



Perception Of College Students Towards Effectiveness Of Social Media Advertisements: Structural Equation Modeling Approach

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ABSTRACT

In recent years, social networking sites are progressively gaining primacy as a tool for e-commerce for online shopping throughout the world. One major change that is noticed in the Consumer is that he has become wiser in terms of choosing the products and want free access to the products available in the market. This has encouraged these consumers in shifting to social media websites where they have access to all the products and have ease of making decision. This research Sample size for this study is 100 who are selected using convenient sampling method. The research clearly states the types of social media sites being used by the marketers to sell their products and the availability of a selection of cosmetic products through social media advertisements of women students.

KEYWORDS : Social networking sites, Cosmetic products, Effectiveness, Advertisements.

INTRODUCTION

Globalization and economic growth have led to substantive changes in consumer behaviour, strategies of production and technology revolution with the wide spread of internet usage and its acceptance among consumers. As a result of global competition, businesses have gone beyond the traditional boundaries of purchasing, selling or other commercial transactions and consequently, the boundaries of national markets have disappeared and become indistinct. A new global vision requires businesses to carry on their business globally rather than in one country and hence they use their core skills and information efficiently. Therefore, social media has become very important tool with regard to the effective dissemination of information. In this scenario, social media has emerged as a platform of electronic communication through sharing of knowledge, ideas and user generated contents through networking and blogging. In this era of the global network, companies need to consider both social and traditional media as an ecosystem in the pursuit of common goals. These goals may be promotion of a product/service, the disclosure of a new initiative by the company and consumers' commitment to a rich, substantial and interactive dialogue. Social media permits interaction, connection, conversation, belonging and a sense of community among its members. By using social media, consumers have the power to influence other buyers through reviews of products or services used. Therefore, many companies today have pages on social networks to supplement information held about products. Social media as a medium of promotion contributes, through its immediacy, to a healthy and direct relation between brands and their public in an online environment.

HISTORY OF SOCIAL MEDIA

Before there was social media, netizens in the 1970s and 1980s spent most of their time on social networks like dating sites and online forums. Six Degrees, Livejournal, and Friendster were the earliest form of social medias. The dot-com bubble of 1995-2002 was a critical event that allowed the internet to become a viable marketing tool. It began with search marketing, prompting brands to create websites to establish an online presence. As Google, Yahoo and MSN's search engines evolved, companies turned to SEO strategies to remain at the top of search results. When web 2.0 sites – blogs in particular – increased in popularity, marketers began to recognize the potential of content marketing. Inbound marketing, where more value is added for the customer and business is earned, starts replacing age-old "buy, beg or bug" outbound marketing strategies. In 2003-04, the arrival social media sites like Facebook, LinkedIn and My Space initiates the shift of internet users from multiplayer online games into social networking sites. Eventually, businesses picked up on the positive effects of a social media site

presence on e-commerce and started creating their own profiles on the popular networking sites.

In the years that followed, customer's favorable attitude towards social media marketing slowly changed business marketing preference from the more aggressively-proactive outbound marketing to the more reactive inbound marketing. Nowadays, over 90% of marketing executives utilize social media as part of their marketing strategies, and successful businesses utilize social media marketing for branding, lead generation, customer retention, research and e-commerce. Not only do social media manage to significantly reduce marketing expenses and the time needed to market products and services, it also increased the effectiveness of marketing and overall customer satisfaction. 83% of customers who post complaints on a brand's social site like Twitter and get a reply state that they are satisfied. This helped companies retain more of their customers, resulting to increased existing customer transactions. The roots of social media stretch far deeper than you might imagine. Although it seems like a new trend, sites like Facebook are the natural outcome of many centuries of social media development.

REVIEW OF LITERATURE

Electronic word of mouth (eWOM) is an important marketing strategy that affects internet user behaviors (Park & Kim, 2008; Park & Lee, 2009). Suspicious of traditional advertisements, users prefer trustworthy friends, or even information coming from strangers online. Social media sites like Facebook (like, comment, sharing) or Youtube (like, dislike) enable the expression of opinions and emotions (DeVries, Gensler, & Leeflang, 2012; Yang, 2012).

College students have great interest in social media. For the purpose of this study, social media was defined as Facebook, YouTube, Blogs, Twitter, MySpace or LinkedIn (Martin, 2008). Although, providing a detailed perspective on social media use among university students and underscoring that such use can produce both positive and negative consequences, according to a Nielsen Media Research study, in June 2010, almost 25 percent of students' time on the Internet is now spent on social networking websites (Jacobsen, & Forste, 2011). Facebook is the most used social network by college students, followed by YouTube and Twitter. Moreover, Facebook alone reports that it now has 500 active million users, 50% of whom log on every day. In addition, according to a study by Online Ph.D, students spend roughly 100 minutes per day on Facebook. In 2007, the number of students who used Facebook was already enormous: 92 percent of college students had an account. By 2008, 99 percent of students had an account on Facebook. That is quite a large amount considering the service was only opened in 2006 to

everyone.

Geetanjali Naidu and Sunil Agrawal (2013) in today's scenario social media became a very useful tool in buying behavior decision making. It was influencing customer/consumer in a dynamic manner. Now customer/consumer are taking the help of social media regarding purchasing of any product. Social media like face book, twitter, Skype, are going to play a very important role in consumer/customer buying behavior decision making. Now in today's scenario social media like Blogs, LinkedIn, face book, twitter, Skype, etc. are playing a very important role in consumer buying behavior decision making process directly and indirectly. In the recent trend of innovation in management, social media has become a powerful and cost free approach to promote the product to the consumer. As per the survey result, India's 75% youth are using social media for sharing their thought and views and comment in different areas of country. In their research study, they tried to find out the impact of social media in the buying behavior of consumer/customer with special reference to Raipur city.

OBJECTIVE OF THE STUDY

The main objective of this study is to examine the perception of college students towards effectiveness of social media advertisements on women cosmetics

PERIOD OF THE STUDY

The study includes both primary and secondary data. Primary data were collected from college students from 01/02/2017 to 31/8/2017

TOOLS FOR DATA COLLECTION

The present study is an empirical one based on survey method. As an essential part of the study, the primary data were collected from 100 women students from Salem District. The sample was selected on simple random basis. Taking into consideration the objective of the study, a questionnaire was prepared after a perusal of available literature. The secondary data were collected mainly from journals, magazines and websites.

STRUCTURAL EQUATION MODEL

Structural Equation Modeling is a very general statistical modeling technique, which is widely used in the behavioral sciences. It can be viewed as a combination of factor analysis and regression or path analysis. The interest in SEM is often on theoretical constructs, which are represented by the latent factors. The relationships between the theoretical constructs are represented by regression or path coefficients between the factors. The structural equation model implies a structure for the covariances between the observed variables, which provides the alternative name covariance structure modeling.

The variables used in the structural equation model are

- I. Observed, endogenous variables**
- 1. Satisfaction of Social Media Advertisement
- 2. Effectiveness Social Media Advertisement

II. Observed, exogenous variables

- 1. Trust and Accessibility
- 2. Delivery of Goods and Feedback

III. Unobserved, exogenous variables

- 1. e1: Error term for Satisfaction of Social Media Advertisement
- 2. e2: Error term for Effectiveness Social Media Advertisement

Hence number of variable in the SEM is

- Number of variables in model: 4
- Number of observed variables: 4
- Number of unobserved variables: 2
- Number of exogenous variables: 2
- Number of endogenous variables: 2

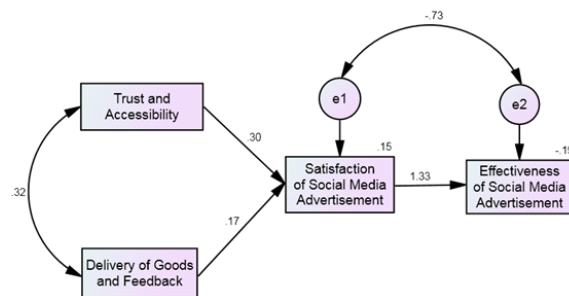


Fig 1. Structural Equation Model (SEM) based on Standardized Coefficient on Social Media Advertisement of Women Cosmetics

Table 1. Variables in the Structural Equation Model Analysis of Social Media Advertisements of Women Cosmetics

Variables	Unstandardised coefficient (B)	S.E of B	Standardised coefficient (Beta)	t value	P value
Satisfaction of Social Media Advertisement <--- Trust and Accessibility	0.652	0.183	0.302	3.564	<0.001**
Satisfaction of Social Media Advertisement <--- Delivery of Goods and Feedback	0.320	0.138	0.168	2.311	0.021*
Effectiveness Social Media Advertisement <--- Satisfaction of Social Media Advertisement	1.263	0.268	1.327	4.720	<0.001**

Note: 1. ** denotes significant at 1% level
 2. * denotes significant at 5% level

From the above table, unstandardised coefficient of Trust and Accessibility on Satisfaction of Social Media Advertisement is 0.652 represents the partial effect of Trust and Accessibility on Satisfaction of Social Media Advertisement, holding the other path variables as constant. The estimated positive sign implies that such effect is positive that Satisfaction of Social Media Advertisement would increase by 0.652 for every unit increase in Trust and Accessibility and this coefficient value is significant at 1% level.

From the above table, unstandardised coefficient of Delivery of Goods and Feedback on Satisfaction of Social Media Advertisement is 0.320 represents the partial effect of Delivery of Goods and Feedback on Satisfaction of Social Media Advertisement, holding the other path variables as constant. The estimated positive sign implies that such effect is positive that Satisfaction of Social Media Advertisement would increase by 0.320 for every unit increase in Delivery of Goods and Feedback and this coefficient value is significant at 5% level.

Unstandardised coefficient of Satisfaction of Social Media Advertisement on Effectiveness Social Media Advertisement is 1.263 represents the partial effect of Satisfaction of Social Media Advertisement on Effectiveness Social Media Advertisement, holding the other path variables as constant. The estimated positive sign implies that such effect is positive that Effectiveness Social

Media Advertisement would increase by 1.263 for every unit increase in Satisfaction of Social Media Advertisement and this coefficient value is significant at 1% level.

Based on Standardised coefficient, Satisfaction of Social Media Advertisement on Effectiveness Social Media Advertisement (1.327) is most influencing path in this SEM model, followed by Trust and Accessibility on Satisfaction of Social Media Advertisement (0.302), Delivery of Goods and Feedback on Satisfaction of Social Media Advertisement (0.138).

For the purpose of testing the model fit, null hypothesis and alternative hypothesis are framed

HYPOTHESIS : 1

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

Table 2. Model fit summary of Structural Equation Model

Indices	Value	Suggested value
Chi-square value	0.403	-
P value	0.526	> 0.05 (Hair et al., 1998)
GFI	0.998	> 0.90 (Hu and Bentler, 1999)
AGFI	0.980	> 0.90 (Hair et al. 2006)
NFI	0.995	> 0.90 (Hu and Bentler, 1999)
CFI	1.000	> 0.90 (Daire et al., 2008)
RMR	0.028	< 0.08 (Hair et al. 2006)
RMSEA	0.000	< 0.08 (Hair et al. 2006)

From the above table it is found that the calculated P value is 0.526 which is greater than 0.05 which indicates perfectly fit. Here Goodness of Fit Index (GFI) value (0.998) and Adjusted Goodness of Fit Index (AGFI) value (0.980) is greater than 0.9 which represent it is a good fit. The calculated Normed Fit Index (NFI) value (0.995) and Comparative Fit Index (CFI) value (1.000) indicates that it is a perfectly fit and also it is found that Root Mean square Residuals (RMR) and Root Mean Square Error of Approximation (RMSEA) value are 0.028 and 1.000 respectively which is less than 0.08 which indicated it is perfectly fit.

FINDINGS

This study find social media television and websites (Face book, YouTube, Linked In, and Twitter) cosmetic advertisements creates psychological crash to its clients. In social assessment and the influence created by these advertisements resulted in increasing beauty aware among college women students.

This research has revealed that college students were likely to be precious by social media and television, internet, radio, newspapers, magazines and film is part of our everyday life. It is a powerful tool that provides us with information and entertainment. Social media is attractive it not only provides college students a new world to make friends, also provides a good way to release stress and more effective.

CONCLUSION

Impact of social media can be seen in television advertisements which sign off with a plea for consumers to visit their websites, face book or Twitter page with the promise of an exciting online experience, fun incentives and a sense of community that people actually want to get involved. Facebook is very popular among college students Ninety percent of students spent their time. These powerful tools of media provide them with numerous choices to fulfill their purchase. This is actually a reflection of the society where all types of people live together, in such case the culture of one people can be easily copied by the other on being impressive. social media has become a platform that is easily accessible to anyone with internet access. Increased communication for organizations

fosters brand awareness and often, improved customer service. Additionally, social media serves as a relatively inexpensive platform for organizations to implement advertising and marketing campaigns.

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