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OMNI-CHANNEL RETAILING: SOCIAL MEDIA KEY TO MARKETING UP GRADATION EFFICIENCY

Commerce

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ABSTRACT

Social Media are understood the importance of evaluating the online customer expectation. There is no existing technology with more competently to promote Omni-channel retailers on Social Media. Social Media are used for Social interaction with brands, sharing information & thoughts among strangers, creating community & profile and so on. The purpose of this paper is to analyze the use of social media as a tool to promote Omni-channel retailer's marketing efficiency. The Structural Equation Model and Fuzzy logic has been used to discover the impact of marketing up gradation on intention to use Social Media.

KEYWORDS

Social Networking Sites, Marketing, Omni-channel, Online retailing, Behavioral intention.

INTRODUCTION

Social media have contributed to increasing value of interaction between Social Meida users and strangers. Sharing common interests, ideas and thoughts, the creation of online communities and digital social networks. Having one or more accounts in social media has become one of the most popular and faster growing media related activities. In future, Social media applications attract already hundreds of millions of users and these numbers are growing fast. Social media are considered to provide great importance both for individuals and business people. In businesses concern they support the maintenance of existing social ties and the formation of new connections among users through the internet.

Businesses increasingly acknowledge the potential role of the social media as marketing instruments. Marketing on Social Media are especially useful for connecting with the customers, contributing to customer learning and awareness. The objective of this paper is to empirically examine the acceptance and adoption and marketing up-gradation by use of social media and study facts related to the user's behavioral intention. These issues are very importance for better understanding the importance of social media for business. Finally, this research study findings offer companies new perspectives on the issue and identify ways that social media could be engaged as important channels of information and communication with target markets as part of the marketing.

STATEMENT OF THE PROBLEM

Social media marketing is one of the most effective ways to improve online retailing, to raise brand awareness and lead people to business. Executed well, it can help create a solid community, grow retailer's business and enjoy success. At the same time, there are also certain problems that need to be taken into account and obstacles that might impede the achievement of social media marketing up-gradation, such as the users are failure to understand social media and the retailers are forget the chief purpose of social media platform. This study concerned with the user's intention to use social media.

KEY INDICATORS

Social media offer users the possibility to obtain more information about business, brands and products regarding the potential of social media as marketing tools, these can play different roles as part of marketing strategy.

1. Creating social media environments and motivating customers and prospects to use them lead to engagement with the customers and increasing customer trust and loyalty.
2. Customer information available in social media voluntarily uploaded by the users allows business to obtain a great amount of information about their customers, their personality and lifestyle as well as information on their trust in the online perceived ease of use, perceived risk, attitudes to social media and so on.
3. Businesses can use social media source of customer voice for the development or testing of new products or services.
4. Finally, based on the user analysis and businesses segmentation could selectively inform their customers even on personalized level, about their products or services, provide them with useful and interesting information or use the social media as customer service channels.
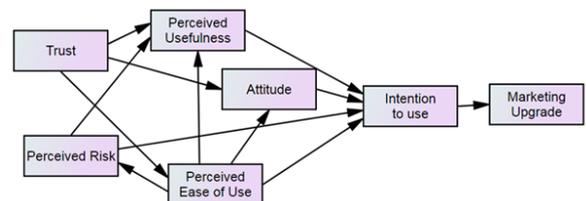

Figure 1: Conceptual Model

HYPOTHESES OF THE STUDY

H1: The attitude towards social media has a positive and significant effect on the intention to use

H2: The intention to use social media has a positive and significant effect on marketing upgrades.

H3: The perceived usefulness of Social Media has positive and significant effect on the intention to use

H4: The perceived ease of use of social media has a positive and significant effect on the intention to use them.

H5: The perceived ease of use of social media has a positive and significant effect on the attitude towards these applications.

H6: The perceived ease of use of social media has a positive and significant effect on the perceived usefulness of using them.

H7: The perceived usefulness of social media has a positive and significant effect on the attitude.

H8: Trust towards social media has a positive and significant effect on the attitude.

H9: Trust towards social media has a positive and significant effect on the perceived usefulness.

H10: Trust towards social media has a positive and significant effect on the perceived ease of use.

H11: Perceived risk towards social media has a positive and significant effect on the perceived usefulness.

H12: Perceived risk towards social media has a negative and significant effect on the intention to use them.

H13: The perceived ease of use of social media has negative and significant effect on the perceived risk.

METHODOLOGY

The sample size is 400 social media users from 20 to 65 years old. The

sample respondents were drawn using a non-probability method by Quota Sampling, to ensure that all subgroups of the target population are represented in the sample with regards to Gender, Age and Area of residence. The structured questionnaire was used as a tool for collecting data from the sample respondents structural Equation Modeling and Fuzzy Model has been used for analyzing the collected data.

Variable	Indicator	Factor loading	Robust t- value	Cronbach's α	CR	AVE
Marketing Upgrade	MU1	0.884	11.995	0.580	0.71	0.56
	MU2	0.578	6.974			
Perceived usefulness	Pu1	0.775	14.698	0.846	0.85	0.59
	PU2	0.738	14.477			
	PU3	0.701	13.599			
	PU4	0.844	18.474			
Perceived ease of use	PEU1	0.787	16.510	0.944	0.94	0.68
	PEU2	0.835	19.242			
	PEU3	0.800	19.221			
	PEU4	0.803	19.525			
	PEU5	0.902	20.170			
	PEU6	0.871	19.336			
	PEU7	0.821	17.701			
	PEU8	0.782	14.287			
Attitude	A1	0.774	14.035	0.912	0.91	0.67
	A2	0.842	15.020			
	A3	0.813	14.275			
	A4	0.830	17.083			
	A5	0.845	16.955			
Intention to use	IU1	0.879	16.859	0.885	0.89	0.66
	IU2	0.789	17.779			
	IU3	0.851	17.188			
	IU4	0.732	14.841			
Perceived risk	PR1	0.836	22.447	0.839	0.84	0.52
	PR2	0.934	25.409			
	PR3	0.542	11.215			
	PR4	0.556	11.614			
	PR5	0.632	14.834			
Trust	T1	0.718	11.583	0.903	0.90	0.61
	T2	0.772	14.630			
	T3	0.780	14.038			
	T4	0.830	15.735			
	T5	0.790	13.007			
	T6	0.786	14.987			

Notes: *p<0.001; robust goodness of fit index: (506 degree of freedom, df) = 987.14; X^2/df=1,95; NFI = 0.855; NNFI = 0.914; CFI = 0.923; RMSEA = 0.049

Convergent validity indicates whether the items that compose a determined scale converge on only one construct. It was tested by checking whether the factor loadings of the confirmatory model were statistically significant level at 0.01 and higher that 0.5 points. Moreover, the average of the item to factor loading are higher than 0.70. In addition, we used the AVE to contrast convergent validity. Table I shows that the satisfactory result as per suggestion of Fornell and Larcker, that adequately convergent validity measures should contain <50 percent error variance.

With the objective of testing the hypotheses a structural equation model was developed. The results are shown in table II. All the hypotheses have a significant positive effect except H11. Perceived risk in Social Media has a negative but not significant effect on perceived usefulness (β=-0.094, p>0.1); therefore, H11 was not supported.

Table-2: Structural model results

Hypothesis Path		Standardized path coefficient	Robust t -value	Result
H1	Attitude →Intention to use	0.673**	9.665	Supported
H2	Intention to use → Marketing upgrade	0.452**	7.240	Supported
H3	Perceived usefulness → Intention to use	0.119*	2.077	Supported
H4	Perceived ease of use → Intention to use	0.180**	4.310	Supported
H5	Perceived ease of use →Attitude	0.199**	3.716	Supported
H6	Perceived ease of use →Perceived usefulness	0.140*	2.159	Supported
H7	Perceived usefulness → Attitude	0.483**	7.017	Supported
H8	Trust → Attitude	0.305**	5.640	Supported
H9	Trust → Perceived usefulness	0.256**	4.354	Supported
H10	Trust → Perceived ease of use	0.340**	5.677	Supported
H11	Perceived risk → Perceived usefulness	-0.094#	-1.535	Not Supported
H12	Perceived risk → Intention to use	-0.090*	-2.487	Supported
H13	Perceived ease of use → Perceived risk	-0.427**	-6.573	Supported

Notes: **p<0.05, *p<0.01; NS- Non-Significance; robust goodness of fit indices: X^2 (514 df) = 1,003.46; X^2/df=1.95; NFI=0.852; NNFI=0.914; CFI=0.921; RMSEA=0.049.

The source is determined by using the business orientation formula:

$$BO = \frac{\sum_{i}^{n} = 1 C_i}{C_{max}} = \frac{\sum_{i=1}^{n} C_i}{C_{max}}$$

The collaboration Efficiency (CE) formula to be obtained the total efficiency value:

$$CE = \frac{CE_{Layer1} + \cdots + CE_{Layer\,n}}{n}$$

Value need to rate the complexities of the used social media type are listed in the following chart: (Video=0.4, Audio=0.3, Image=0.2, Text=0.1)

Table 3: Result of Fuzzy model

Social Media	Community layer	Business Orientation	Application per layer	Used Media type
Facebook	Many - Many	5 out of 9	L_1=5/5, L_2=5/5, L_3=5/5	All
Twitter	One - Many	2 out of 9	L_1=2/5, L_2=4/5, L_3=0/0	Text
Youtube	One - Many	4 out of 9	L_1=2/5, L_2=4/5, L_3=0/0	Video
Skype	One - One	4 out of 9	L_1=5/5, L_2=0/0, L_3=0/0	All
Google+	Many - Many	3 out of 9	L_1=5/5, L_2=5/5, L_3=5/5	All

Facebook has to be run through the business feature list. The offered business features are; Business can create profile, users are able to place advertisements, business content can be shared, Visitors can be tracked and developer framework for business related development is in place.

The collaboration and knowledge distribution efficiency value is determined in similar way. Facebook has to be run through another checklist, this using the general application pool, instead of the business features one and the communication methods are also being offered by the platform. Due to having five features per layer, a maximum of five out of five can be reached, yielding the highest efficiency in the particular layer.
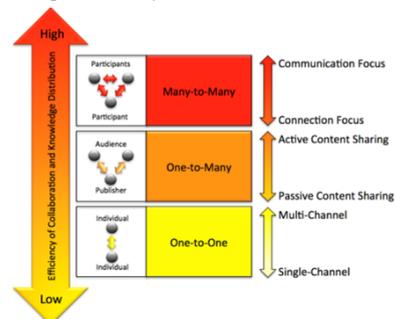

Figure 1: Efficiency of Collaboration

CONCLUSION
Social Media offer to people new tracks to build and maintain Social activities, create relationship with strangers, sharing information,

ideas and thoughts, generate and edit content and participate in social movements through the internet. Almost all social networks have incorporated a measure of social media, allowing users to become curators of the interesting content they find, sharing links, images, and short personal stories. Businesses that have learned to create content and engage in conversations are already 'in the stream' and more and more, internet users have the expectation they will be able to interact with their favorite brands. Companies that have embraced this have an ever-growing advantage over those who have not interaction with consumer brands. The most powerful form of advertising has always been word of mouth. That's why social media has such power and is sure to have staying power, as well. Knowing the emerging trends and how to maximize and optimize engagement with the right message to the right audience on the right social channels is the key to success.

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