maryland's Robert H. Smith School of Business, points to economic struggles as the catalyst for social media's rapid popularity. The study

results show that social media usage by small business owners increased from 12% to 24% in one year, and almost 1 out of 5, actively uses social media as part of marketing strategy. In 2009, only 23% of marketers were using social media for years. Now it has grown to 31%. Here is a breakdown of what the small businesses reported as the main uses of social media marketing as shown in figure 1.



**Figure 1:** Uses of Social Media Marketing

Source: Amy Porterfield (2010). The State of Small Business Report

Many industries now-a-days are adopting social media marketing to different extent, and while many industries have started using social media marketing in their efforts to reach more customers, many still have not positioned it as their top priority. A research shows that charitable organizations are still outpacing the business world and academia in their use of social media. In a study conducted in 2008, a remarkable eighty-nine percent of charitable organizations are using some form of social media including blogs, podcasts, message boards, social networking, video blogging and wikis. About 57% of the organizations are blogging, around 45% of those usesocial media as fundraising strategy. While these organizations are best known for their nonprofit status and their fundraising campaigns, they demonstrate an acute, and still growing, awareness of the importance of Web 2.0 strategies in

meeting their objectives. In just the last few months, marketers have shifted their attitudes toward social media marketing spending. This was recently affirmed in the new study, The CMO Survey from Duke University's Fuqua School of Business and the American Marketing Association. According to the results, businesses currently allocate 6% of their marketing budgets to social media, an allotment they expect to increase to 10% during the next year and 18% over the next 5 years. Back in August 2009, marketers had already planned on devoting more money to social media. However, in February 2010, marketers reported that they plan to allocate one-fifth of their marketing budgets to social media marketing in the next 5 years. This is a definite increase from the 2009 projections. The study features the following comparison from August 2009 to February 2010.

#### 4. Role of Social Media in Marketing

Social media is now increasingly becoming an ingrained aspect of political campaigns, national defense strategies, public policy, public relations, brand management and even intra company communication. Since the major task of marketing as tool used to inform consumers about the company's products/services, who they are and what they offer, social marketing plays an important role in marketing. Social media can be used to provide an identity about the companies and the products/services that they offer. Social media helps in creating relationships with people who might not otherwise know about the products or service or what the companies represent. Social media makes companies "real" to consumers. If they want people to follow them they need not just talk about the latest product news, but share their personality with them. Social media can be used to associate themselves with their peers that may be serving the same target market .Social media can be used to communicate and provide the interaction that consumers look for. Social media marketing is marketing that focuses on people, not products (Diamond, 2008).

Also, what is important about social media marketing is that marketer can listen, track and measure what is shared on the Social Media Sites in order to improve the offered message and adapt it more to the customers' needs. Thanks to the Social Media analytics and metrics available, the impact of Social Media on a company's marketing strategy can be measured and evaluated relatively easily. It companies to network with customers in order to build relationships and achieve a better understanding of customer needs. Businesses want their message to reach as many people as possible. To maximize this reach, a business must have a presence where customers are hanging out. Increasingly, they are hanging out on social networking sites (Halligan, Shah, & Scott, 2009). Social media provides multiple opportunities for businesses to market to consumers and build closer and more profitable relationships.

According to Kim and Ko (2010a), social media can have a dramatic impact on a brand's reputation. The factors affecting social media promotion are:

- 1. Peer Communication-** In social media, peer communication refers to interactions about products/services among individual consumers through computer



aided social networks (Dhar and Chang, 2009; Wang et al, 2012).

2. **Perceived Product Informativeness-** It implies the degree to which consumers believe that information available (through comments and online reviews) would facilitate their purchase decision-making process (Robinson et al, 2005; Park and Lee, 2009).
3. **Product Involvement-** A psychological construct that refers to the perceived relevance of an object during decision making process, based on the consumer's needs, values, or interests (Zaichkowsky, 1985).

Though a vast majority of literature provides an understanding of social media marketing activities and support the influence of social media on consumer and behavioural intentions, studies specifically examining impact of usage frequency on the purchase influence of the products. A recent study by Sin et.al (2012) examined the factors that influence the Malaysian consumers online was collected and analyzed. The findings of the work purchase intention through social media. The study tested three factors, namely perceived ease of use perceived usefulness and subjective norm and reported perceived usefulness to be the most important factor affecting intention to purchase in a social media setting. A further empirical work conducted by Wang et.al (2012) examined the peer communication and socialization through social media websites. The results confirmed that the two antecedents namely, individual level tie strength and group- have positive influence on peer communication. In addition, the study reported the impact of peer communication on purchase intentions directly through consumer socialization as well as by product involvement. The impact of involvement on product attitude and purchase intentions examined in some other studies (e.g. Martin and Stewart, 2000; Kim et al, 2009) also suggest that are new to social media are more likely to show positive attitude toward the product and purchase it than consumers with low level of involvement. In a related work conducted by Corstjens and Umblijs (2012) to determine the impact of degree to which consumers believe that information social media activities on sales, the findings suggested that there is no significant communication in social media with respect to low-involvement products, thereby making it difficult to detect the effect on sales.

According to Whitehead (2012), "web and social media are not only crucial tools in student recruitment, they have forcibly sharpened the accuracy of university branding." Any attempt to present erroneous info according to the author is likely to be promptly exposed by scores of both potential and existing students out there. For this reason, institutes making use of digital marketing are likely to be more careful with the kind of info they post. Given the level of caution, educational institutes exercise when posting material on the social media, the latter continues to be regarded a fairly credible source of information especially in regard to admissions in an institute. Most of today's students cannot imagine of a world without the internet. Indeed, a vast majority of students are active users of the internet and have a strong presence in the social media. As Nayar (2010) points out, to the youth, social networking has become "a mode of self-representation and display." In so many ways, the participation of most of today's students in the social

media has been further enhanced by the availability of portable electronic devices that continue to make internet access even more convenient and enjoyable (Michaluk, 2008). Indeed, results of a recent study clearly "show that the vast majority of college-bound high school students use social media" (Levitz, 2012). According to the study, only 5% of students on their way to college do not use social media (Levitz, 2012). In that regard, it would be safe to assume that given the popularity of the social media amongst college-bound students, any information posted via the said platform is seen as being fairly credible and/or accurate. The popularity of social media amongst college-bound students could also mean that any information posted on the platform is regarded as being more credible than info posted via traditional media including but not limited to magazines and newspapers. This is particularly the case given that online platform such as "twitter have turned into powerful channels of information and outstrip the official massmedia...in the quality and reliability of the information (Henseler, 2012). It should also be noted that it is in this virtual environment that students constantly interact and indeed spend a significant amount of time. A study conducted by Marketing Charts (2010) showed that the time individuals spend on social networking sites is increasing day by day. As Metzger and Fianagin (2008) point out, adult and youth information seekers differ on several fronts, like in the case of information-seeking goals. When it comes to selecting an educational institution, it would only be natural for potential students to rely on a source of information they are well acquainted with. For this reason, any information acquired from the said source is deemed largely credible. It is perhaps with this in mind that universities have stepped up their utilization of social media in their student recruitment efforts.

According to McAllister and West (2013), educational institutions are also utilizing social media tools to build their reputation. The importance of social media as platforms of social interaction, communication and marketing is growing. The rapid ascent of social media across society is a very clear signal that individuals, groups and institutions are rapidly changing their preferences of how they learn, communicate, collaborate and participate in society. The immediacy of interaction, from the simplest response to a Tweet on Twitter to a very thoroughly researched and presented blog post, underscore how pervasive the foundational elements of Web 2.0 design precepts and principles are influencing daily life worldwide today (O'Reilly, 2006). For educational institutions this shift in communication channels, patterns and preferences have an immediate effect on a given college or universities' level of credibility with prospective students, and has a direct effect on how trusted they are over the long-term (Chauhan, Pillai, 2013).

Research demonstrates that higher education institutions show increased interest in the potential of social media as a marketing tool. Not only are social networks integral to the brand of any college or university today (Ali-Choudhury, Bennett, Savani, 2009), they have become essential for accurately and clearly communicating the unique value proposition a given college or university can offer students across the spectrum of academic disciplines it provides

instruction within (Sotiriadis, Van Zyl, 2013). Social networks such as Facebook and Twitter have attracted many subscribers from all over the world and many organizations are slowly turning towards this particular media with a goal to reach as many people as possible (Bradford & Florin 2003). This shift to social media channels is essential for any college or university to stay relevant and within the contextual frame of reference of students over the long-term as well (Sotiriadis, Van Zyl, 2013). It is particularly important to evaluate the potential of these tools to reach and attract future students and align with how they perceive the most and less trustworthy sources of information. According to Constantinides & Stagno (2011) universities can benefit from identifying the students' communication preferred social media channels and habits in an effort to design an effective communication plan for student recruitment purpose.

### 5. Research Objectives

The study has been undertaken with the following research objectives:

1. To analyze the impact of Social Media Marketing Activities on Business Exposure and Customer Response
2. To describe the importance of Social Media Marketing Activities in Educational Institutes of Chhattisgarh.

### 6. Research Variables

Three antecedents of social media marketing namely Peer Communication, Perceived Product Informativeness and

Product Involvement have been considered as dependent variable and business exposure and customer response have been considered as independent variable. (Dhar and Chang, 2009; Wang et al, 2012, Robinson et al, 2005; Park and Lee, 2009, Zaichkowsky, 1985) as shown in table 1.

**Table 1:** Research Variables for Social Media

Antecedents	Source	Dependent Variable
Peer Communication	Dhar and Chang, 2009	Business Exposure/ Customer Response
Perceived Product Informativeness	Park and Lee, 2009	
Product Involvement	Zaichkowsky, 1985	

### 7. Research Hypothesis

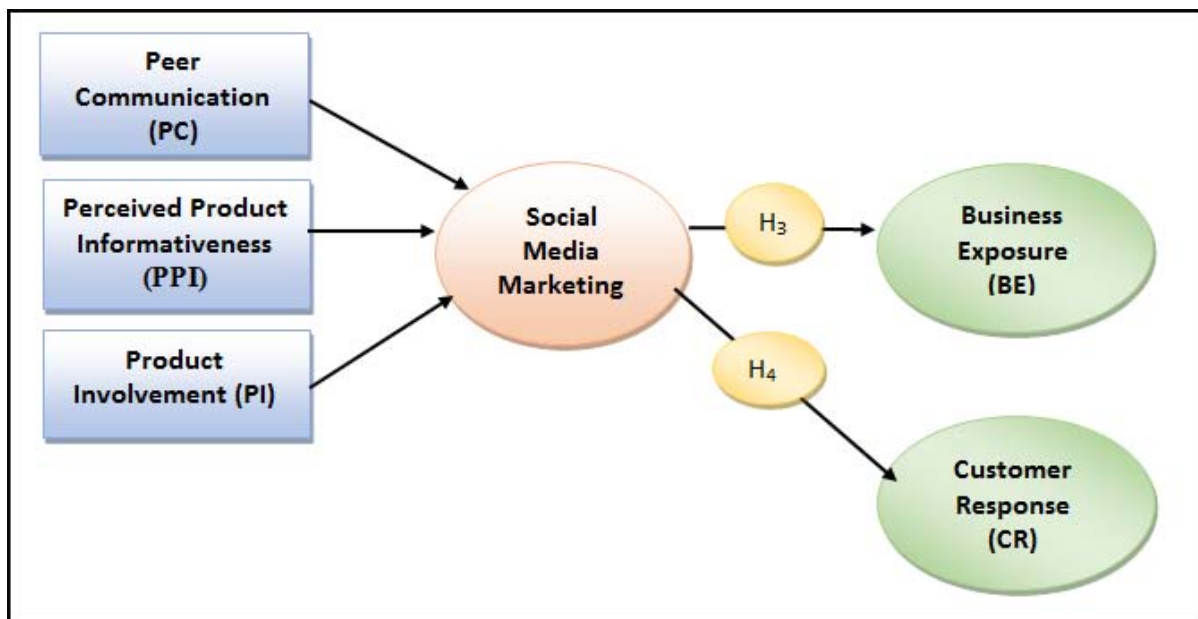
The study postulates two research hypothesis corresponding to the dependent and independent variables as explained below:

H<sub>1</sub>: Social Media Marketing Activities have significant impact on business exposure

H<sub>2</sub>: Social Media Marketing Activities have significant impact on Customer Response.

### 8. Research Model

Conceptual Framework Showing the relationship of the dependent and independent variable as shown in figure 2:



**Figure 2:** Model of Social Media Marketing

### 9. Research Instrument

Research instrument was formulated comprising of both independent and dependent variables as shown in table 2, 3 and 4.

**Table 2:** Research Instruments for Social Media

Variables	Items	Scale	Source
Peer Communication (PC)	PC1	I often search for consumer reviews on social sites.	Dhar and Chang, 2009; Wang et al, 2012
	PC 2	I ask my peers for advice about the product on social sites.	
	PC 3	I obtain product information from my peers through social media.	
	PC 4	My peers on social media sties encourage me to buy the product.	
	PC 5	I am influenced by online reviews when I choose a product.	
	PC 6	I find online consumer reviews beneficial to me while making a purchase decision	
Perceived Product Informativeness (PPI)	PPI1	Social media improves the quality of my purchase decision.	Robinson et al, 2005; Park and Lee, 2009
	PPI 2	Using social sites gives me better knowledge (information) of the product.	
	PPI 3	I find information provided by social media to be relevant.	
	PPI 4	Social media enables me to make product comparisons.	
	PPI 5	Given that I have access to social media, I intend to invest my time and effort to learn more about the product through it.	
	PPI 6	I refer to social media whenever I need information on companies or products.	
Product Involvement (PI)	PI1	I am always interested in knowing about the product through social media.	Zaichkowsky, 1985
	PI 2	I would seek information from social media if my decision making for purchase is important.	
	PI 3	I give careful consideration to the product for which I look for information in social media.	
	PI 4	I am interested in the product for which I make use of social media.	
	PI 5	I use social media for the products that are of concern to me.	

**Table 3:** Research Instruments for Business Exposure

Variables	Items	Scale	Source
Business Exposure	BE1	Satisfied with the	Doll and Torkzadeh (1988)
	BE2	Adequate information	
	BE3	Able to gather every information without going physically	
	BE4	I trust on the information I receive	
	BE5	Information that exactly fits the needs.	
	BE6	Accurate information	

**Table 4:** Research Instruments for Customer Response

Variables	Items	Scale	Source
Customer Response	CR1	Intention to choose for admission	Kim and Ko (2012)
	CR2	Intend to take admission	
	CR3	Consider for taking admission as per the information received	
	CR4	Helpful in decision making.	
	CR5	I am likely to take admission on the basis of information received	

## 10. Research Methodology

The exploratory and causal research design was adopted in this study to explore social media as promotional tools and to analyze the impact of iton business exposure and customer response. Under causal research design, causal study was adopted to analyze the impact between variables. Secondary data collection method was adopted to identify various antecedents of social media marketing, whereas

primary data collection method was adopted to explore the impact of antecedents of social media on business exposure and customer response.

The data were collected through structured questionnaires for the variables to generate causal relationship and were asked on seven point likert scale from the respondents inclusive of students and parents likely to take admissions in various educational institutions. The questionnaire consisted of two sections i.e. firstly, questions regarding antecedents of social media marketing, business exposure, customer response and secondly, questions regarding respondents' demographic characteristics. Respondents for the purpose of data collection have been identified through the list of prospective customers taken from various educational institutions of selected district of Chhattisgarh State. The sample frame consist of three districts of Chhattisgarh for the purpose of the study i.e. Raipur, Durg and Bilaspur due to the more availability of educational institutions. The sample respondents were selected through convenience sampling technique and questionnaires were distributed online through emails. The sample size for the study was 205. For the purpose of this study, Statistical Package for the Social Sciences (SPSS - Version 17) was adopted as analytical tool to analyze the data. The data was first checked for its validity and reliability. Validity of the instrument and the data was checked through exploratory factor analysis and reliability was checked through Cronbach's coefficient alpha. Further multiple linear regression analysis was utilized to analyze the impact of independent variable on dependent variable.

## 11. Data Analysis & Interpretation

### Validity and Reliability of Instrument

Exploratory Factor Analysis (EFA) was conducted for the purpose of data reduction. It is used to remove redundant (highly correlated) variables from the instrument, perhaps rearranging the entire data with a smaller number of uncorrelated variables. The purpose of structure detection is to examine the underlying (or latent) relationships between the variables.

EFA was conducted on 28 items of the instrument developed for Social Media inclusive of 17 items for social media as independent variable and 6 items for Business Exposure and 5 items for Customer Response with the help of SPSS (version 21). Principal Component Analysis of extraction was chosen to extract the factors, with squared multiple correlations used as prior communality estimates. As suggested by Fabrigar, Wegener, MacCallum, and Strahan (1999), an oblique rotation using promax with Kaiser Normalization was at first performed to determine the size of the correlations between the extracted factors. When correlations existed between the factors, the oblique solution was retained.

The Kaiser-Meyer-Olkin Measure of Sampling Adequacy is a statistic that indicates the proportion of variance in the variables that might be caused by underlying factors. For the KMO statistic, Kaiser (1974) recommends a bare minimum of 0.5 and that values between 0.5 and 0.7 are mediocre, values between 0.7 and 0.8 are good, values between 0.8 and 0.9 are great and values above 0.9 are superb (Hutcheson Sofroniou, 1999). For these data the value is 0.786, which is considered as good degree of common variance and so it can be considered that sample size is adequate for factor analysis. The Bartlett's test of Sphericity is used to examine the hypothesis that the variables are uncorrelated in the population. In other words, the population correlation matrix is an identity matrix i.e. each variable correlates itself ( $r=1$ ) but there is no correlation with the other variable ( $r=0$ ). Small values (less than 0.05) of the significance level indicate that a factor analysis may be useful for the data and the hypothesis is accepted (Field, 2000). For these data, Bartlett's test is highly significant ( $p < 0.001$ ), and therefore factor analysis is appropriate and each variable correlates itself but there is no correlation with the other variable i.e. the data is free of multi collinearity as shown in table 5.

**Table 5: KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.786
Bartlett's Test of Sphericity	Approx. Chi-Square	2774.033
	Df	231
	Sig.	0.000

EFA resulted into the convergence of five factors as hypothesized in this study based on theoretical understanding along with their respective total percentages of variance explained as shown in table 6. The cumulative percentage sum of square loadings is 74.701, which is under the acceptable range.  $h^2$  (communality coefficient) values indicate the proportion of each variable's variance that can be explained by the retained factors. The communality

coefficient (suppression below 0.3) for all the items is good and above 0.3, so all the items can be retained. Pattern coefficient matrix (using promax rotation), is preferable to interpret, since it includes the coefficients that only represent the unique contribution of each variable to the factor, thus accounting for the inter-factor correlations. All the items of a particular exogenous variable as hypothesized on the basis of theory are loaded under same factor with high loading values, hence all the items are retained in the instrument for further analysis.

The factor analysis yielded five components corresponding to the five variables including independent and dependent variables both. The result of factor analysis shows that 4 items of PC (Peer Communication) will be considered, which are loaded under 4th component, whereas two items were discarded due to low loading values. Only 4 items out of 6 items will be considered for Perceived Product Informativeness (PPI). All the Five items were considered for Product Involvement (PI). Five items were considered for Business Exposure (BE) and one item was discarded due to scattered loading value whereas, four items were considered for Customer Response and one item was discarded. Therefore, after factor analysis, 22 items were considered for both independent and dependent variables for further multivariate analysis.

**Table 6: Exploratory Factor Analysis**

	Factors					$h^2$
	1	2	3	4	5	
% variance explained eliminating other factors (after rotation)	25.653	16.127	12.043	8.238	7.252	$h^2$
PC1				0.548		0.467
PC4				0.922		0.798
PC5				0.884		0.805
PC6				0.902		0.799
PPI1			0.909			0.801
PPI2			0.727			0.630
PPI5			0.938			0.847
PPI6			0.868			0.798
PI1	0.852					0.734
PI2	0.824					0.680
PI3	0.872					0.767
PI4	0.722					0.605
PI5	0.767					0.622
BE2					0.884	0.801
BE3					0.631	0.554
BE4					0.926	0.861
BE5					0.941	0.878
BE6					0.880	0.835
CR2		0.902				0.801
CR3		0.887				0.810
CR4		0.881				0.811
CR5		0.827				0.729

Notes: Total variance explained = 74.701%.  
 $h^2$  = Extraction Communality Coefficient.

The coefficients of the inter factor correlations among the variables indicates that the exogenous and endogenous variables are not correlated with each other as all the values are below 0.7 as shown in table 7.



**Table 7: Inter-Factor Correlations**

Component	PC	PPI	PI	BE	CR
PC	1.000				
PPI	-0.017	1.000			
PI	-0.041	-0.330	1.000		
BE	0.165	0.041	-0.379	1.000	
CR	0.015	0.232	-0.226	0.167	1.000

Extraction Method: Principal Component Analysis  
 Rotation Method: Promax with Kaiser Normalization

Finally, internal consistency reliability to test unidimensionality was assessed by Cronbach's alpha. Principal Component Analysis estimated matrices were used, because they do not have to be inverted prior to the computation of Cronbach's alpha (van Horn, 2003). The resulting alpha values ranged from 0.70 to 0.87, which were above the acceptable threshold 0.70 suggested by Babbie (1992). According to Babbie (1992), the value of Cronbach Alpha is classified based on the reliability index classification where 0.90-1.00 is very high, 0.70-0.89 is high, 0.30-0.69 is moderate, and 0.00 to 0.30 is low. The analysis showed the Cronbach Alpha value, higher than 0.70, falls into the classification of high.

The table 8 indicates that the total 22 items will be considered comprising of both independent and dependent variables after data screening and factor reduction (exploratory factor analysis). The mean and standard deviation of the data for each variable were also estimated. The mean values for the all the variable are above average (greater than 3), whereas, the data are not very much deviated from the mean as shown in table 8.

**Table 8: Mean, SD And Cronbach's Alpha**

Variables	Sample Size	Items	Mean	SD	$\alpha$
PC	205	4	5.69	0.890	0.846
PPI	205	4	3.22	0.839	0.898
PI	205	5	5.44	1.195	0.866
BE	205	5	3.45	1.418	0.755
CR	205	4	5.73	0.988	0.907

SD - Standard Deviation  
 $\alpha$  - Cronbach's Alpha

The chi-square test for Goodness-of-fit was estimated for the data and the result shows that the P-value (sig.) is 0.000 (<0.05) is highly significant, hence the model is fit for the data collected as shown in table 9.

**Table 9: Goodness-of-fit Test**

Chi-Square	df	Sig.
170.493	99	0.000

### Testing of Research Hypothesis 1 – Social Media & Business Exposure

The Statistical Package for the Social Sciences (SPSS) (Version 21) was used to facilitate the analysis. The regression analysis was conducted to determine the impact of three antecedents of social media marketing on business exposure and customer response.

Regression statistics in table 10 shows that correlation value R is 0.43, which depicts that there is moderate relationship between Social Media marketing and business exposure. The

value of R Square is 0.19 i.e. the model explains only 19% of variables and there may be many other parameters of business exposure. The values of Durbin Watson test (1.706) depicts that the model is fit as the value must be 2.

**Table 10: Regression Statistics**

R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
0.438	0.192	0.180	0.700	1.706

Independent Variables: PI, PPI, PC & Dependent Variable: BE

Table 11 below reveals that social media marketing has a significant impact on business exposure as F (calculated value) (15.886) is greater than F (table value) (2.184), moreover the p value (significant value) is 0.000 which is less than 0.05 significance level. Therefore, research hypothesis H<sub>1</sub> is accepted.

**Table 11: ANOVA**

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	23.347	3	7.782	15.886	0.000
Residual	98.463	201	0.490		
Total	121.810	204			

Independent Variables: PI, PPI, PC & Dependent Variable: BE

Among all the three antecedents of Social Media marketing only one antecedent i.e. Perceived Product Informativeness have significant impact on business exposure with p values of 0.000 (p<0.05) as shown in table 12.

**Table 12: Coefficients**

Predictors	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.964	0.383		7.746	0.000
PC	0.078	0.064	0.087	1.228	0.221
PPI	0.214	0.038	0.396	5.698	0.000
PI	-0.016	0.053	-0.019	-0.296	0.768

Independent Variables: PI, PPI, PC & Dependent Variable: BE

The beta coefficients for significant antecedent of Social Media marketing i.e. Perceived Product Informativeness (PPI) is 0.214. It depicts that if Perceived Product Informativeness is increased by 0.21 units, the business exposure will be increased by 1 unit.

### Testing of Research Hypothesis 2 – Social Media & Customer Response

Regression statistics in table 13 shows that correlation value R is 0.348, which depicts that there is moderate relationship between Social Media marketing and Customer Response. The value of R Square is 0.12 i.e. the model explains only 12% of variables and there may be many other parameters of Customer Response. The values of Durbin Watson test (2.212) depicts that the model is fit as the value must be 2.

**Table 13: Regression Statistics**

R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
0.348	0.121	0.108	0.868	2.212

Independent Variables: PI, PPI, PC & Dependent Variable: CR



Table 14 below reveals that social media marketing has a significant impact on business exposure as F (calculated value) (9.209) is greater than F (table value) (2.184), moreover the p value (significant value) is 0.000 which is less than 0.05 significance level. Therefore, research hypothesis H<sub>2</sub> is accepted.

**Table 14: ANOVA**

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	20.805	3	6.935	9.209	0.000
Residual	151.367	201	0.753		
Total	172.173	204			

Independent Variables: PI, PPI, PC & Dependent Variable: CR

Among all the three antecedents of Social Media marketing only one antecedent i.e. Perceived Product Informativeness have significant impact on Customer Response with p values of 0.000 (p<0.05) as shown in table 15.

**Table 15: Coefficients**

Predictors	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	4.615	0.474		9.728	0.000
PC	-0.096	0.079	-0.089	-1.216	0.225
PPI	0.240	0.046	0.375	5.165	0.000
PI	-0.005	0.065	-0.006	-0.083	0.934

Independent Variables: PI, PPI, PC & Dependent Variable: CR

The beta coefficients for significant antecedent of Social Media marketing i.e. Perceived Product Informativeness (PPI) is 0.240. It depicts that if Perceived Product Informativeness is increased by 0.24 units, the Customer Response will be increased by 1 unit.

## 12. Discussion and Recommendations of the Study

In this competitive world, educational institutions require effective marketing tactics for their business exposure as well as to get adequate customers response in terms of admissions. The result of this study was in the hypothesized directions in which the social media marketing used by the educational institutions to promote their business has significant impact on business exposure and customer response. The results was found similar with results of the various studies done by other researchers in the past as mentioned in the literature review like Park and Lee, 2009. The research hypothesis has been accepted i.e. confirming that social media marketing has significant impact on business exposure and customer response.

Management of the educational institutions must focus on formulating and implementing strategies related to those antecedents of social media marketing which have significant impact on business exposure and customer response as mentioned in the results of the study. Management of the educational institutions needs to concentrate on social media marketing, as far as web based promotion is concerned. Social media is the most common promotional media, still not widely being used by the educational industry. On the contrary, people believe that this media is the most honest

media to provide information. Hence, customers somewhat believe on the information provided in the social media, it gives better information, it is generally referred whenever decision is to be made, whereas they invest time and efforts to search information through social media, which helps them to take decisions. Thus, educational institutes provide the relevant and correct information through social media.

This study suggest few strategies in order to enhance business exposure and customer response on the basis of significant variables of social media marketing as per the results of the study and hence recommend the management of the institutes to implement them as mentioned below.

## 13. Recommendations

The findings of the study are consistent with the results of few previous studies, which reveal that Perceived Product Informativeness have significant impact on social media marketing activities of education institutes.

However, contrary to the findings, the study reveals that the significance of social media as a platform for social interaction and business communication is growing which indicates that penetration of social media is extremely high among students. The impact of social media is extremely high compared to more traditional forms of Education marketing. Even though social media is a relatively new phenomenon, it has a history of an impressive growth in a fast changing environmental and technological environment.

The power of social media has just scratched the surface. Most believe its use in higher education is controversial. Individuals use sites such as Digg.com to rate other Web sites, and product reviews on Amazon.com. What if the Institutes opened up courses for student reviews on their Website or Social Pages. New students would be able to view reviews on classes when trying to make their selections, especially for general education courses. Courses with great reviews will likely receive higher enrollments, without any additional cost to market these classes.

It is advisable for the managing officers of educational institutes to closely monitor the behavior of present and potential students regarding their social media use they must approach social media in a proactive way. They should actively and continuously engage with social media in their promotional mix. It is absolutely necessary to understand the online behavior of their potential students, and realize that the students are their partners in the social relationship. Institutes must create a highly responsive social media strategy that aligns not just with the needs of students to gain a valuable education, but more importantly, to live the kind of life they always wanted to while attending an institution of higher education. As the majority of students today choose to use their smartphone as the primary device they rely on to stay connected with family, friends and news, it is critically important for the Institutes to stay aligned with these expectations and also create a smartphone application on the Apple iOS and Google Android operating systems.

## 14. Conclusion

The study was aimed to evaluate the impact of social media marketing on business exposure and customer response of education institutes of India. The three antecedents for social media marketing are peer communication, perceived product informativeness and product involvement was considered. Social media gives the institutes an opportunity to humanize stories of students and alumni of their institutes, which can create loyalty and earn future business (students), and ultimately their respect i.e. response (Solis 2008) The results of the study revealed that perceived product informativeness help in increasing the business exposure and customer response of any educational institution. As Social platforms each has an ecosystem of their own. Creating a basic social media presence is easy enough, getting your Educational institution to actually do something is more difficult. Customizing messages across social media sites help the message spread but it keeps users from receiving multiple identical communications. By giving exclusive coupons to your social community, an institute is rewarding and reminding them that you is not only a brand to engage with, but also to buy from. Taking advantage of these strategies can help build the Institutes and the marketing more effective, and incentivize buying.

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