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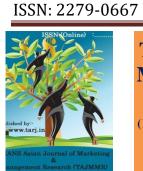
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VISION

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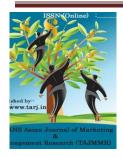
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THE EFFICACY OF HIGH PERFORMANCE WORK PRACTICES (HPWPS) IN BUILDING ORGANIZATIONS: A STRATEGIC HUMAN RESOURCE MANAGEMENT ISSUE

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ABSTRACT

This study investigates about the importance of high performance work practices to have a better yield, specifically in the arena of dynamic organizations. Whether the firms able to adopt (hpwps), will be influenced by many of the factors, which were discussed in this paper. Some of high performance work practices like decentralized self-managed teams, pay reward relationship, extensive training, selective hiring, employment security, reduced status distinction, information have been emphasized. Comparison with respect to manufacturing and service sectors on adoption of (hpwps) were clearly highlighted by considering past literature. Theories supporting the inception of high performance work practices were also discussed. Both positive and negative relationship of practices with organizational outcomes was discussed in this paper. Major factors contributing for successful adoption of (hpwps) like market-related factors, business characteristics business age, nature of proprietary control, technological differences, human capital and establishment demographics, and institutional factors were scribbled in this paper. Some useful findings to prescribe positive organisational outcomes have inferred in this paper.

KEYWORDS: Adoption Of High Performance Work Practices, Business Age, Market Related Factors, Productivity, Technological Differences, Human Capital, Decentralized Self-Managed Teams, Pay Reward Relationship, Extensive Training, Selective Hiring,

I. INTRODUCTION

Under this dynamic organization scenario, change is playing predominant role and organizations are looking to enhance their competitive advantage, by hunt of dexterous talent to create a wonderful organization culture. Corporate expectations are going high in search of excellence and talent management. As today's asset becoming obsolete for tomorrow, organizations are laying emphasis on innovative Management practices to infuse fresh thoughts into it.

It is common belief that organizational growth and success depend very much on its best practices. Innovative practices are indispensable in this competitive environment. Number of surveys suggested that the organization of work changed dramatically as highly competitive environment, such as technology, patents and economies of scale have been weakened by globalization and other environmental changes. As alternative skilled, motivated and flexible workforce can only help to develop companies' sustainable core competencies.

In this paper them term "High- Performance Work Practices" (HPWPS) refer to a set of human resource management practices that can enhance firm performance. The main premise of HPWPs is that firms can achieve higher flexibility, higher product quality, and higher performance while remaining cost competitive by inducing workers to work harder by using the skills of their employees more effectively. It has further been synthesized that HPWPs are "win – win "systems which benefit both employers and employees through higher wages and increased job satisfaction. More and more research suggests that a companies, adoption of high performance work practices can have an economically and financial out comes,.(Arthur,1994, Ichniowski et al, 1997; kochan and Osterman, 1994; Dealney and Huselid, 1996; Yound et al., 1996; Guthrie,2001).

HPWPs are mostly welcomed as a positive impulse for organizations as well as for employes, although critics warn that, the unilateral focus on performance increases the risk of exploitation. HPWPs are comprehensive bundles or practices aimed at motivating employees in such a way that their performance increases and contributes to the competitive advantage of organizations. (Combs et al., 2006; Huselid, 1995). HPWPs consist of a number of coherent practices aimed at managing employ ees in organizations in such a way that they work together to select, develop, and motivate a workforce that has outstanding qualities and that uses these qualities in work-related activities with discretionary effort, which result in improved organizational performance and sustained competitive advantage for the organization (Appelbaum et al., 2000). HPWPs offer employees external and internal incentives like flexible remuneration, training, teamwork, and autonomy (Appelbaum et al., 2000).

The main idea of HPWPs is to create an organization based on employee involvement, commitment and empowerment, not employee control. Set of managerial practices will vary from company to company. In these high involvement organizations, employees "feel responsible for and involved into its success, they have the power, information, knowledge, and

rewards to perform at the highest level (Lawler, Mohrman & Ledford 1995). Among the successful companies making use of this approach are Norwest, Men's Wear house, Service Master, Southwest Airlines, USAA, Procter and Gamble, Wal-Mart, and Virgin Atlantic Airways (Pfeffer, 1998, pp.293-296).

The most referred HR practices in HPWPs literatures are selective recruitment, formal and continuous training, internal promotions, merit based promotions, teams as a fundamental unit of organization, employee participation programs, performance based pay systems, formal performance appraisals, development appraisals, formal communication programs to keep employees informed about the firm, regular use of employee attitudes survey, employee job security policies such as not compulsory redundancies, reduced status differentials between managers and employees(egalitarian working environment), formal grievance or compliant resolution systems in organization, formal job analysis(job description) job design, safety measures in the shop floor(Chaudhuri, 2008)

II. RENOWNED HIGH PERFORMANCE WORK PRACTICES (HPWPS):

1. Employment Security:

Employment security refers to the extent to which an organization provides stable employment for employees. One of the most basic ways in which organizations can improve their performance is by ensuring employment security (Pfeffer, 1998a). Employment security encourages a long-term perspective and represents an investment of time and resources in employees, which would be reciprocated in terms of loyalty to the organization (Tsui, Pearce, Porter, & Tripoli, 1997). Trust in management will also result from employment security, which is desirable to the extent that trust in management is associated with organizational performance (McAllister, 1995)

2. Selective Hiring:

Selective hiring focuses on the fit between employees and their work environment. This would suggest that employees who have a poor fit or who are mismatched with their environment display a greater propensity to be injured (Iverson & Erwin, 1997). The way in which hiring is used to achieve occupational safety is usually consistent with a control orientation, with its reliance on the "selective exclusion" of high-risk employees. Typically, personality questionnaires are used to prescreen potential employees on the basis of current or former drug addiction or alcoholism, emotional maturity, and trustworthiness (e.g., Borofsky, Bielema, & Hoffman, 1993; Jones, 1991).

3. Extensive Training

Occupational safety training is likely the most researched issue and practiced technique in safety management, and employees who receive safety training suffer fewer work-related injuries than their untrained counterparts (Colligan & Cohen, 2003). As noted by Barling et al. (2003), training allows employees to acquire greater competencies to control their work, leading to them performing their jobs more safely. This view is consistent with Osterman (1995), who argued from a human-capital perspective that training increases the problem-solving skills of employees. Training also exerts indirect effects on safety, as illustrated by a

study of naval trainees that found that the extent to which training was perceived to have met trainees' initial expectations, how satisfied trainees were with the training, and the learning of academic content all predicted subsequent organizational commitment (Tannenbaum, Mathieu, Salas, & Cannon-Bowers, 1991).

4. Self-Managed Teams and Decentralized Decision Making

There are several reasons why teamwork and decentralized decision making should benefit employee performance and safety performance. First, teamwork and decentralized decision making foster familiarity and demand greater cohesion. Simard and Marchand's (1997) study of 97 manufacturing plants showed that the quality of supervisor—employee relationships, as well as cohesion with the work group, were the best predictors of the propensity to comply with safety rules. Goodman and Garber's (1988) study of safety in underground coal mining found that as the familiarity between members of a working dyad decreased, safety infractions increased. Similarly, employees working in autonomous teams in a mine experienced fewer accidents than did employees who worked individually (Trist, Susman, & Brown, 1977).

5. Reduced Status Distinctions:

Status distinctions in organizations are ubiquitous, create unwanted barriers between people that breed resentment, and harm motivation and performance (Pfeffer, 1998a). Status distinctions also have the negative effect of reducing the familiarity between top management and shop floor employees. DeJoy (1994) argued that in the case of occupational-safety management, in which placing blame for events is so inherent, there is a tendency for conclusions about injury causation to be biased. In line with attribution theory, it is perceived to be in top management's best interest to blame front-line workers for safety infractions. In contrast, workers may be inclined to hold management responsible for workplace injuries. DeJoy (1994) suggested that one of the ways of confronting this is to reduce the distances between employers and employees through increased exposure to each other. Essentially, when managers and employees see these status barriers being dismantled, they are more likely to see their own safety as being dependent one on the other and to feel an increased responsibility for joint safety

6. Information Sharing

Just as information sharing across organizational levels is critical for high performance in general, we argue that it is equally critical for optimal safety performance. Indeed, it would not be possible to work safely without full information about all aspects of one's job, and several studies support the role of information sharing in occupational safety. Organizations with better safety programs (Zohar, 1980) and safety records (Cohen, 1977; Smith et al., 1978) were characterized by more open discussion between management and employees. Similarly, when employees felt comfortable discussing safety-related issues with their supervisors, they were more highly committed to following safety procedures and practices, which resulted in the lower occurrence of workplace injuries (Hofmann & Morgeson, 1999).

7. Compensation Contingent on Safe Performance:

Well-paid employees feel valued by the organization, and by explicitly choosing which behaviors are to be rewarded, organizations signal unambiguously which behaviors are valued. Arguably, if safety is considered a key performance indicator by an organization, employees should be rewarded for their efforts to improve safety. More consistent with Pfeffer's (1998a) proposition is the idea that (a) employees are compensated for safety performance at the group level and (b) compensation be provided for behaviors that extend beyond an individual's personal safety. Fox, Hopkins, and Anger (1987) found support for this notion by studying employees from an open-pit mine

8. Transformational Leadership

There are several reasons why transformational leadership would be an appropriate leadership model for enhancing occupational safety and why it should be considered integral to a high performance work system. First, the effectiveness of transformational leadership is supported in a number of contexts (Bass, 1998). Second, each of the four transformational-leadership factors lend themselves to the task of enhancing safety performance

III. ADOPTION OF HIGH PERFORMANCE WORK PRACTICES

The effect of HPWS on company performance has been an enthusiastically researched In today's highly competitive environment, companies' traditional sources of competitive advantage, such as technology, patents and economies of scale, have been weakened by globalization and other environmental changes (Ulrich and Lake,1990). The term "high-performance work practice" (HPWS) to refer to a set of HRM practices that can enhance firm performance. More and more research suggests that a company's adoption of HPWS can have an economically and statistically significant impact on employee turnover, productivity, or corporate financial outcomes (Arthur, 1994; Ichniowski et al., 1997; Kochan and Osterman, 1994; Pfeffer, 1994; Huselid, 1995; Levine, 1995; MacDuffie, 1995; Koch and McGrath, 1996; Delaney and Huselid, 1996; Youndt et al., 1996; Guthrie, 2001). The larger the company is, the more likely it may adopt HPWS practices (Huselid and Rau, 1997).

HPWPS - PART OF STRATEGIC HUMAN RESOURCE MANAGENT:

Porter (1980) contrasts firms competing on the basis of low price with firms competing on the basis of differentiation. A number of studies have found that innovative work practices are less likely to be adopted by, or are less effective for, firms competing on the basis of price (Arthur, 1992; Osterman, 1994; Youndt et ai, 1996). Some argue that these work practices are generally effective in achieving competitive advantage (e.g. Pfeffer, 1994); still, if the practices are differentially more helpful to firms competing through strategies ihat emphasize superior quality, customization or innovation, these firms may be more likely to adopt. Innovative work practices may suit differentiation strategies because such strategies are better able to absorb added investments associated with the practices, as well as because the capabilities developed by innovative human resource management are well suited to achieving superior quality, customization or innovation

IV. FACTORS INFLUENCING HPWPS:

Market-related factors:

Four factors relating to the market in which small businesses operate might be expected to

be related to the uptake of HPWPs: the competitiveness of the market, the presence of Large/dominant customers, the workforce skill-mix required by the business's product market strategy, and industry sector.

Business characteristics:

A number of factors relating to business characteristics might influence the extent of adoption of HPWPs in small businesses. Four such characteristics are considered here: business size, business age, whether the business is single or multi-sited, and the structure of ownership.

Business age:

Some empirical studies show that small businesses that have been in operation for several years tend to have more HPWPs in place than those with a short operation history (Wager 1998; Faems et al.2005). However, small businesses are well known for their high failure rates (Robinson, O'Leary and Rincon 2006, pp. 73–74).

Nature of proprietary control:

Even propriety control might influence the adoption of HPWPs in small businesses. In owner-managed family businesses, lower agency costs may encourage reliance on informal direct management and personal networks based on a sense of mutual obligation (Ram and Edwards 2003) that render HPWPs obsolete. By contrast, non-family-owned businesses (and also owner-governed family businesses in which family members are not involved in day-to-day management) need to employ managers from outside the family, and these managers may import into the business the knowledge, skills and experience necessary to introduce HPWPs (Bacon and Hoque 2005). Hence, one might anticipate the uptake of HPWPs to be lower in owner-managed family businesses than in other small businesses.

Technological differences:

Advanced technologies and innovative practices may be complementary, such that higher-tech establishments are more likely to adopt the practices. To the extent that employees using more advanced technologies are more productive, they might be better able to leverage the benefits of innovative work practices. The evidence here is mixed. MacDuffie (1995) found that higher-tech automobile assembly plants reap additional benefit from such practices, but Snell and Dean (1992) found that the interactions between advanced manufacturing technologies and the use of TQM affected performance negatively. Osterman (1994) found a positive association between adoption of transfonned work practices and an indirect measure of technology that asked for an assessment of the skill level required in the core jobs in the establishment

Human capital and establishment demographics

The human resources in the establishment may also affect the use of innovative practices. More highly skilled employees may be better suited to the high levels of involvement required by these

practices. More highly skilled employees may also enjoy a stronger labour market position; to the extent that employees prefer practices that give them more control over their schedule and tasks, they might use this market position to demand such practices. The relationship between skill level and adoption that Osterman (1994) attributed to features of establishments' production technologies is also consistent with this interpretation Institutions.

Institutional factors: A number of institutional factors may also influence adoption. Affiliates of multi establishment chains, for example, may be more likely to adopt innovative work practices. Chains could be more likely than other establishments of a given size to have bureaucratic departments that would advocate such practices, and to devote resources to the adoption of work practice innovation {Osterman, 1994}. If innovative practices are seen as legitimate, chain members may also be more likely to adopt them (Pfeffer and Cohen, 1984), since chain members are more broadly visible than other organizations of similar size. 'Chain' indicates membership in a multi-establishment chain.

Unionization: This may also influence adoption of the practices. As Osterman (1994) observes, there is some evidence that unions oppose the work rule changes that come with innovative practices. However, Osterman also notes that unions have been observed to co-operate in the process of adoption, and finds that unionization is not a significant determinant of the adoption of practice. 'Union' is a dichotomous indicator of whether or not any workers in the establishment are represented by a union.

V. POSITIVE RELATIONSHIP OF HPWPS WITH ORGANIZATIONAL OUTCOMES

Empirical evidence suggests that HPWPs have a positive impact on affective commitment. O'Driscoll and Randall (1999) find a positive relationship between perceptions of pay and affective commitment. Appelbaum et al. (2000) find positive relationships between perceived pay for several HPWPs (pay for performance, pay is fair, autonomy and opportunity to participate) and commitment. Chang (1999) finds a positive relationship between company training and organizational commitment. Caldwell et al. (1990) and Deery et al. (1994) find empirical evidence for a positive relationship between reward systems and organizational commitment. Godard (2001) finds comparatively strong relationships between employee involvement and commitment.

The study by Whitener (2001) shows a positive relationship between high performance work practices (including staffing, appraisal, training and rewards) and organizational commitment. Finally, Macky and Boxall (2007) find clear evidence of a positive relationship between HPWS practices and attitudinal variables including organizational commitment. HPWPs are mostly welcomed as a positive impulse for organizations as well as for employees, although critics warn that the unilateral focus on performance increases the risk of employee exploitation (Godard, 2001a, b; Legge, 1995). HPWPs are comprehensive bundles of practices aimed at motivating employees in such a way that their performance increases and contributes to the competitive advantage of organizations (Combs et al., 2006; Huselid, 1995). The key to the success of HPWPs seems to be the way organizations deal with human capital, because it enables a context in which employees are willing to put in extra effort (Appelbaum et al., 2000. The effects of HPWPs on employees, instead of organizations, received less research attention (Appelbaum et

al., 2000; Godard, 2001a, b; Guest, 2002). The main stream, unitarist view holds that HPWPs have positive outcomes for the organization and for employees (Appelbaumet al., 2000; Paauwe, 2004). HPWPs offer employees external and internal incentives like flexible remuneration, training, teamwork, and autonomy(Appelbaum et al., 2000)

NEGATIVE RELATIONSHIP OF HPWPS WITH ORGANIZATIONAL OUTCOMES

Few studies on HPWPs or related management practices have focused on the negative wellbeing effects like employee burnout that may result from increased employee exploitation. Burnout is a psychological syndrome which results from chronic, high-stress levels at work (Maslach, 1993). Management practices like HPWPs are part of the context of individual jobs. In this respect, HPWPs can be viewed as a "wolf in sheep's clothing" (Legge, 1995), Only a few studies investigate the effects of HPWPs on workers' overall utility measured by self-reported job satisfaction. Using data from the U.S., Appelbaum, Bailey, Berg, and Kalleberg (2000), Bailey, Berg, and Sandy (2001), Freeman and Kleiner (2000), and Freeman, Kleiner, and Ostroff (2000) find significant positive effects of being involved in HPWOs on worker's well-being.

Based on a telephone survey of 508 employees in Canada collected in 1997, Godard (2001) studies the effects of innovative workplace practices on an extensive number of indicators for a workers' well-being. No one has consistently depended, or even uniformly named HPWPs (Baker, 1999; Becker & Gerhart, 1996; Delaney & Goddard, 1997; Wood, 1999). They have been called .high performance work systems,. .alternate work practices,. and .flexible work practices. (Delaney & Goddard, 2001).

Despite the name variances, many of these programs share common elements including rigorous recruitment and selection procedures, incentives based upon performance, and extensive training programs focused on the needs of the business (Becker, Huselid, Pickhus, & Spratt, 1997). Essentially HPWPs require heavy investment in human capital that is intended to enhance employee skills, knowledge, motivation, and with the expectation that the employer is providing employees the ability and the opportunity to provide input into workplace decisions (Van Buren, & Werner, 1996). Companies expect this empowerment to enable employees to adapt quickly and readily to rapidly changing product and labor market conditions, and to improve operational efficiency and firm performance (Becker & Huselid, 1998; Cappelli & Neumark, 1999). Although high performance work practices (HPWPs) have often been touted as being good for both employers and employees, these practices require significant investments in human capital via training, coordination of initiatives, and time for managerial and employee input.

Because of the large investment in human capital, the value of these practices may be lost if the investment is not offset by increased efficiency and effectiveness. Among others, Cappelli and Neumark.s(1999) review of the literature (Delaney & Goddard, 2001; Kling, 1995; U.S. Department of Labor, 1993) suggests, on average, that HPWPs are associated with increased productivity. However, Cappelli and Neumark (1999) caution that by examining only productivity effects, researchers ignore the cost side of the equation. Despite this caution, numerous other studies also a strong relationship between HPWPs and performance - studies that do consider both the cost and the benefit of HPWPs (Huselid, 1995; MacDufÞ e (1995). Baker (1999: 28) concludes after extensively reviewing the literature.

The association of various practices with strong financial performance has been firmly established by a stream of relatively solid research.. Delaney and Goddard.s (2001) review also ascertained that most research, with two exceptions, also finds an association between HPWPs and performance. Interestingly, the Cappelli and Neumark.s(1999) study was one of two that found the costs did not offset the benefit but they concluded that the effects were neutral (neither positive nor negative for the employer). For our purposes, we use a perceptual measure of performance on four dimensions: marketing, sales growth, profitability, and market share. In sum, the bulk of the evidence is that HPWPs are associated with increased firm

VI. VARIOUS THEORIES PERTAINING TO HPWPS

Organizational trust theory

Hodson (1996. 2001) has been concerned with the antecedents and consequences of workers achieving dignity al work. His pluralist framework admits conilict and cooperation: il is management action ihal holds the key to their patterning in particular workplaces. Where management is inefficient in organizing production and in implementing human resource and work organization practices that ensure worker dignity, this leads to worker dissatisfaction and conflict between employees and management and among employees. By contrast, where management organizes production efficiently, and treats workers fairly and respectfully, a high level of organizational trust is said to prevail. This gives rise to a co-operative ER climate that encourages worker commitment and extra effort (Hodson, 2004), and hence contributes to high workplace performance.

Labour process theory

As indicated earlier, a conflict perspective informs this theory. In an era of flexible specialization or post-Fordism, workers are no longer expected to simply comply with management requirements leading to conflict over wages, conditions and control. Instead, they are encouraged to solve problems proactively and generally develop and use their skills to assist management to compete more effectively. This is not. however, a new world of benign management, as anticipated and promoted by HPWP adherents. Rather, it depicts management 'lifting the bar' in an era of global competition: work becomes more intense and job insecurity more clearly spelled out in management communications. These characteristics compliment greater employee discretion within a system of continuous performance management.

Numerical flexibility theory

As noted earlier, numerical flexibility theory assumes that labour is a net cost so that improving pay and conditions fundamentally conflicts with management's profit maximizing goal. Labour flexibility is most frequently used to denote numerical, i.e. a means of tailoring and hence containing costs relative to demand by adjusting the quantity of labour employed. This contrasts with functional flexibility, which includes developing employees' capabilities so that workers perform a wider range of more highly skilled work tasks. It is the threat or unilateral imposition of numerical flexibility. through job loss, reduction in working hours or conversion of job status (permanent to temporary or full-time to part-time), that represents a form of coercion

VII. FINDINGS AND CONCLUSION:

- 1. It is clear from the above findings that HPWSs are an effective mechanism to change the way work is done within organizations
- 2. The emphasis on customer satisfaction and financial/operational success can be fulfilled by implementing properly designed initiatives with involvement and commitment from all corners of the organization and/or the unit in which the effort is implemented.
- **3.** Identification of any single set of practices. Organizations have tried a number of approaches to create a high performance workplace, with a varying degree of success.
- **4.** Effectively managing people are a key to all the mechanisms" that organizations may employ to achieve high performance work practices.
- **5.** Team-based rewards need to be implemented to go hand in hand with the need for teams. Majority of the organizations believe that teams do work and are most often an integral part of the HPWS process.
- **6.** Attention needs to be paid to the area of performance management, as this seems to play an important role in the success of the HPWS initiative.
- 7. A performance plan is developed for each employee, so it is clear what he or she needs to do during the year to meet the company's objectives.
- **8.** It is clear that the better the fit between people and work, information, and technology, the higher the likelihood of a successful HPWS.
- **9.** HPWSs need to be very focused and clearly linked to the business strategy, and the proposed steps need to be clearly laid out.
- **10.** Training, however, is a key ingredient in this process, and all the individuals involved with the HPWS initiative need to he provided with ongoing training, such as problem solving, time/ meeting management, communication, and process redesign
- 11. Organizational culture and value systems can be changed for the hetter, and higher levels of cooperation and improved communication are direct results.
- 12. since the whole process is dependent on the commitment and involvement of the people in the organization, the key is to successfully manage the people within the organization through open communication and participation
- **13.** Clear communication and high employee involvement may reduce the resistance substantially and lead to a successful HPWS.

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PUBLIC RECOGNITION TOWARDS SOCIAL RESPONSIBILITY CAMPAIGNS

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ABSTRACT

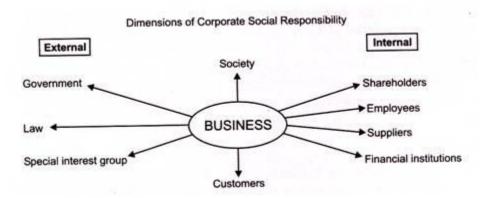
Corporate Social Responsibility (CSR) is a self-regulatory form of corporate conscience included into business activities. It is laying down a real plan for the betterment of the society like employment creation and economic development. Because of many benefits associated with CSR, this can be the ultimate goal of every corporation. Indian corporate sector has gone beyond merely 'charity and donations' and have approached it in a more organized fashion. It has become an integral part of the corporate strategy .Now –a-days a vision is developed to become a successful company that is having a philanthropic goal too. The Companies Act, 2013 has introduced the idea of CSR to the forefront and through its discloser or mandatory guidelines greater transparency is infused into the system. This paper throws light on the various CSR activities undertaken by the companies in Ludhiana and a survey is conducted to gauge the public perception towards CSR campaigns. A sample of 200 respondents was taken, it was further divided into three categories viz. household, service and business class. The result of research highlighted that respondents have a positive attitude towards CSR activities. They thought donations are appropriate tool for CSR.

KEYWORDS: CSR Campaigns, Philanthropic Vision, Tax Planning Tool Etc.

INTRODUCTION

Corporate Social Responsibility (CSR) is a self-regulatory form of corporate conscience included into business activities. It emphasizes on the keenness of the business in accommodating with the law and ethical standards. CSR is laying down a real plan for the betterment of the society like employment creation and economic development through environmental initiatives, manufacturing products by using safe materials, etc. Hence, to understand what importance CSR holds in today's era and whether its graft is worth the outcome or not, we must look at some of the factors associated with it viz public image, government relations, brand distinction, customer & employee engagement, workplace environment. With so many benefits associated with CSR, this can be the ultimate goal of every corporation after all. Indian corporate sector has gone beyond merely 'charity and donations' and have approached it in a more organized fashion. It has become an integral part of the corporate strategy .Now –a-days a vision is developed to become a successful company that is having a philanthropic goal too .

DIMENSIONS OF CORPORATE SOCIAL RESPONSIBILITY



Rules governing CSR

The Companies Act, 2013(hereinafter called the Act) has introduced the idea of CSR to the forefront and through its discloser or mandatory guidelines greater transparency is infused into the system.

Legal provisions governing CSR:

- ➤ Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules).
- > Schedule VII of the Act, which lists out the CSR activities, suggests communities to be the focal point.
- ➤ Section 135, CSR Rules and Schedule VII has come in to effect form 1st April, 2014.
- ➤ In_2013, it has been made mandatory for companies to spend 2% of profits on CSR according to Companies Act, 2013.

CSR ACTIVITIES BY CORPORATES IN LUDHIANA, PUNJAB

It has reported in September 22, 2016 that, the companies in Chandigarh and Punjab, are a little bit hesitant and give flimsy excuses for not meeting their legally mandated obligations. The Registrar of Companies, Chandigarh, has written letters to the corporate sector, asking them to

furnish details of CSR spending. It has identified 115 corporate where the provisions of CSR are applicable. Out of the total, only 30 corporate have sent their compliance report."It was found that some of the corporate have replied stating that the CSR provisions are not applicable to them . While a majority of them said that they had funds but not enough to undertake CSR activities. The companies also said once the corpus of funds becomes big, they will go for CSR spending."

But here the researcher has taken a note on some of the reputed companies of Ludhiana who are actively pursuing CSR activities.

Vardhman (Oswal Group)

The Group has a great philanthropic vision. It has been awarded with the various safety awards. They provide complete employee welfare with labour friendly policies viz residential facility, group personal accidental policy etc. 3,500 out of their 10,000 employees are women. They have provided them safe hostels and transportation too. Vardhaman Group is contributing in a big way to improve healthcare in the region through its initiatives. In 2017, the Group contributed Rs 25 lakh each to Dayan and Medical College and Hospital, Ludhiana and PGI, Chandigarh for the poor patients there. Now, they are planning a rehabilitation Centre—at Christian Medical College and Hospital (CMCH), Ludhiana ,they are bearing half of its total cost of Rs 4 crore under Corporate Social Responsibility (CSR) initiatives.

Ludhiana Beverages Private Limited

The company commissioned a 100 KW solar power plant to reduce the carbon footprint. Through this initiative they aim to reduce CO2 emissions by 105.6 Ton. The move supports Coca-Cola System's goal to improve the environmental performance by reducing CO2 emissions across its value chain. The Coca-Cola System and its bottling partners are working towards a vision of reducing the carbon footprint by 25 per cent by 2020 across its entire value chain of manufacturing, packaging, distribution and sourcing.

Trident

Trident have decided to make all the 15,000 employees to shun any type of intoxicant that one is involved in .Trident has adopted the measures under its new found theme of 'Swabhimaan ki muskan'. The group has announced to finance the studies of the kids of all those employees who shun intoxicants. It has also announced a bonus of Rs 25,000 and 25 extra holidays in a year to the women employees who have the responsibility to run the household. The group management has also decided to start the concept of calling all the employees and officers by their first name irrespective of the position. Trident chairman Rajinder Gupta said that Rs 10 crore has been kept for all the successful implementation of these initiatives.

Hero Cycles

The world's leading bicycle manufacturer Hero Cycles in their CSR initiatives has opened many schools, college and hospitals in Ludhiana district. Now in 2017 they tried to become gender equitable and for that very first time they hired 90 female employees to operations at its manufacturing plant in Ludhiana. Further, in its drive to promote healthy living and a better

environment, it collaborated with the government of Rajasthan and distributed 50 women's and 50 men's roadster bicycles.

The real challenge

There is a lack of interest of the general public in participating and contributing to CSR activities of companies. CSR is largely misunderstood by the stakeholders. The situation is further aggravated by a lack of communication between the companies involved in CSR and the general public. The role of media in highlighting good cases of successful CSR initiatives is need of the hour. It can spread good stories and sensitizes the local population about various ongoing CSR initiatives of companies. It is because of this communication gap, corporates many a times are unable to identify real needs of the community. The need is to develop a model for interaction between the public and corporate houses, so that the development projects in local communities help in building their capacities in real sense.

LITERATURE REVIEW

The economic Times (2012), news highlighted the views of former president Dr. APJ Abdul Kalam in a CSR award function. He said that companies should devote some part of its goal to corporate services. It should make mandatory for all the companies to spend a percentage of its profit on corporate social responsibility. They assumed greater importance of CSR in building the lives of the country's citizens. Bansal, Parida, Kumar (2012) have analyzed 30 companies of 11 sectors listed in the Bombay Stock Exchange with the help of their annual reports on csr. Some of these sectors were Transport Equipment sector, Finance and Metal Mining sector, IT & Power, Capital goods, Telecom, Housing, FMCG, Oil & Gas and Cipla. The paper considered the nature and areas of society in which the companies are investing. They found that today companies are not working only to earn profit but also have realized the importance of being social friendly..

Swati Sharma, Reshu Sharma & Jugal Kishore (2013), studied "Emerging trends in Corporate Social Responsibility in India-A Descriptive Study" & it revealed that till 1990s CSR was exclusively dominated by the idea of philanthropy. Moreover, businesses never kept the stakeholder in mind while planning for such initiatives, thereby reducing the worth and efficiency of CSR initiatives. However, over the last few years, the concept of CSR has been changing. There has been a clear transition from giving as an obligation or charity to giving as a strategy or responsibility..

Akanksha Jain (2014) studied "the Mandatory CSR in India: A Boon or Bane" & found thatthe mandated 2% CSR investment in the new Indian Companies Bill is a novel solution to India's social problems. It may not be perfect but it is a product out of necessity for economic justice in India. Corporations in India have failed to take the responsibility for the real cost of their functioning. Many often pollute the environment and run away from human hazards that they invent. 2% CSR policy envisions a system in which each industry would contribute in a manner apt with their expertise.

Vivek Wankhade (2014) conducted research on ANALYSIS OF CORPORATE SOCIAL RESPONSIBILITY SPENDING OF THE INDIAN COMPANIES. The study is based on the

secondary data collected from annual reports of the companies & Forbes magazine for the financial year 2011-12. It that the corporate social responsibility spending is less than 2 % of profit after tax of the Indian companies & also there is no significant difference in the corporate social responsibility spending & transparency score of the Public sector companies & Private sector companies. The findings can assists the policy makers to ensure that the Indian companies increased their Corporate Social Responsibility spending & can be more transparent in disclosure of the Business Responsibility report along with the Annual Report.

RESEARCHMETHODOLOGY

- **1. Research Plan:** To meet the objective of the study, descriptive design was adopted.
- **2.** <u>Research Instrument</u>: For the collection of data, questionnaire and personal interviews as a research instrument was chosen.
- **3.** <u>Type of Question</u>: <u>Multiple choice</u> questions were included in the questionnaire to get the desired information whereas **Open Ended** questions were included to authenticate the responses given by the respondents in close ended questions.
- 4. Sample Size: The sample size of the study was 200 respondents.
- **5.** <u>Target Group</u>: The target group for conducting survey was **household**, **service and business class**.
- 6. <u>Sampling Technique</u>: The sampling technique used in study was **Random Sampling** as it covered all the designations.

7. SAMPLING PLAN:

- (a) Sampling unit: It consisted of respondents residing in Ludhiana.
- (b) Analysis Method: The data was presented in the **Tabular form**, **charts**, **graphs and percentages have been calculated** to it make more understandable.

8. DATA SOURCES:

Primary Data: In this study questionnaire and personal interview methods have been used for collecting primary data.

Secondary Data: various books, web sites, records and data from e-journals and newspapers have been used.

9. OBJECTIVES OF THE STUDY:

- To know how much public values CSR campaigns.
- To explore the awareness level of the respondents with regard to social responsibility campaigns of the corporate houses.
- To find out the perception of the respondents regarding the genuineness of CSR campaigns.

10. <u>LIMITATIONS OF THE STUDY</u>:

- Limited time for the study.
- Sample size was limited to 200.
- Biasness of the respondents.

DATA ANALYSIS

5.1 AWARENESS REGARDING CSR ACTIVITIES

TABLE 5.1 showing the awareness regarding CSR activities

Responses	No. of respon	dents	Total	Percentage	
	Household	Services	Business		
YES	35(58.3%)	70(87.5%)	40(66.7%)	145	72.5%
NO	25(41.7%)	10(12.5%)	20(33.3%)	55	27.5%
TOTAL	60	80	60	200	

Note: figures in the parenthesis are the percentages of the specific column.

5.2 CONCEPT OF CSR

TABLE 5.2 showing the concept of CSR according to respondents

Responses	No. of respon	ndents		Total	Percentage
	Household	Service	Business		
Donations	34(56.7%)	12(15%)	32(53.3%)	78	39
Sponsorships	5(8.3%)	10(12.5%)	8(13.3%)	23	11.5
Voluntary Actions	6(10%)	14(17.5%)	5(8.3%)	25	12.5
Awareness campaigns	8(13.3%)	25(31.2%)	11(18.3%)	44	22
Employment to weaker sections	5(8.3%)	15(18.75%)	4(6.7%)	24	12
Any other	2(3.3%)	4(5%)	0	6	3
TOTAL	60	80	60	200	100

5.3 SOURCES OF INFORMATION

TABLE 5.3showing the sources of information among respondents

Responses	No. of respo	ondents		Total	Percentage
	Household	Service	Business		
Newspaper /magazine	8(13.3%)	18(22.5%)	22(36.67%)	48	24
Internet	6(10%)	15(18.75%)	9(15%)	30	15
Television	28(46.7%)	35(43.75%)	16(26.67%)	79	40
Radio	12(20%)	10(12.5%)	10(16.67%)	32	16
Any other	6(10%)	2(2.5%)	3(5%)	11	6
TOTAL	60	80	60	200	100

5.4 GENUINITY OF CSR ACTIVITIES

TABLE 5.4 showing the genuinely of CSR activities

Responses	No. of respondents			Total	Percentage
	Household	Service	Business		
Yes	35(58.3)	51(63.75)	28(46.7%)	114	57
No	25(41.7)	29(36.25)	32(13.3%)	86	43
TOTAL	60	80	60	200	100

5.5 Reason for genuiness of CSR

TABLE 5.5showing the reasons for CSR

Responses	No. of respon	dents	Total	Percentage	
	Household	Service	Business		
Positive change in society	16(45.7%)	9(17.6%)	7(25%)	32	28
Good and reasonable healthcare	8(22.8%)	11(21.5%)	4(16%)	23	20.1
Upliftment of employees and families	7(20%)	22(43.1%)	10(35.7%)	39	34
Good quality product	4(11.4%)	8(15.6%)	5(17.8%)	17	14.9
Any other	0	1(2%)	2(7.1%)	3	3
TOTAL	35	51	28	114	100

5.6 REASONS FOR nongenuity

TABLE 5.6 showing the reasons for unfavourable views

Responses	No. of respond	No. of respondents				
	Household	Service	Business			
Tactics to boost sales	15(60%)	9(31%)	14(43.47%)	38	44.2	
Publicity stunts	4(16%)	8(27.5%)	10(31.2%)	22	25.6	
Tax planning tool	4(16%)	4(13.8%)	5(15.6%)	13	15.1	
Window dressing	2(8%)	8(27.5%)	3(9.3%)	13	15.1	
Any other	0	0	0	0	0	
TOTAL	25	29	32	86	100	

FINDINGS

Following are the findings of the research:

- > Service class is highly aware about CSR campaigns, working with the corporate can be the reason for it.
- ➤ Donations is the main purpose of CSR which reflects that CSR is still considered as charity according to respondents.
- > Television attracts most viewership it is reflected by current research as the most of the respondents get information about CSR campaigns from it.
- Maximum respondents consider CSR activities genuine
- > CSR is used as a tool to boost the sales as per respondent's perception.

CONCLUSION

Organizations need to embrace CSR because the chances are high that it will ultimately contribute to their own economic development while improving the quality of life for all of the audiences involved with them. There is a need for creation of awareness about CSR amongst the general public to make initiatives more effective. Their benediction will motivate other corporate houses to join the league and play an effective role. It is difficult for one single entity to bring about change, as the scale is enormous. Effective partnerships between corporate, NGOs and the government can give marvelous results for a country like India.

RECOMMENDATIONS

Keeping in view the broad results of the survey, the following suggestions are listed:

➤ It is found that there is a need for creation of awareness about CSR among the general public to make CSR initiatives more effective. This awareness generation can be taken up by the media to highlight the good work done by corporate houses. This will bring about effective

- changes in the approach and attitude of the public towards CSR initiatives undertaken by the corporate houses.
- ➤ Corporate houses and nongovernmental organizations should actively consider pooling their resources to implement best CSR practices to scale up projects and innovate new ones to reach out to more beneficiaries.
- ➤ Government should reward and recognize corporate house and their partners (NGO's) for implementing projects that effectively cover the poor and the under privileged. This will be instrumental in encouraging enhanced voluntary participation of greater no. of corporate houses in CSR activities.

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REPORT

 Corporate Social Responsibility in India Potential to contribute towards inclusive social development Global CSR Summit 2013 An Agenda for Inclusive Growth, EY &PHD Chamber



TRANS Asian Journal of Marketing Management Research (TAJMMR)

(Double Blind Refereed & Reviewed International Journal)





BRANDING WITH SOCIAL MEDIA: INVESTIGATING LINKAGES BETWEEN SOCIAL MEDIA CONTENT, BRAND AWARENESS, BRAND IMAGE, BRAND ATTITUDE AND PURCHASE INTENTION

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ABSTRACT

In light of marketing communication brand related interactions are increasingly taking place in social media. This emerging marketing communication has set up new challenges and opportunities for organizations as brand purchase behavior is significantly influenced by social media interactions. Data were collected from 600 respondents from three cities of Punjab namely Amritsar, Jalandhar and Chandigarh through surveys and analyzed through Confirmatory factor analysis (CFA) and structural equation modeling (SEM). The findings revealed that social media has a significant and positive impact on brand awareness. It also exerts a significant influence on the purchase intention by providing the adequate information concerning the brand under question. The results of mediation analysis revealed that the relationship between social media and brand attitude was significantly mediated by brand awareness and brand image. Thus, it can be posited that social media has a great influence in creating brand awareness among the users of social media. It also facilitates the brand evaluations thereby generating a positive brand image in the minds of the users of the brands, which further leads to the formation of brand attitude. This reinforces that the brand attitude is

formed based on the evaluations done by brand awareness and image generated through social media. The paper concludes with managerial implications and issues for future research.

KEYWORDS: Brand Awareness, Brand Attitude, Brand Image, Purchase Intention, Social Media.

INTRODUCTION

Social media has significantly changed marketing communication. The increase in usage of social networking sites such as facebook, youtube, twitter, etc. has drastically influenced consumer purchase behavior. In light of marketing communication brand related interactions are increasingly taking place in social media. In current times there is a shift of consumer from being passive participants in marketing to being an active contributor (Kozinets et al., 2008, Merz et al. 2009) and has empowered consumers directly over brands (Constantinnides and Fountain 2008). Traditional marketing one-way communication has been transformed into multidimensional communication (Berthon et al. 2008).

This emerging marketing communication has set up new challenges and opportunities for organizations as brand purchase behavior is significantly influenced by social media interactions. People depend more on their social network while making a purchase decision (Hinz et al. 2011). The increasing trend of consumers becoming fans of brands on social media platforms and using it as the most frequent medium of interactions about brands leads to the assumption that social media wields an important impact on a brand's success. However, with the rapid growth of social media platforms over the years has given rise to questions such as whether this development has diminished the marketer's control of brand management (Berthon et al., 2007).

Since social media provides an opportunity for consumers to interact with thousands of other consumers around the globe, companies are no longer the sole source of brand communication. Additionally, consumers are more inclined to social media for information search rather from traditional media such as TV, radio, or magazines (Mangold and Faulds, 2009). They regard social media as a more reliable and trustworthy source of information than the traditional instruments of marketing communications used by companies (Foux, 2006).

Thus the different instruments of marketing communications, as well as an information provider, have an impact on consumer mindset (Hirschman and Holbrook, 1982; Zajonc and Markus, 1982). According to Keller (1993), consumer mindset is divided into two dimensions, namely, brand awareness and brand image. Brand awareness is related to the presence of a brand in a consumer mind and therefore signifies how well consumer will recall that brand (Rossiter and Percy, 1987). Brand image signifies consumer's relationship with a brand (Keller, 1993) resulting in brand evaluation which is reflected by brand attitude which leads to purchase intention which refers to that cognitive behavior in which consumer develops an actual willingness to act towards a brand(Wells et al., 2011; Dodds et al., 1991). The prime focus of marketing communication is to get consumers to form an intention to purchase. Hence the organizations put various efforts with the help of social media to achieve their goals as social media positively influences consumer purchase intention (Keller, 2008 and Kapferer, 2008).

In light of the preceding discussion, the present study aims at examining the interaction effect of social media and the consumer brand purchase behavior. The paper is organized into three parts. Firstly, the theoretical background is discussed, followed by the research hypothesis. Secondly, the results methodology and results are discussed. The paper concludes with managerial implications and issues for future research.

RESEARCH BACKGROUND

The evolution of social media platforms has made consumer-to-consumer communication very easy and also accelerated communication especially between unknown consumers (Duan et al., 2008). In this context, Go des and Mayzlin (2004) posited that social media platforms are simple and cost-effective tools for accessing and gathering consumer-to-consumer communication. Moreover, consumer-to-consumer interactions drive important outcomes for companies. Simon and Sullivan (1993) identify marketing communications as one of the sources driving brand equity. Yoo et al. (2000) show in their study that marketing communications have a positive influence on brand loyalty, brand associations, and brand awareness. Brand awareness plays a very significant role to increase brand equity, and therefore, brand awareness is considered as one of the most important goals of branding. For new brands, it should be the first step in building a brand (Kapferer 2012, 188). While the brand image is the relationships that consumer links to a brand (Keller 1993), brand awareness is how consumers recognize a brand (Rossiter and Percy 1987).

The image of a brand and its association with the customers leads to brand image (Management Study Guide, 2016), which can be classified into three categories: attributes, benefits and attitudes (Keller 1993, 4) Brand attitudes indicate the assessment made by customers about a brand (Wilkie 1986, according to Keller 1993, 4). Brand attitude consists of the philosophy a consumer has about a product or service (i.e., the degree to which customers think the brand has certain benefits) – The evaluative decision of those beliefs (i.e., how good or bad those attributes or benefits are) (Keller 1993, 4). Purchase intention is the result of brand attitude, as brand attitude is considered to be a good sign for behavioral intention (Wang, 2009). The behavioral intention to purchase is a psychological variable, which is identified as an intervening variable between attitude and actual behavior (Miniard et al., 1983). According to the attitude-behavior hypothesis, attitudes have a positive effect on purchase intention (Eagly and Chaiken, 1993).

CONCEPTUAL FRAMEWORK

A conceptual model was developed as shown in fig. 1. It presents the hypothesized relationships among the constructs.

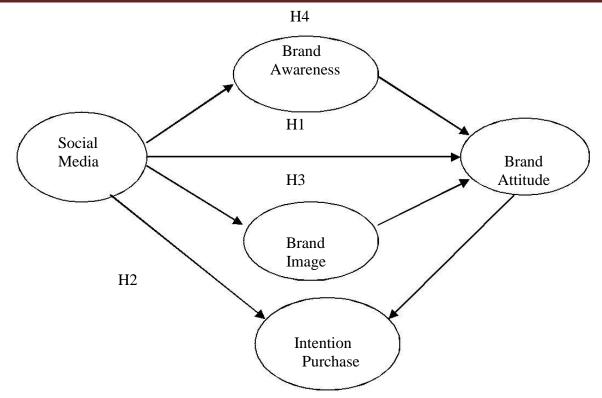


Figure 1. Conceptual Framework

Based on the review of the literature, the following set of hypothesis regarding the relationship between the test variables has been taken up for the examination in this study:

Hypothesis 1: Social media has a significant impact on brand attitude.

Hypothesis 2: Social media has a significant impact on purchase intention.

Hypothesis 3: Brand awareness mediates the relationship between social media and brand attitude.

Hypothesis 4: Brand image mediates the relationship between social media and brand attitude.

RESEARCH METHODOLOGY

All the constructs were measured using the existing scales. Multiple items were measured on a 5-point Likert scale ranging from 1 (strongly agree) to 5 (strongly disagree). The survey instrument contained measures for demographic variables like age, gender, income, and education.

The data was collected from three cities of Punjab namely Amritsar, Jalandhar and Chandigarh at different time periods in a day and week to reduce the sampling bias. A total of 600 questionnaires were filled out. However, only 472 questionnaires could be used for the final analysis, thereby fetching a response rate of 78%. The scale items were refined using item analysis, and statistical reliabilities of scales were ascertained by computing Cronbach α (Nunnally, 1978). The reliability and validity of the scale was assessed by using exploratory factor analysis (EFA) followed by confirmatory factor analysis (CFA). Further, the authors tested

the proposed relationships with the help of Structural Equation Modeling (SEM).

DATA ANALYSIS AND RESULTS

The analysis indicates that there were 49 percent male and 51 percent female participants. 44.1 percent of the respondents were in the age group of 18 to 25 years, followed by 25.6 percent in 26 to 34 group, 16.5 percent in the 35 to 44 age group; 11.4 percent in the age group of 45 to 54 and just 2.4 percent in the age category of 55 and above. This agrees with the literature that asserts that youth is more attracted towards the social media networking as compared to other media of information in the present retail environment due to ease of use and advanced technological updations. Concerning the educational qualification, 49.8 percent of the respondents are postgraduates, followed by 19.1 percent graduates; 15.7 percent undergraduates; 7.3 percent matriculates followed by 5.1 percent doctorates. This is again in consonance with the findings with respect to the age group that the youth prefers to use various social media platforms to share their views and similarly obtain opinions about the various products and services from their reference groups.

The reliability of the scale was assessed by using Cronbach's alpha to ensure internal; consistency (Nunnally, 1978). The values for Cronbach's alpha were reported as follows: social media content = .904; brand awareness = .881; brand attitude = .768; brand image = .938; purchase intention = .879. Since all the values are above the acceptable limit of 0.60 (Hair et al., 2010), the scale conforms to the reliability test.

ASSESSMENT OF MEASUREMENT MODEL

The data was analyzed using AMOS (see figure 2). The results reported a Chi-square value (χ^2) of 763.919 with 486 degrees of freedom. The CMIN/DF i.e. the ratio between the minimum discrepancies divided by degrees of freedom was 1.572. It is also within the acceptable limit of less than 5 (Carmines and McIver, 1981). This suggests an acceptable fit between the sample data and the hypothetical model. The goodness-of-fit index (GFI) was .914 and adjusted goodness-of-fit index (AGFI) was reported as .901. The comparative fit index i.e. CFI was .975, whereas the Tucker-Lewis index i.e. TLI was .973. The Root Mean Square Error of Approximation i.e. RMSEA was .034, which is again less than 0.8 (Hair et al. 2010). The Bollen's incremental fit index i.e. IFI was .975. While the Bentler-Bonett normed fit index i.e. NFI was .935.

FCSMC1 FCSMC2 FCSMC3 FCSMC4 socialmedia UGSMC1 UGSMC2 UGSMC3 UGSMC4 BAW1 BAW2 awareness BAW3 BAW4 (e13) BAT1 BAT2 attitude BAT3 (e17) PI1 (e21) PI2 intention PI3 BI1 BI2 BI3 image BI4 BI5

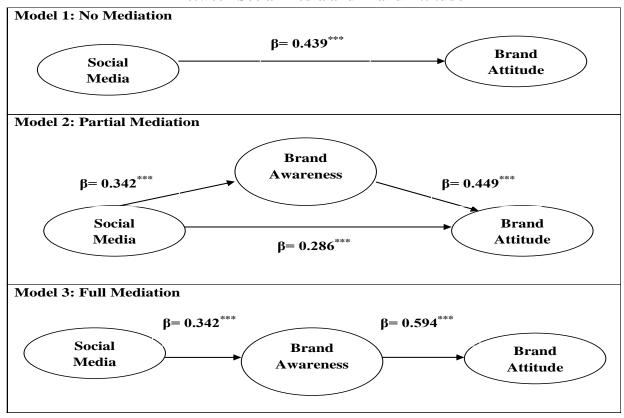
Figure 2. Measurement Model

In order to assess the adequacy of the specified indicators in representing their respective constructs, we computed composite reliability and average variance extracted (AVE). The validity was established by following the AVE-SE comparisons approach. All the AVEs are greater than the squared correlation between the constructs and all constructs had a composite reliability exceeding the acceptable limit of 0.70 (Hair et al. 1998) hence, providing evidence of discriminant validity. The AVE and CR values were reported as: (AVE_{SM} = .933; AVE_{BI} = 0.756; AVE_{BAw} = 0.983; AVE_{BAt} = 0.723; AVE_{PI} = .975; CR_{SM} = 0.965; CR_{BI} = 0.939; CR_{BAw} = 0.991; CR_{BAt} = 0.940; CR_{PI} = .992.

	CR	AVE	Brand Awarenes s	Brand Attitude	Brand Image	Purchase Intention	Social Media Content
Brand Awareness	0.991	0.983	0.992				
Brand Attitude	0.940	0.723	0.082	0.850			
Brand Image	0.939	0.756	0.083	0.294	0.809		
Purchase Intention	0.992	0.975	0.113	0.132	0.141	0.988	
Social Media Content	0.965	0.933	0.165	0.019	-0.057	0.353	0.966

Then we proceeded with testing for mediation on the relationship between social media and brand attitude. The results revealed that the relationship between social media and brand attitude was brand awareness and brand image (see figure 3 and 4).

Figure 3. Mediating Effect of Brand Awareness on the Relationship Between Social Media and Brand Attitude



Model 1: No Mediation $\beta = 0.19^{***}$ **Brand** Social Attitude Media **Model 2: Partial Mediation Brand Image** $\beta = 0.571^{***}$ $\beta = 0.165^{***}$ **Brand Social** Media Attitude $\beta = 0.092$ **Model 3: Full Mediation** $\beta = 0.165^{***}$ $\beta = 0.594^{***}$ Social **Brand Brand** Media **Image** Attitude

Figure 4. Mediating Effect of Brand Image on the Relationship **Between Social Media and Brand Attitude**

CONCLUSION

The structural model was tested using AMOS 21 and found that the data provide a good fit for the hypothesized model, as all fit indices are within the acceptable range i.e. GFI > .9, AGFI > .9. RMSEA<.08. Therefore, it is concluded that the data fits the model. The results reveal that social media has a significant and positive impact on brand awareness, thereby confirming to the previous studies leading to acceptance of the hypothesis H1. Social media exerts a significant influence on the purchase intention by providing the adequate information concerning the brand under question. This confirms the hypothesis H2. Then we proceeded with testing for mediation on the relationship between social media and brand attitude. The results revealed that this relationship was significantly mediated by brand awareness and brand image. Thus, it can be posited that social media has a great influence in creating brand awareness among the users of social media. It also facilitates the brand evaluations thereby generating a positive brand image in the minds of the users of the brands, which further leas to the formation of brand attitude. This reinforces that the brand attitude is formed based upon the evaluations done by brand awareness and image generated through social media.

MANAGERIAL IMPLICATIONS AND ISSUES FOR FUTURE RESEARCH

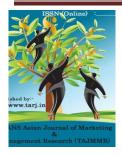
This study has attempted to identify relevance and limitation of social media marketing for organizations by exploring the extant literature on social media. This study is helpful for the understanding of social media in general, which is helpful for academicians, social media companies etc. Organizations before entering the field of social media marketing should have complete research on social media practices. An organization has to adept basic principles and strategy of using social media as an effective tool to beat its competitor. Main aim an organization has to keep in mind is to involve customers to build company reputation, to have a positive interaction with customers regarding their goods and services and to satisfy customer's need and wants.

The present study revealed the relationship between social media and brand purchase behavior. However, this research also, from other studies is not without limitations. Firstly, the sample was collected from a single city and thus, the work needs to be expanded to include other areas. Moreover, the samples were not large enough to explore the effects of different types of social media on customer brand purchase behavior, a shortcoming that can be addressed in future research. Further, the role played by other mediating and moderating variables such as gender, trust, privacy to enhance the understanding of band purchase behavior.

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THE IMPACT OF A SOCIAL MEDIA MARKETING ON CUSTOMER BASED BRAND EQUITY- A SPECIAL REFERENCE TO TRAVEL & TOURISM INDUSTRY IN SRI LANKA

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ABSTRACT

Due to its dynamic and emergent nature, the effectiveness of social media as a marketing communication channel has presented many challenges for marketers. It is considered to be different to traditional marketing channels. Many organizations are investing in their social media presence because they appreciate the need to engage in existing social media conversations in order to build their brand equity. Social Medias are increasingly replacing traditional media, and more consumers are using them as a source of information about products, services and brands. On the other hand, brand equity is considered as a powerful mechanism to create the sustainable competitive advantage for the organizational concern. Thus, this study examined the research problem of whether the social media marketing (SMM) impacts on brand equity in Travel & Tourism Industry (TTI) in Sri Lanka. The objective of this study is to identify the impact of SMM on brand equity in Sri Lankan Travel & Tourism Industry (TTI). Furthermore, the conceptual model has been developed to link SMM and brand equity. Entertainment, interaction, trendiness, customization and word of mouth are considered as the dimensions of SMM. Similarly brand loyalty, perceived quality, brand image and brand awareness are the dimensions of brand equity which were extracted from literature. Questionnaire was used to collect data. Fifteen tourist hotel have been selected in Colombo District based on non-probability sampling method (quota sampling method). Multiple regressions has been used for the analysis. Findings revealed that there is a positive and significant impact (73.4%) of SMM on brand equity in Sri Lankan Travel& Tourism Industry.

KEYWORDS: Social Media Marketing, Brand Equity, Travel & Tourism Industry in Sri Lanka.

INTRODUCTION

During different time era's different methods of communications has developed and changed the day by day life. Social media has become the method of statement in the 21't century, enabling us to express our belief, ideas and manner in an absolute new way. This way of message have also have a huge impact on corporation, where they have realize that without a correct plan and social media strategy they have no chance to stand out in the rapidly changing digital freedom. To guarantee a successful attendance on social media the companies need to take different marketing theories into consideration so that they can boost their brand in different aspect. If this can be collective with original ways of consumer interaction the companies have a good chance to take the lead in social media marketing'. The meteoric growth of community websites, such as Twitter, Face book and LinkedIn, have usher the world into a new era of social media. Social media marketing is also more sincere in its communication with the consumers, trying to show what the brand is rather than trying to control its image.

Consequently, more and more brands are incorporating social media marketing (SMM) into their marketing strategies to reap the benefits of the digital wave. Defined as the process that empowers promotion of websites, products and services via online social channels (Weinberg, 2009), SMM is related to relationship building and making connections with the consumers – current or potential (Erdogmus and Cicek, 2012). With activities such as blogging and sharing instructional videos and product photos on social media platforms, the focus of SMM activities are content generation, communication, outreach and referral to increase web traffic, awareness and popularity of brands (Kim and Ko, 2012). Moreover, the growth in the use of social media and emergence of social search is playing a central role in consumer-brand interactions and engagement (Kim and Ko, 2012; Laroche *et al.*, 2013).

Thus, firms and brands need to factor in the influence of social media on consumers and better understand the extent to which social media can and should play a role in consumer-brand engagement (Parent *et al.*, 2011; Schultz and Peltier, 2013). With the increased opportunity for consumers to talk to other consumers around the world, companies are no longer the sole source of brand communications (Bruhn *et al.*, 2014). This has made consumer-brand interactions more complex and transformed it into a multi-party conversation rather than a brand-dictated monologue (Deighton and Kornfeld, 2009). As a result, scholars have noted the necessity of research to fully account for the depth of consumer interactions with brands (Bowden, 2009) and examine the nature of brand equity-consumer engagement within interactive, online and social settings (Yazdanparast *et al.*, 2015).

On the other hand" brand equity" is an important concept in business practice as well as in academic research because marketers can gain competitive advantage through successful brands.

Further brand equity exhibits the qualities required for creating a sustainable competitive advantage. It adds value for customers, helps to create defensible competitive positions, and cannot be easily transferred to other organizations (Pitta and Kastsanis, 1995). Thus organizations can use the brand equity as a powerful tool to create a sustainable competitive advantage. Hence organizations seek the ways to develop the brand equity. Advertising, sales force, public relations, slogans and symbols are used to develop the brand equity (Aaker, 1991).

However a marketing strategy is often considered essential for establishing brand equity (Tong and Hawley, 2009). Aaker also (1991) emphasized that each brand equity dimension could be achieved by a variety of marketing strategies.

On the other hand Yazdanparast *et al.*, (2015) mentioned social media-based marketing activities can be used as a marketing strategy to build the brand equity. Further social media marketing is different than traditional methods of marketing; therefore, it requires special attention and strategy building to achieve brand image and loyalty.

There are several researches which had been undertaken in the social media perspective. Recently few studies have systematically investigated how to employ social media marketing strategies to build brand equity. Also rarely find researches which have been undertaken in the social media marketing on building brand equity perspective to compete effectively. Therefore deficiencies persist in the understanding the impact of SMM on brand equity in order to achieve the competitive advantage. So this research addressed the theoretical as well as empirical gap between the SMM and brand equity. Based on that, the ultimate objective of this study isto examine the "impact of SMM on customer based brand equity in Sri Lankan Travel& Tourism Industry".

At the same time, social media marketing in service industry is not an entirely new concept (Bruhn, 2012). Several researches were conducted in social media marketing perspective and brand equity perspective in service sector in many countries. In Sri Lanka also, many researchers studied the SMM in service sector by referring to Business to Business (B2B context). But hardly find researches which were undertaken social media marketing perspective and brand equity perspective in Travel & Tourism Industry.

Travel & Tourism Industry (TTI) is one of the fastest-growing and largest service industry globally in terms of gross revenue and foreign exchange earnings. It is generally consider that the major component of TTI are Travel Agents, Tour operators, Transportation, Hospital and Hotel Industry. The Hotel Industry revolves around providing accommodations for travelers and the success in this industry relies on catering to the needs of the targeted clientele, creating a desirable atmosphere, and providing a wide variety of services and amenities. Hotels can interact with their guest/customers on Social Media (SM), by sharing information, watching for service failures to correct, and to refine their brand.

Furthermore, the SM plays a significant role in many aspects of TTI, especially in information search and decision-making behaviors, tourism promotion and in focusing on best practices for interacting with consumers. SM is a key factor in travel plans which enable hotels, restaurants, and other businesses to reach a worldwide audience at lower costs. For TTI's marketing professionals, SM is a new outlet that can potentially be used to help increase the interest in a product or service. Therefore, marketers are taking note of many different SM opportunities and beginning to implement new social initiatives at a higher rate than ever before.

For an example, large hotels like Hilton Hotels & Resorts, Hyatt Hotels & Resorts, Shangri-La Hotels & Resorts and InterContinental Hotels Group (IHG) have fully integrated Social Media Marketing (SMM) into their marketing strategy, but for most hotels the difficulty is not only where to begin, but who to use and what to do. Also, most hotels lack the resources required to

effectively implement social marketing strategies. Sustainable TTI will gain popularity and strength by increased consumer awareness.

LITERATURE REVIEW

Social Media Marketing (SMM)

Aral et al. (2013) argue that social media is "fundamentally changing the way we communicate, collaborate, consume, and create". Defined as "a group of internet-based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of user-generated content" (Kaplan and Haenlein, 2010).

In the marketing context, social media is seen as essentially different to other forms of digital media (Hoffman and Novak, 2012) and as potentially heralding a paradigm shift in marketing (Hanna et al., 2011). It is a hottest new marketing concept and it is a form of Internet marketing which utilizes social networking sites as a marketing tool to achieve branding and marketing communication goals. SMM sometimes refer as or Viral marketing and Web 2.0 marketing. SM sites such as Face book, Instagram, Twitter, Pinterest, Google+, LinkedIn, Tumblr, YouTube and numerous others have begun to revolutionize the state of marketing, advertising, and promotions. Also, it is use to communicate information about a company and its brands and products. Which social medium is most effective and how it can best be targeted depends in part on the goal of SMM campaign and the product offered by the company. In general, most campaigns involved propagating an idea, creating brand awareness, increasing visibility, encouraging brand feedback and dialogue and, in some case selling a product or service.

Furthermore, SMM carries the advantages of low cost, rapid transmission through a wide community, and user interaction (Vance, Howe, & Dellavalle, 2009), and the five constructs of perceived SSM activities are (1) entertainment, (2) interaction, (3) trendiness, (4) customization, and (5) word of mouth (Kim and Ko, 2012; Kim & Ko, 2010). Finally, there are several tools and sites available to help marketers measure the effectiveness of their SMM efforts.

Brand equity

Brand equity is a multi-dimensional concept and a complex phenomenon. Some dimensions have been empirically tested in the literature. Among several brand equity models in the literature, researcher chosen concept of brand equity was developed by Aaker (1991), the most commonly cited. It has been probed in a number of empirical investigations (Eagle & Kitchen, 2000), the most critical parts of which involve the verification of the dimensions on which brand equity is based.

According to Aaker's (1991) definition, brand equity is a set of assets and liabilities and could be classified into five categories: (1) brand loyalty; (2) brand awareness; (3) perceived quality; (4) brand image; and (5) other brand proprietary assets. Besides, each brand equity dimension could be achieved by a variety of marketing strategies (Aaker, 1991, 1996). Among the five brand equity dimensions proposed by Aaker (1991), the first four reflect customers' evaluations and reactions to a brand; thus, they are the most popularly adopted dimensions to explore the findings of marketing and consumer behaviour research in relation to brand equity (Barwise, 1993; Yoo & Donthu, 2001; Yoo et al., 2000).

Travel & Tourism Industry in Sri Lanka.

The TTI is a key sector of the Sri Lankan economy. The arrival of tourists increased rapidly and passed the elusive one million mark in 2014 and increased further in 2015. Further, the TTI sector in Sri Lanka is highly optimistic with a large number of hotel chains having lied up their expansion plans. In addition to that, the policies and changes implemented by the Government of Sri Lanka have been instrumental in providing the necessary boost to the Sri Lankan TTI industry and attracting more and more foreign tourists every year. Following figure will illustrate (Figure: 1) the Tourist arrivals statics between 2014 up to March 2015.

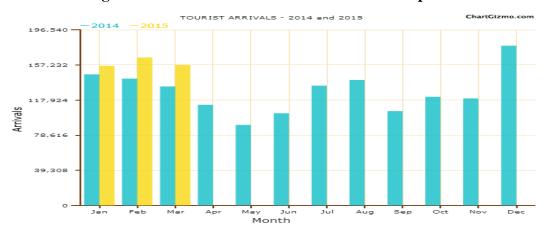


Figure 1: Tourist arrivals statics between 2014 up to March 2

Source: Sri Lanka Tourist Boards' Annual Statistical Report-2013

Social Media Marketing and Brand equity

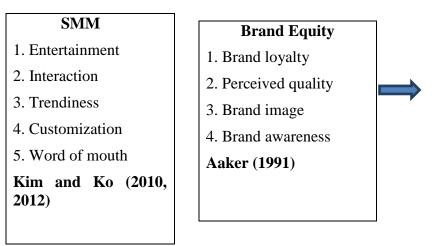
SMM is a powerful for many brands to influence consumer spending power and buying habits beyond traditional methods. While, SM allows direct and real-time individualized interaction with consumers, businesses can promote products and services, provide instant support, and/or create an online community of brand enthusiasts through all forms of SM (Kaplan and Haenlein, 2009). In addition, SM activities of brands provide an opportunity to reduce misunderstanding and prejudice toward brands, and to elevate brand value by creating a platform to exchange ideas and information among people online (Kim, & Ko, 2012).

Further, marketing communication using SM evaluated as business take-off tools, where brands and customers are communicating with each other without any restriction in time, place, and medium so that old-fashioned one-way communication is changed to interactive two-way direct communication (Kim, & Ko, 2012). Inanition to that, SM enables consumers to share information with their peers about the product and service brands (Mangold and Faulds, 2009), thus conversations between the peers provide companies to another cost effective way to increase brand awareness.

Finally, the rise of SMM forced marketers to wake up to the opportunities that are being created for their brands in the modern world. According to Kim and Ko (2010), SM have a dramatic impact on a brand's reputation and the brand's SM platforms offers venues for customers to

engage in sincere and friendly communications with the brand and other users, so the brand's intended actions on the social communication scene were positively affecting relationship equity and brand equity as well (Kim, & Ko, 2012). Further Bruhn (2012) investigated in Switzerland that the social media marketing has the positive impact on brand equity.

Moreover a theoretical argument for the relationship between social media marketing and brand equity is explained based on the main independent (exchanges) and dependent constructs (value and utility) through the social exchange theory (Son et al, 2005). Thus social exchange theory provides the theoretical base for the link between social media marketing and brand equity. The above justification through literature paved the way for developing the following conceptual model.



HYPOTHESIS

H1: There is a positive impact of SMM on brand equity in Sri Lankan Travel & Tourism Industry.

METHOD

Quantitative methodology was applied and questionnaire was used to collect data. From fifteen hotels in Colombo district hundred and fifty customers were selected based on the quota sampling method. Before the final data collection pilot study was undertaken. In this study questionnaire was developed with the support of previous studies carried out by experts in the relevant subject areas.

Prior to data analysis, data purification process was conducted to ensure suitability of measures (Churchill, 1979). For ensuring the reliability of scale, Cronbach's alpha was computed. Multiple regression analysis had been used asdata analysis tools and used to test the hypothesis. In this case the stepwise method was used in testing the hypothesis one (H1).

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Table01: Cronbach's Alpha Coefficient for variables

Tuble 21 Crombuch 5 Inplus Coefficient 101 variables				
Variables	No. of items	Cronbach's AlphaCoefficient		
Entertainment	6	0.733		
Interaction	5	0.756		
Trendiness	3	0.811		
Customization	5	0.926		
Word of mouth	3	0.913		
Brand loyalty	6	0.777		
Perceived quality	7	0.725		
Brand image	11	0.833		

Source: Survey data

Table 02: Dimensions of SMM on brand equity

Hypothesis	Independent variable	Depend. variable	Standardized Coefficient	Sig.	Adjusted R ²
	variable	variable	Beta		
а	Constant	Brand equity			
	Entertainment		0.630	0.00	0.613
b	Constant	Brand equity			
	Interaction		0.440	0.00	0.451
c	Constant	Brand equity			
	Trendiness		0.571	0.00	0.525
d	Constant	Brand equity			
	Customization		0.314	0.00	0.310
e	Constant	Brand equity			
	Word of mouth		0.211	0.00	0.216
H1	Constant	Brand equity			0.734
	Entertainment		0.612	0.00	
	Interaction		0.408	0.00	
	Trendiness		0.312	0.00	
	Customization		0.552	0.00	
	Word of mouth		0.120	0.00	

Source: Survey data

H1: There is a positive impact of SMM on brand equity in Sri Lankan Travel & Tourism Industry - According to the table 02, the fitted model encountered that the SMM has strong positive effects on the brand equity (I.e. R^2 =0.734). These predictions had been significant at the P-value of less than 5% (p< 0.05) and the regressed model was satisfactory fits to the data and the predictability power of the fitted model was high and residuals also followed a normal distribution.

DISCUSSION AND CONCLUSION

The ultimate objective of the research is to examine the impact of SMM on brand equity in Sri Lankan Travel& Tourism Industry. The regression result shows that there is a strong positive impact of SMM on brand equity. It means that SMM has strong positive effects on the brand equity in Sri Lankan Travel& Tourism Industry and 73.4% of change in brand equity is explained by SMM in Sri Lankan Travel& Tourism Industry. These findings are in the line with Bruhn (2012) who stated that there is a relationship between relationship SMM and brand equity. Based on that, the first hypothesis (H1) has been accepted. Moreoverthis study tried to integrate the relationship between SMM and brand equity and found that "there is a strong positive impact of SMM on brand equity in Sri Lankan Travel& Tourism Industry. Thus, it filled the theoretical as well as empirical gab between SMM and brand equity. During this study, researcher encountered the following recommendations. This research has only been confined to the Travel& Tourism Industry. Therefore same research can be extended to other service sector entities such as hospital industry, banking industry, telecommunication industry etc. Furthermore this research has been undertaken in different perspective in different context (B to B) context. Moreover the influence of moderating and mediating variables between SMM and brand equity also can be studied in future.

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Table 02: Kolmogorov-Smirnov Test of Normality

	Kolmogorov - Smirnov		
Variables			
	Statistic	Sig.	
Trust	0.150	0.083	
Bonding	0.140	0.138	
Communication	0.153	0.072	
Shared Value	0.146	0.102	
Empathy	0.157	0.056	
Reciprocity	0.155	0.063	
Brand equity	0.143	0.069	

Source: Survey data

Table 03: Tolerance and VIF values of independent variables.(MultiCollinearity test)

	Collinearity Statistics		
Variables	Tolerance	VIF	
Trust	.249	4.013	
Bonding	.127	7.356	
Communication	.252	3.971	
shared value	.135	7.401	
Empathy	.394	2.536	
Reciprocity	.146	6.839	

Source: Survey data

Table 04: Dimensions of RMO on brand equity

	Independent	Depend. variable	Standardized Coefficient	Sig.	Adjusted R ²
	variable	variable			
Hypot l	nesi		Beta		
На	Constant	Brand equity			
	Trust		0.640	0.00	0.623
Hb	Constant	Brand equity			
	Bonding		0.420	0.00	0.411
Hc	Constant	Brand equity			
	Communi.		0.580	0.00	0.518
Hd	Constant	Brand equity			
	Shared value		0.325	0.00	0.319
He	Constant	Brand equity			
	Empathy		0.232	0.00	0.222
Hf	Constant	Brand equity			
	Reciprocity		0.178	0.00	0.134
H1	Constant	Brand equity			0.613
	Trust		0.612	0.00	
	Bonding		0.408	0.00	
	Shared value		0.312	0.00	
	Communic.		0.552	0.00	
	Reciprocity		0.120	0.00	
	Empathy		0.212	0.00	

Discussion and implications

Limitations and future research



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SOCIAL MEDIA MARKETING: A CASE STUDY OF DELL TECHNOLOGY

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ABSTRACT:

Social media marketing refers the tools that target social networks and applications to spread brand awareness or promote particular products. The main objective of the present paper was to study the impact of social media marketing on the marketing strategies of the company. Social media and Marketing strategies have been discussed through a case study of Dell Technology. The analysis has been done in a contextual setting and focuses on the evaluation of strategies and theories. The qualitative approach has been justified by giving numerical figures. The present paper is based on secondary data resources i.e. information that has already been collected and is available. We concluded that Dell follows a holistic approach in regard to its website, where as Hp and Acer focus on targeted advertising of its products.

KEYWORDS: Qualitative, Evaluation, Recommendations

INTRODUCTION:

With the rising internet penetration and growing proliferation of tablets and smart phones, the business environment is changing rapidly. In this dynamic business environment, fast paced world of digital media is a big challenge for all types of business organizations. Understanding of digital landscape holds critical importance in running business of any type. Knowledge of the tactical issues surrounding digital marketing and its strategic impact, particularly the use of social media and mobile technologies have become increasingly important.

In this paper, the meanings of digital marketing along with the tools adopted for its implementation have been discussed. An analysis has been conducted of digital marketing strategies adopted in two different industries- Technological and Fashion Apparel, by evaluating the digital marketing journeys of Dell Technologies and H&M (Hennes and Mauritz) and comparing their digital activities with their competitors to highlight their strengths and weaknesses. Further, by evaluating web and social media analytics, results have been drawn and recommendations have been made on how the companies can strengthen and

Improve their digital marketing framework.

Digital Marketing-an overview

Digital Marketing is an umbrella term used for marketing of goods and services using digital tools such as social media, email, and websites to connect with the current and potential customers. Digital Marketing can be used by companies to bridge the gap between their business objectives and the target audience by communicating their value proposition.

Digital Marketing Tool kit

A wide range of digital tools and channels are available to impact different stages of the user journey and to deliver the brand's value proposition.

Search Marketing:

Search Marketing encompasses both Search Engine Optimization (SEO) and paid search activities. SEO refers to the process of attaining search rankings within the natural/unpaid results. In general, higher the frequency and ranking of a website on the search engine, more visitors it will receive and these visitors can be converted into customers. The key step in SEO is an understanding what the target audience is searching for and why and knowing how the search fits in.

Paid Searches include Pay Per Click (PPC), Paid search ads, Cost-per-thousand impressions etc (CPM). Most ads are sold on PPC basis. PPC is a digital advertising tool used to direct traffic to websites in which an advertiser pays a publisher (generally a website owner or a network of websites) when the advertisement is clicked. PPC is an auction-based system in which advertisers are allowed to bid for ad placement in a search engine's sponsored links. Every time the ad gets clicked, sending a user to the website, small fee has to be paid to the search engine. The key advantage of PPC is the ability to control and target it precisely.

Social Media Marketing:

Social Media has been one of the most impactful digital channels as it has changed the ways in which brands interact and engage with customers. The ability of a brand to provide interesting and useful content to share and its willingness to engage in an open and authentic manner influences the effectiveness of a social media strategy. Face book, Instagram, Twitter and YouTube are some of the most popular social media channels which are used by companies to reach much wider audiences than through the use of traditional advertisements at a fraction of the cost. Social Media Marketing is used by companies to build personal relationships with the customer community and it also helps in building links that in turn support SEO efforts.

E-mail Marketing:

E-mail marketing is one of the most personal and adaptable forms of digital marketing. It involves sending a commercial message using e-mail to current or potential customers. In recent years, e-mail marketing has been on the decline due to emergence of social media platforms and problems associated with e-mail spam. In order to secure higher response rates from users, the use of e-mail shouldn't be limited to a broadcast channel, rather various techniques should be employed to make e-mail as tailored, relevant and useful to users as possible. The success of e-mail marketing lies on making the right offers to users, at the right time and at the right level of frequency.

Online Advertising:

Online advertising refers to delivering promotional marketing messages to users via the Internet. It is fundamentally about various forms of banner advertising such as video ads, paid search etc. Online advertising provides the flexibility to create highly interactive, creative and varied advertisements. Most online advertising is sold on cost per mile (CPM) basis which means that a certain fee has to be paid every time the advertisement is shown 1000 times. Hence, the payment is for display and not for results. However, customers often view online advertising as an unwanted distraction and have turned on the ad blocking service.

Mobile Marketing:

Mobile marketing refers to marketing through a mobile device. Mobile Marketing provides the benefit of supplying time, local sensitive and personalized information to customers for promotion of goods, services and ideas. SMS, MMS, App-based marketing and push notifications are elements of Mobile Marketing. With the widespread use of smart phones, App usage has also rapidly increased. Marketers are thus focusing on using applications for promotion of products and services. Applications allow for direct engagement of customers, payment and targeted advertising.

Measuring the Effectiveness of Digital Marketing Campaigns

Measuring the effectiveness of digital campaigns is a significant part of efficient marketing. However, it is a complex process because of difficulties arising from fragmented data, multiple tools, differences in reporting and interpretation of data etc. Although the ultimate measure of evaluation of any business initiative is the return on investment, a practical combination of

techniques that map out all of the steps of the user journey and see how the contribute to end objectives are needed.

The metrics can be classified on the basis of type and time span. On the basis of type, metrics can be classified into "Quantitative" or "Qualitative". Volume is prevalent in digital marketing measurement, especially Social Media. Things such as number of emails sent, number of page impressions or unique visitors to the sites can be measured. However, they aren't true measures of success rather they are indicating factors that can lead to desired outcomes. Qualitative metrics include enhanced "Brand awareness and image" and "relationship with customers". Due to its subjective nature, these metrics are more difficult to assess. Feedbacks and surveys are the commonly used qualitative metrics. On the basis of time span, a marketer can use "Interim Metrics" which provide insights during the user journey or "Final Metrics" which indicate whether overall initiative was successful or not. Thus, a marketer has to use a combination of different measurement techniques to understand the impact of each element of marketing activity. This includes basic web analytics, search volume and social media analytics.

METHODOLOGY:

The research approach that has been adopted in this paper is a balance of qualitative and quantitative methods. The analysis has been done in a contextual setting and focuses on the evaluation of strategies and theories. The qualitative approach has been justified by giving numerical figures. Due to the difficulties in obtaining information from primary sources, the present paper is based on secondary data resources i.e. information that has already been collected and is available. The data is mainly extracted from official company websites, newspaper articles and blogs, statistics have been drawn from www.alexa.com and Digital Branding book by Daniel Rowles has also been referred.

Analysis of Digital Marketing Strategy adopted by Dell Technologies

About the Company

Headquartered in the United States, Dell Technologies is a computer information technology company offering Desktop PCs, mobility devices, financial services, software and storage etc. Named after its founder, Michael Dell, Dell Technologies is the largest private technology company in the world. It employs around 1,40,000 people globally and has a revenue of \$74 billion.

Marketing Objective:

The marketing activities of Dell Technologies focus on attaining qualitative and quantitative leadership in the technology industry by expanding the market share through market development and increasing the product awareness and sales through the use of persuasive promotional tools.

Digital Marketing Strategy:

DELL has recognized that digital marketing is an important ingredient of marketing in modern times. However, this realization did not come easy. In 2005, Dell had witnessed a massive backlash when a blogger had posted about his unsatisfactory customer service experience on the

purchase of a Dell laptop in a blog titled "Dell Lies. Dell Sucks". The post went viral creating a firestorm on social media which is often referred to as "Dell Hell". The experience of one customer created a domino effect resulting in negative feedbacks and criticisms from several other customers which in turn adversely affected Dell's reputation and sales. The incident served as an eye opener for Michael Dell who recognized the power of digital media tools in building direct relations with the customer community. As a result, Dell first established its digital presence by launching a blog in 2006 on technical support.

Thereafter, it expanded its digital activities to attract the potential customers by promoting its content and amplifying social media.

The key focus of Dell has been on 3 areas:

- **1.** Optimizing the search engine so that in the consideration phase of the buying cycle, the potential consumers are aware of what the company has to offer to fulfill their needs.
- **2.** Utilizing digital identifiers such as cookies and cross device tracking to fuel targeted digital marketing.
- **3.** Identifying the customer's needs by evaluating their interactions with the content available and providing information to stimulate buying.

CONTENT MARKETING:

Dell Blogs

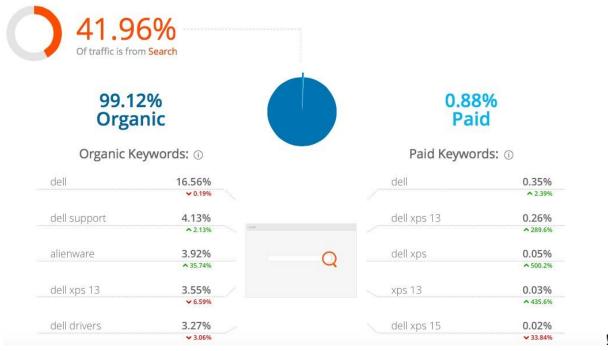
The emergence of social media and blogosphere presents a complex challenge for a company as it can tarnish the company's image within a few minutes but on the other hand, it also provides an opportunity to enhance customer relations by engaging in direct personal conversations. As an attempt to combat the negative repercussions created due to the "Dell Hell" blog, Dell launched its own blog called *One2One* to give the company a human touch. It tapped its employee of 14 years, Lionel Menchaca who effectively created the blog in which he admitted to the company's problems and provided the required technical support. As a result, the company managed to turn a negative incident into a positive outcome by reconnecting with the customer community and earning back its trust. Recognizing the significance of the new socially- networked world, Menchaca and his team did not limit themselves to a blogger outreach. They initiated a "listening and responding" program for community building, customer reach and support, and online discussions with subject matter experts. With four to five thousand interactions about Dell being started everyday, the program was a success. In July 2006, Dell launched a blog titled Direct2dell. Direct2dell is the company's corporate voice to cover the entire spectrum of Dell's business. Due to the increasing complexity and size of the organization in today's time, Dell doesn't operate through a single blog but has multiple blogs in place focusing on different dimensions of business- products, technology software, customer support etc. The links of all the blogs are assembled on a single landing page from where different websites can be accessed.

In order to harness the various ideas shared by people, Dell has launched another blog called *Idea Storm*. Idea Storm is a website which invites people to share their ideas about products which Dell can offer as a technological company and suggest ways to improve existing

products and services. Idea Storm positioned Dell as a forward-thinker that recognized that the people they served might have some good thoughts on how to serve them. Idea Storm provides digital space for sharing of ideas and serves as an effective feedback mechanism.

To enhance customer's overall experience and effectively market its products, Dell tapped the medium of videos and podcasts and launched Studio Dell targeting the full spectrum of Dell customers with tailored content on three channels- Home, Small Business and IT Pro. In addition, customers have the option of uploading their own videos in "Your Stories" section to share their experiences with Dell products.

Search Engine Optimization: Since online marketing of products and services was a key focus of Dell's business strategy, it planned to use SEO to streamline all the international websites. However, the company's search position system was unsatisfactory with results of one country's products being displayed on the search of another country on the first page of results. Thus, Dell formulated a SEO based marketing strategy in which it implemented aggressive campaigns, reorganized search listings, established online presence and increased visibility. The strategy was a success resulting in an impressive Return on Investment.



Source: (1www.similarweb.com,2017

The above figure depicts that 41.96% traffic brought to Dell's website is through searches. Organic Keywords i.e. leading keywords which brought free desktop traffic to dell.com constitue 99.12% of total search traffic whereas Paid Keywords i.e. Leading Keywords bought by dell.com to attract desktop traffic from search engines constitue 0.88% of total search traffic.

E-mail Marketing:

In order to create awareness of its products, Dell has adopted a strategy of sending GIF centric emails. Dell uses GIF technology to create a mini product demonstration in its e-mail which provides the scope of exhibiting a new feature in an easy to understand and visually appealing way. About 2.5% of Dell's website traffic comes from e-mails.

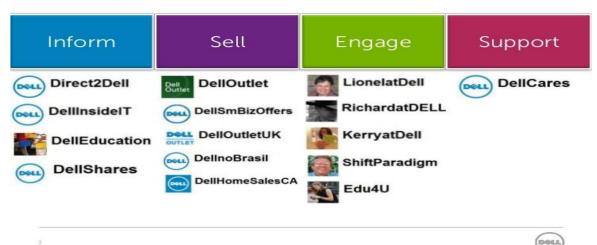
Social Media Marketing:

As one of the first companies to launch online forums and online support, Dell has a track record of being at the forefront of the social media movement. Dell has been able to successfully utilize the social media tools for generating brand awareness and providing customer support.

Dell on Twitter:

In 2007, Dell joined the micro-blogging site Twitter. As an early adopter of Twitter, Dell received a lot of attention; however, the attention was dominantly negative as the page was unorganized and lacked purpose. So, the company began testing various uses for the social media platform and found that offering deals to followers gained immense popularity. Today, Dell enjoys a following of 615854 users and uses Twitter to serve four purposes- inform, sell, engage and support. It makes millions of sales each year attributed to Twitter. Dell believes that engaging customers through personalization is an important factor that has led to the success of the Twitter Accounts. Realizing that a large number of its Twitter followers were accessing its website to resolve their customer support concerns, Dell launched @DellCares, a program which utilizes social media platforms and internet portals to answer customer queries and concerns directly using tweets and other response methods. The main focus of DellCares has been on customer retentions and proactive customer engagements. DellCares has been highly successful with almost 98% cases being solved without requiring an agent. In addition, it also generates about \$265,000 as weekly revenue.

Dell on Twitter Today = more formalized strategy and structure



Dell on Facebook:

Much like Twitter, Dell's initial presence on Facebook was unsatisfactory as it didn't know how to use the social media network to serve the customer community. Adapting to consumers' interests, Dell then launched support widgets and apps on its Facebook page designed to allow customers to reach out to Dell Support from within Facebook and access Dell Community Forum threads. Dell also uses Facebook to create buzz for its new products by launching campaigns. Dell India had launched a campaign called "Star of Fun" in a bid to promote Inspiron 14z Ultrabook. The popularity of users had been determined by a fun score calculated on the basis of likes, comments and shares on the top ten updates and the highest scorer won the Ultrabook at the end of the month long campaign.

Share the joy digital campaign launched by Dell India

With the goal of making a mark in the highly cluttered festival market in India, Dell launched a marketing campaign which was well anchored to its business objectives and executed with creativity and in the spirit of the festivities. The campaign focused on being a part of the social conversations and encouraged users to share their stories of festivities using #ShareTheJoy. The campaign gained immense popularity on Facebook, Twitter and YouTube garnering mare than 10 lakh views in the first week itself. On the occasion of Onam, the users could create and send E-pookalams (colorful arrangement of flowers) to their friends and family on Facebook and earn points which could be redeemed for a discount on Dell products. For Diwali, all the social media platforms were used and the audience was encouraged to share their festive moments. Special offers on Dell products were promoted and various contests were conducted. Share the Joy campaign reached more than 29 million users on Facebook, 14 million on Twitter and 2.7 Million on Instagram making Dell the best choice for the customer audience in the festive season. To keep up with the accelerated use of social media tools and networks, Dell has set up Social Media Listening Command Centers in which it tracks relevant information and then shares it with concerned Dell teams to improve its services. The Center monitors more than

22,000 posts across 11 different languages. Dell has also been actively involved in training its employees by offering them a program to enhance their social media skills at the Social Media and Community University.

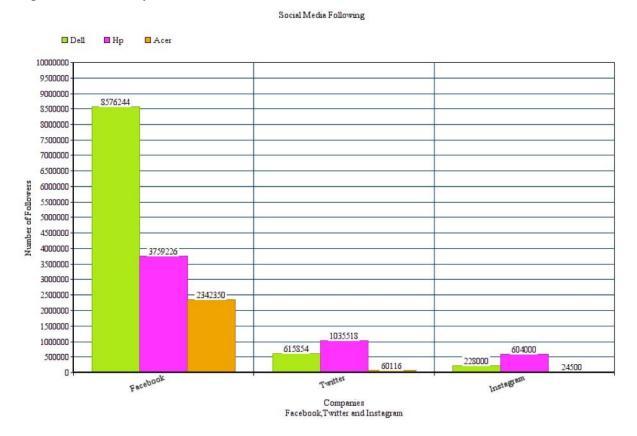
Comparative Analysis of Dell, HP and Acer

Technology companies rely heavily on digital marketing channels for generation of demand for their products and services. Since technology companies sell sophisticated products and services, the key focus of their marketing is to educate the customers and aid them in making purchase decisions.

Since the early 2000s, technology companies have adopted honed and attained higher digital marketing maturity in comparison with other industries.

Social Media Marketing

Being one of the early adopters of social media marketing, Dell enjoys a desktop traffic of 2.29% from social media platforms whereas Acer's and HP's desktop traffic from social media networks is 1.59% and 1.43% respectively. On the basis of response time, Dell's the most active as it replies within an hour, followed by HP which takes after hours to reply and lastly Acer's response time is aday.



Source: www.facebook.com,www.twitter.com,www.instagram.com,2017

Therefore, it can be concluded that currently Dell is leading on social media platforms vis a vis its competitors. Dell enjoys a strong social media presence owing to its quick and personalized interactions with the audience. Recognizing the power of social media as a strong marketing aid, Hp has been renovating its social media activities and has mobilized customer engagement by implementing an unconventional marketing strategy across several platforms. As a result of Hp's new marketing efforts, the engagement rates of the company have been accelerating. Acer has been unsuccessful in leveraging social media due to inefficient adoption of multi channel marketing strategies and lack of personalization in marketing. Therefore, Acer lags far behind its competitors on social media platforms.

Website Engagement

Analysis of Engagement Rates of Website Visitors

Name of Company	Dell	Нр	Acer
Bounce Rate	40.70%	39.20%	34.90%
Daily Time on site	4:48	4:26	3:41
Website Rank	439	342	3578
Total sites linking in	36,987	53543	7961

Source: www.alexa.com,2017

The Dell website provides a comprehensive network covering the entire IT landscape with various sections devoted to community blogs, technology headlines and customer forums. Thus, it has a high "Time on Site" rate indicative of the high interest and engagement of the visitors. However, the bounce rate i.e. the number of people who visit the site and leave without performing any meaningful action is also high which could be due to the lack of structure and form in the website resulting from the pursuit of showing every conceivable option on the website. The users visit the website more for reading technology and media news rather than for buying products. On the other hand, Hp's website is structured and interactive with the key focus on promotion of products. Thus, Hp's website has attained a better global ranking and a lower bounce rate than Dell's. Acer's website is also highly targeted for advertising of its products. The users visit the website for purchase of consumer electronics, software and hardware.

Thus, Dell follows a holistic approach in regard to its website, whereas Hp and Acer focus on targeted advertising of its products.

CONCLUSION:

Overall, from our analysis it can be concluded that Dell has been successful in initiating a digital revolution, which was started as a result of a negative instance that generated a lot of bad press. Dell's executives recognized the opportunities the digital age presents and did not ignore it, rather they invested in it. "Observe-Listen-Engage-Adapt" is Dell's mantra and they have effectively used it to venture into new social media channels. Dell's major competitive advantage lies in serviceability i.e. prompt response and better customer service.

Recognizing that traditional marketing is evolving, Dell provides social media training to its employees so that they are better equipped to connect with customers. The advantages of a good digital marketing strategy are much greater than one comprehends. Digital marketing changes the way the employees in a company listen, learn, work and evolves the brand in lieu of the changing needs of the customer.

RECOMMENDATIONS:

However, in order to make its digital marketing strategy more effective Dell should focus on improving its mobile marketing and website engagement. Dell's advertisements on mobile internet sites have a below average click through and site visit numbers compared to web advertising and social media. Dell should focus on optimizing mobile content that users will enjoy viewing in smart phones or tablets. Since customers these days prefer to message than to

talk, Dell marketers should provide the customers the option of live chat and/or the facility to send and receive a text. Dell should also restructure its website to make it more user-friendly, engaging and interactive. The rate at which www.dell.comloads is much slower than other websites, 63% websites are faster than Dell. Dell should focus on optimizing its website in order to attract and retain customers. Dell marketers can also enhance customer experience by improving their application performance which is currently rated 1.5/5 in App Store .Change is at the core of digital marketing. In order to thrive, Dell has to continuously reinvent itself-adapting over time to handle new challenges and to capitalize opportunities.

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