Impact of Social Networking Sites on Generation Z

Management

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ABSTRACT   *Social media plays a vital role in marketing fields such as advertising, that help business organizations to introduce products and services, and to interact and communicate with Generation Z in the global market. The great familiarity of Generation Z has towards technologies, smartphones, social media, and even multimedia in school, will put companies in a more difficult position trying to capture Generation Z's attention. The development of social media not only improve the standard of interactive between business organization and Generation Z to share and exchange information, but also assist them to share and exchange information with other users. 150 responents in the age group 18-28 participated in the survey. Data was collected through a questionnaire with 33 items. It was found that entertainment, informative and consumer engagement through social media was positively related to product awareness.*

INTRODUCTION

Nowadays social media plays an important role in the society, especially business organizations need the help of social media to attract Generation Z and introduce their products and services in the global market (Shabnam et al., 2013). This is because social media is a tool that assists Generation Z to communicate and interact with each other regardless time and space through Facebook, Instagram or Wechat (Xie and Stevenson, 2014). It is also an important tool that can help business organizations to create an advertisement for transfering message and information to Generation Z in order to understand particular products and services to make improvements (Arora and Predmore, 2014). Making use of social media create an advertisement will help the business organizations to increase the product awareness.

Generation Z are people born between 1980 and 1995 who are the maximum users of social media Coussee et al., (2012). Wikia users aged 13 to 18, better known as Generation Z, uncovers distinct trends in how today's youth is connected nearly all the hours of the day; engaging with open-platform communication and information sharing. The study shows what social sites are mostly visited by GenZers . The reasons of using specific online sources, reasons why they are contributing to websites, and how they see technology as a vital part of their future. Additionally, the results unveil the gender gap within youngest generation, as well as the influence they have on purchase decisions within their households. Thus, the paper aims to investigate the impact of social media advertising on Generation Z.

LITERATURE REVIEW

Social media is one part of Social Networking Sites (SNS) which is vital in marketing fields such as advertising, that helps business organizations to introduce products and services, and to interact and communicate with Generation Z in the global market. Hamade (2013) defines that Social Networking Sites (SNS) allow Generation Z to build and constantly generate their relationship with each other through Facebook, Instagram, YouTube, etc. to share and discuss personal issues, and interests like music, arts, products and services. Successful evolution of social media applications can help business organizations make use of advertisement to introduce and share the information of their products and services using the tools like Facebook, Instagram, and YouTube (Farooq and Jan, 2012). Meanwhile,

Social Networking Sites (SNS) are popular since it is a digital communication platform that helps a business organization to design a marketing strategy, and help Generation Z builds social relationships, share information, and exchange views among the users (Park et al., 2015).

The great familiarity of Generation Z has towards technologies, smartphones, social media, and even multimedia in school, will put companies in a more difficult position trying to capture Generation Z's attention (Grail Research, 2011.). Further, the customer power that has arisen with technology may affect Generation Z's demand regarding companies' offerings (Williams & Page, 2011). Internets prerequisites for developing diverse experiences, is making Generation Z growing up in a customized environment (Wellner, 2000). This will in turn effect what this generation expects from the marketplace and therefore they will put more emphasis on services and products that are customized to meet personal needs (Wellner, 2000).

In order to create a successful marketing campaign via social media, a consumer must be opened to the technology. Consumer technology readiness is defined as "people's propensity to embrace and use new technologies for accomplishing goals in home and work" (Parasuraman, 2000). Consumer technology readiness is important for retailers to remember when marketing on social networks because if their intended target market does not use social media, is not familiar with it, or perceives it negatively, then their social media marketing will be unrewarding. Analysis of technology readiness can determine if marketing via interactive advertising would be a good fit for a retailer's target market.

Advertising plays a key role in marketing that helps business organizations for commercial their products and services to Generation Z through social media (Mohammed and Alkubise, 2012). According to Niazi et al., (2012), advertising is a commercial tool that can help to build awareness of products and services for attracting Generation Z to take purchasing decisions. On the other hand, the study on social media advertising is limited as only a small number of the researchers have conducted the study on Generation Z (Bond et al., 2010).

Even though social media is offering tremendous opportunities to create customer relationships, companies seldom have a plan with their social networking before they start

(Reynolds, 2011). Armelini and Villanueva (2011) mean that even though it is cheap and easy to open up accounts online, it requires both time and creative skills to come up with the right content (Armelini & Villanueva, 2011).

An additional concept focusing on consumer activity, such as sharing experiences and opinions at social media platforms, is word of mouth. Word of mouth (WOM), in an offline setting, implies an activity where consumers share experiences, which in turn can influence behaviour (Dellarocas, 2003). The phenomenon can be explained as "informal communication" between consumers (Westbrook, 1987, p. 261). Sometimes WOM is suggested to have greater influence on consumer behaviour than advertising (Steffes & Burgec, 2009; Godes & Mayzlin, 2004).

Information plays a key role in social media advertising because the information on the advertisement will help to transfer, receive or exchange messages about the feedbacks or products and services of a business organization to Generation Z, and influence their purchase decision (Rajalakshmi and Rani, 2013).

Moreover, Tavor (2011) stated that, the Internet referred as social media tools or applications has replaced old media and transform a major source of providing information that bring a lot of useful data to commercial companies, since it brings mass availability and quick access information like search data and knowledge, and purchase of the products and services. It implies that the detailed information on social media advertising will transfer messages of products and services, and assist Generation Z to aware the advertisement and notice the products and services (Gilaninia et al., 2011). Definitely, the richness and clear information with creative advertising on social media will increase the product awareness to attract Generation Z. Meanwhile, business organizations who apply social media must carefully analyze large amount of Generation Z' information, engage and listen to their conversations, and determine the needs and wants of them to accept different views or approaches (Kilgour et al., 2015). Based on Patino et al., (2012), Generation Z are willing to interact and communicate with other Generation to seek questions, information or feedbacks that have the same interests or problems with them, as the information flow is open. Tsimonis and Dimitriadis (2014) stated that, the development of social media not only improve the standard of interactive between business organization and Generation Z to share and exchange information, but also assist them to share and exchange information with other users.

Consumer engagement is important to the business organization nowadays as it can help to build and maintain the relationship of the Generation with the business organization through social media advertising (Barhemmati and Ahmad, 2015). Chu (2011) explains group participation and engagement with online ads requires a higher level of personal information because users openly reveal their connections with Facebook groups and promote brands or products when they pass on ads to their friends. Thus, business organizations should utilize social media platforms to manage well on the relationship between Generation Z through engaging each other to know the ideas, views and feedbacks, in order to make improvement on advertising, products and services (Bilal et al., 2014). Certainly, business organization provides opportunity to engage with consumers can also assist Generation Z to build and increase trust towards business organization, products and services in order to raise the awareness and involvement (Chitty et al., 2011).

Methodology
The target respondents for this study are those in the age group 18 to 28 years. The sample size is 150 respondents. Convenience sampling was adopted to select the respondents. An initial pilot testing and pretesting was carried out on 30 respondents to test the reliability and validity of the instrument. The results obtained from pilot study was satisfactory. Data was collected through a questionnaire with 33 items measured on a 5 point Likert scale. Data was analysed using SPSS.

Research Hypothesis
H1: There is a positive relationship between entertainment and product awareness.

H2: There is a positive relationship between informative and product awareness.

H3: There is a positive relationship between consumer engagement and product awareness.

ANALYSIS AND FINDINGS
Table 1: Profile Information

		Frequency	Percentage
Gender	Male	65	43
	Female	85	57
Most preferred Social media platform	Facebook	73	49
	Twitter	26	17
	Instagram	22	15
	Youtube	18	12
	Hi5	11	7
Time spent on social media platform	Less than 1 hour	18	12
	1-3 hours	61	41
	3-5 hours	45	30
	More than 5 hours	26	17

(Source: Primary data)

From Table 1, Majority of the respondents were Female (85%). Most of the Generation Z's preferred social media platform was Facebook. There was a fair distribution of preference across Twitter and Instagram. The least preferred platform was Hi5. Majority of the Generation Z spent at least 1-3 hours on their favourite social media platform. It indicated that the respondents were active users of social media.

Correlation
Table 2: Correlations

		Entertainment	Informative	Consumer Engagement	Product awareness
Entertainment	Pearson Correlation	1	.251**	.432**	.487**
	Sig. (2-tailed)		.002	.000	.000
	N	150	150	150	150
Informative	Pearson Correlation	.251**	1	.367**	.467**
	Sig. (2-tailed)	.002		.000	.007
	N	150	150	150	150

Consumer Engage-ment	Pearson Correlation	.432**	.367**	1	.378**
	Sig. (2-tailed)	.000	.000		.000
	N	150	150	150	150
Product awareness	Pearson Correlation	.487**	.467**	.378**	1
	Sig. (2-tailed)	.000	.007	.000	
	N	150	150	150	150

**. Correlation is significant at the 0.01 level (2-tailed).
(Source: Primary data)

From Table 2, the analysis shows that all the results are statistically significant. The indepent variables are moderately related to the dependent variable.

The three variables, Entertainment, Informative, and Consumer Engagement play an essential role in social media advertising since it can directly build and raise product awareness of products and services.

FINDINGS AND SUGGESTIONS
As the impact of social media advertising on Generation Z is important to the business organizations, having interesting and creative entertainment can help to attract Generation Z notice and remember the advertisement. Whereas the detail information can help them to understand the features and information of the particular products and services, and the consumer engagement can help them to connect and interact with the business organizations to discuss or inquire about the product and services before and after they used. This can help the business organizations to build and raise the product awareness, relationship and trust with Generation Z to make changes or improve on their products, services and advertisements.

The impacts of social media advertising (Entertainment, Informative, and Consumer Engagement) can be essential, or may bring influence to the business organizations and marketing fields, if the business organizations do not manage well to attract and satisfy the needs of Generation Z. It means that entertainment can assist Generation Z to recognize and memorize the particular advertisement, and information can assist them to identify and find out the information of particular advertisement, products and services that the business organizations want to transfer. At last, the consumer engagement can assist them to discuss and find out the products and services with other users and the business organizations, or provide feedback, or ideas about the particular products and services to the business organizations to help the products and services can be more valuable than before.

CONCLUSION
To sum up, the impact of social media advertising on Generation Z through social media platforms can assist the business organizations to perform well on their advertisement, products and services offering, so that it can bring a good results. It also aids in attracting Generation Z through product awareness, trust, and relationship. Entertainment, information, and consumer engagement are essential for the business organizations in the social media advertising.

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