



# EFFECTIVENESS OF SOCIAL MEDIA MARKETING: A COMPARATIVE STUDY OF FACEBOOK & INSTAGRAM

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## ABSTRACT

*Understanding Facebook and Instagram marketing and the consumer behaviour towards marketing on social media. Facebook started the trend of using its platform for social media marketing for small businesses. Instagram is generally perceived to be a brand engagement than brand awareness medium in this paper we are going to analyse which social media platform between the two is more effective for marketing in India. Though numerous researches have explored Facebook and Twitter users on this context, there is very little research on Instagram & Facebook despite being the emerging visual communication medium. The result of this survey-based research indicates that young users perceive the brand circulated on Instagram as quality, followed by brand loyalty and brand association. The brand awareness had a subtle relationship with overall brand equity, and this result asserts that Instagram is perceived as better of brand engagement tool than brand awareness medium while building brand equity for a product. With the help of this paper the Authors want to establish that Instagram is a better marketing platform for businesses, especially the emerging start-up businesses than Facebook. It helps you create a brand presence and monetise it by creating conversions.*

**OBJECTIVE:** *To determine which marketing platform between Facebook and Instagram is preferred by the consumers/brands in terms of likelihood to engage with the ad, buy a product, brand awareness and quality.*

**KEY WORDS:** *Reach, conversion, cost efficiency, timely factor, value for money, return on investment, cost per click, engagement rate, sponsored ads, brand awareness, brand loyalty.*

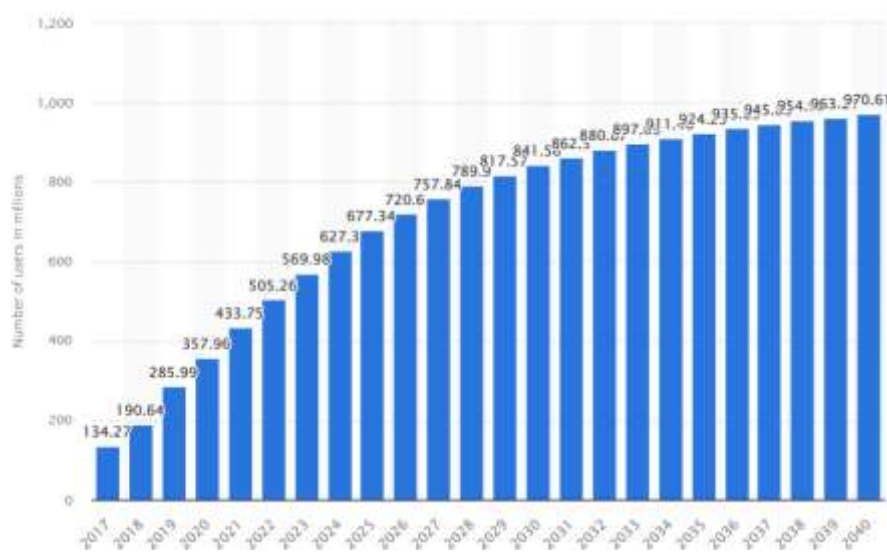
## WHAT IS SOCIAL MEDIA MARKETING?

Social media marketing is a technique that enables people and organizations to advertise their websites, goods, or services through online social networks as well as to connect with and engage a far bigger population. The social media marketing offers its unique advantage such as targeted communication, quick and cost-effective research while comparing to tradition media advertising and promotion. Ad spending in the Social Media Advertising segment is projected to reach US\$1.06bn in 2022. Social Media includes Instagram, Facebook, YouTube, Twitter etc. Instagram and Facebook are two such platforms which are used for social media marketing a lot. Facebook is most commonly used by people to build connections with strangers whereas Instagram is associated with flashing a lifestyle and showcasing a higher standard of living. Both Facebook and Instagram are different platforms with a different user base, although some users are available on both the sites their behaviour differs on each platform. Taking this point of view, the Authors believe that one marketing strategy cannot work on both the platforms thus marketers should keep their campaigns different on both of these platforms.

**Instagram Marketing:** Instagram marketing is the process through which businesses use the social media platform to communicate with and promote their target markets. Instagram basically helps in targeting a larger audience, increasing source of sales, reduces cost of campaigns, customer engagement, immediate feedback and helps build brand credibility. Instagram enables advertisers to quickly and easily contact their target demographic. If the product fits with Instagram's nature and design, the visual communication service could be a useful tool for marketers to connect with consumers. In a dynamic context, Instagram also offers co-creation, communication with brand managers, and brand community. Brand awareness can be generated by the focused visual material, and devoted customers can promote the brand. As of January, 2022 there are 230.25 million users on Instagram. There are many ways to advertise on Instagram which are: Image ads, Stories ads, Video ads, Carousel ads, Collection ads, Explore ads, IGTV ads, Shopping ads and Reels ads

**Facebook Marketing:** Facebook initially started as a social media platform used to connect with strangers or friends over the internet. However, with time it has gained importance as a great marketplace for business around the world. Talking specifically about small business, it has been fruitful in helping them market their product to a large audience at lesser cost. The authors find that the marketing tools available in Facebook are better for reaching/targeting low-income groups. Therefore, Facebook is a great platform to target economy class. According to a report in Statistica currently there are around 505.26 million people using

Facebook in India. It is actually much simpler to develop and just as important as having a company website. Regardless of whether you work for a large corporation or a small company with a small staff, some of your clients have already joined Facebook. Facebook marketing is frequently used by: Brands to convert inactive consumers into fans who actively follow news of promotions and advancements and share with their personal networks. Local businesses to convert a local clientele into a fan base that frequents your establishment more frequently. People who are well-known and make their living from it want to be as well-known as possible on Facebook. All non-profit organisations can benefit from Facebook's built-in sharing features.



(Graph showing no. of Facebook users in 2017 and how much it will be by 2040)

## LITERATURE REVIEW

The research among social media was gained attention from scholars in recent times. The nature of brand communication in social media is different from traditional media. In social media arena, brand communication is interactive communication between customers and brands, where it helps reach right customers easily, provides instant feedback from customers unlike traditional media (Solis, 2010; Peters et al., 2013) and cost-effective (Godes and Mayzlin, 2004). Consumers trust more on information generated from social media than traditional marketing communication channels employed by companies (Karakaya and Barnes, 2010). The social media has its limitations such as control over brand message (DeKay, 2012) user's personality, interests and motivation should be aligned with brand messages in order to motivate them to share besides influence of the users within their network (Peters et al., 2013; Kohli et al., 2015; Dellarocas et al., 2007). The firm generated communication has more control than user-generated brand communication and later is considered as more reliable among the users (Vanden Bergh et al., 2011; Mangold and Faulds, 2009). Smith et al. (2012) assumes that marketing and branding communication on social media channels increasingly will gain more attention among the brand managers. Scholars also claim social media can offer an effective and interactive relationship with customers such as ease of establishing the relationship, speed (Bartlett, 2010; Hackworth and Kunz, 2011; Selina and Milz, 2009; Gallagher and Ransbotham, 2010). Some of the brand communication research on social media focused on the areas such as the need for identification of the right social media and right target customer (Kaplan and Haenlein, 2010). The need for a clear goal, message, and consistency across all social platforms is necessary for effective branding through social media platform (Solis, 2011). For effective brand communication, Walter and Gioglio (2014) emphasised on relevant content to engage users for further sharing within the user's network. Users who follow the brand (De Vries et al., 2012) with genuine interest more often receptive than those who triggered by promotional offers (Xie and Lee, 2015). A model of social media effects on brand image and brand awareness developed by Cheung et al. (2019), explores the influence of social media marketing communication on various brand products. There is a dearth of research



on Instagram as compared to other peer social networking media such as Facebook and Twitter. We highlight here some of the studies conducted in the context of Instagram & Facebook exclusively. Few studies have focused on Instagram & Facebook in the lenses of behavioural aspects. Some investigation was conducted on the types of images uploads (Hu et al., 2014; Bakhshi et al., 2014) wherein they gained insights such as pictures with a face, selfies, and pictures accompanying friends have received more likes. De Veirman et al. (2017) found that Instagram influencers with a high number of followers are likeable; however, influencers with a high number of followers may not found to be a right choice while promoting divergent products. Evans et al. (2017) studied disclosure are message featuring 'paid ad' positively influencing ad recognition and influences brand sharing intentions. Phua et al. (2017) investigated the consumers who follow brands through social networks including Instagram and influence on brand community-based impacts. The study reveals that Instagram users as affectionate, fashion-conscious and social. The Instagram usage also increases the person's happiness and decreases the loneliness of the users (Pittman and Reich, 2016). The narcissism also linked with the extent of user involvement in Instagram postings. Some stream of research examined the Instagram in the lenses of user gratification (UG) theory and found that the Instagram users were more affectionate, sociable and follow fashion (Phua et al., 2017), further they found that Instagram users have high influence on brand community engagement and identification than other social networks sites, understanding consumer interaction.

### **BRAND EQUITY**

Brand equity is defined as "set of brand assets and liabilities linked to a brand name and symbol, which add to or subtract from the value provided by a product or service" (Aaker, 1991). Branding is an integral part of the marketing activities in an organisation and unquestionably endows value to the product (Farquhar, 1989). The study on the need and benefit for branding is the main subject of research in marketing discipline in the academic arena. Brand equity is measured upon in the lenses on the firm-based valuation of the brand (Simon and Sullivan, 1993) and consumer perspective (Christodoulides and De Chernatony, 2010). In this research, we adapt Aaker's framework of brand equity which is later empirically validated by Schivinski and Dabrowski (2015) consists of brand awareness, brand association, brand loyalty and perceived quality were four metrics measuring brand equity as a multifaceted latent construct (Baldauf et al., 2009; Gil et al., 2007; Pappu et al., 2006; Yasin et al., 2007; Yoo and Donthu, 2001; Zeugner-Roth et al., 2008; Schivinski and Dabrowski, 2015). In the context of associating brand equity with social media has gained attention recently. Brand equity was linked with Facebook (Schivinski and Dabrowski, 2015; Bruhn et al., 2013; Kabadayi and Price, 2014; Ellison et al., 2007; Pempek et al., 2009; Ross et al., 2009; Gummerus et al., 2012; Shao and Ross, 2015; Kim and Ko, 2012; Wallace et al., 2012; Stokburger-Sauer, 2010; Phua and Ahn, 2016). Impact of gratification on-brand content strategies (Gao and Feng, 2016; Phua and Ahn, 2016), positive impact of social media marketing on cognitive, affective and behavioural attitude (Duffett and Duffett, 2017), consumer engagement and brand (Colliander and Dahlén, 2011; Phua and Ahn, 2014; Tsai and Men, 2013). Brand equity also studied by linking with Twitter (Watkins and Lee, 2016; Phua and Ahn, 2016). From the literature on brand equity on the social media content and Instagram in specific, there is a dearth of study which aims at gaining the insight on the more effective elements of brand equity concept.

### **BRAND ASSOCIATION/AWARENESS**

Brand awareness is defined as the "strength of brand's presence in the minds of the consumer" (Aaker, 1996). Brand awareness is the signal of substance, familiarity, visibility and enables recall or recognises the brand in its category of competing products (Aaker, 1991; Pappu et al., 2005). Brand awareness is the components of brand recall and brand recognition (Keller, 1993). Social media is used by millions of people so that it can be leveraged for creating brand awareness with the ability to reach the right audience (Fanion, 2011). The brand association is whatever the consumer cognises with that brand such as certain image, character; signs and symbols can be attached to it (Aaker and Joachimsthaler, 2000). The brand association differentiates and communicates information to the buyers as long as it is positive in nature in relation to competing products. Creating awareness and brand communication improves brand equity (Yoo et al., 2000). Low and Lamb (2000) demonstrate that a familiar brand has more brand association than non-familiar brands and hence proposed a multidimensional brand association for familiar brands. Langaro et al. (2018) studied the role of social networks in brand building, the study asserts the positive role of social network on creating brand awareness. In a survey of private label brand, brand awareness and perceived quality are key risk relievers and improving the perceived value of the private label, while building brand equity (Girard et al., 2017). Cheung et al. (2019) has developed a conceptual model on the impact of social media on brand awareness and association. Pina et al. (2019) investigated the effect of appreciative learning on social media found to be engaging brands. Soler and Gémár (2017) studied the impact of brand awareness on brand value employing online customer rating data. The interaction of social media networks found to have spillover effect of leveraging luxury fashion brands on Instagram (Romão et al., 2019).

### **BRAND LOYALTY**

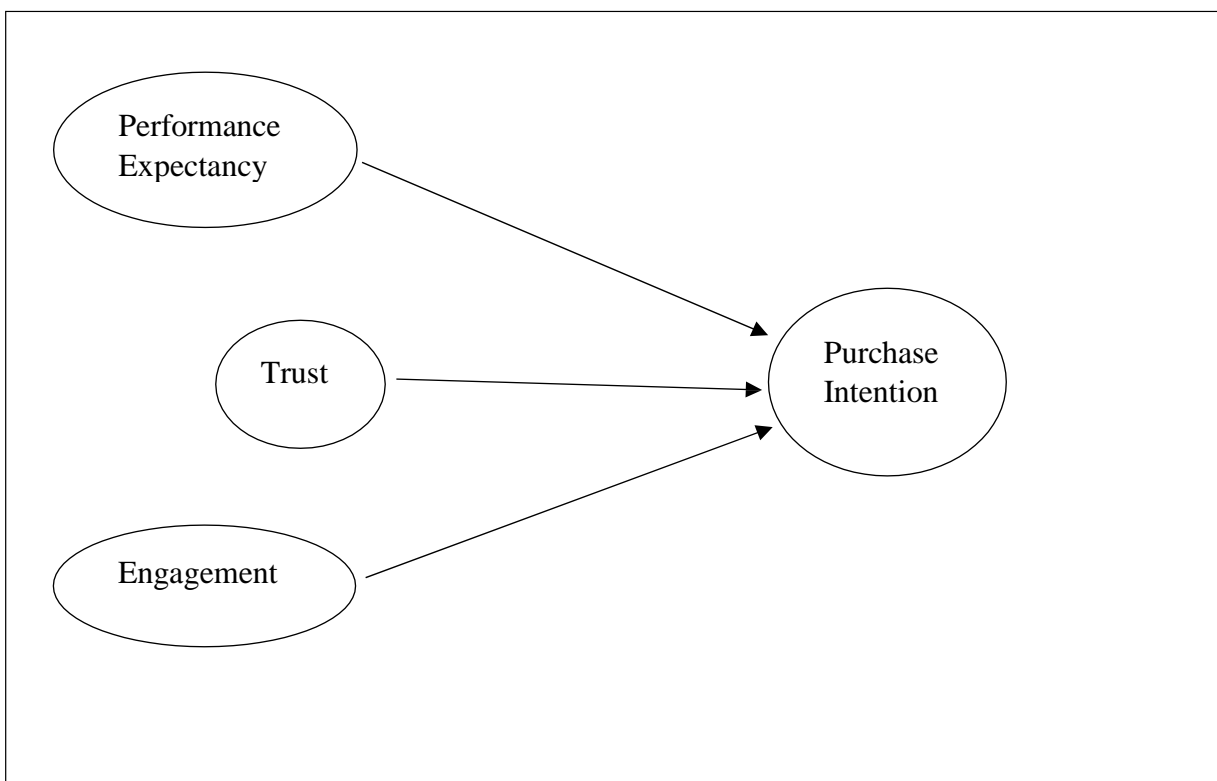
Brand loyalty is defined is the consumer attachment towards the particular brand, where they would prefer over the other competing brands [Aaker, (1991), p.39]. Brand loyalty defined as "a deeply held commitment to rebuy or re-patronise a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behaviour" [Oliver, (1997), p.392]. In the context of social media, Facebook, Bruhn

et al. (2013) and Schivinski and Dabrowski (2015) have studied the positive impact of brand communication on brand loyalty among peers in the brand community. Similarly, also found evidence of the positive impact of brand communication on brand loyalty.

### PERCEIVED QUALITY

According to Aaker (1991, p.85), perceived quality also one of the critical dimensions of the brand equity and defined as “the consumer’s perception of the overall quality or superiority of a product or service with respect to its intended purpose, relative to alternatives.” Perceived quality is consumer’s subjective evaluation which, endows value to the product. There is a positive association of perceived quality with advertisement spend and higher the advertisement means better the quality (Kirmani and Wright, 1989; Villarejo-Ramos and Sanchez-Franco, 2005; Yoo et al., 2000). In the social media context, there is a dearth of studies on perceived quality; however, there are few studies linked with user-generated content. The peer to peer and users to company interaction also communicates about the product quality and customer service (Li and Bernoff, 2011; Riegner, 2007). Product reviews affect consumer perception of product quality and subsequently affects products sales (Chevalier and Mayzlin, 2006)

### HYPOTHESIS



- 1) The more the users trust a brand on Instagram the more likely they are to purchase the products/services of that brand.
- 2) The higher the engagement of a brand on Instagram the higher is the Purchase Intention of users for that particular brand.
- 3) The brands putting up quality content on Instagram about their products and services see a higher Purchase Intention from its users.

### RESEARCH METHODOLOGY

Social media is being more and more used as a platform to perform promoting and advertising tasks. corporations have disbursed plenty of resources, monetary and physical on social media advertisements. though they perpetually face a challenge of designing social media advertising to effectively charm customers and stimulate their intentions to get. This makes the current study additional vital and acceptable for marketers to urge an insight on impact of social media promoting methods in consumer purchase intention. Thus, the current study titled “Effectiveness of social media marketing: a comparative study of Instagram and Facebook”, is conducted with an aim to identify the most factors of social media advertising that would facilitate in predicting the consumer purchase intention. The paper builds on data gathered through a questionnaire survey. The survey questionnaire was e-mailed to the randomly selected members. A total of 160 useable answers were received. SPSS 22.0 software is used in



this paper to evaluate the correlation and linear regression among the questions of interest. This analysis specifically identifies the relationship among the various aspects of Instagram and Facebook

Reliability Statistics	
Cronbach's Alpha	N of Items
0.761	24

(Table 1 Reliability)

**Reliability and Validity:** In order to ensure that the data is suitable for analysis, we conducted reliability and validity check as per the procedures specified in the past literature. To establish an individual item wise reliability, we conducted factor analysis. The result of the item-wise reliability test indicated that all the items were loaded heavily with > 0.70 much above the specified limit suggested that the reliability of the individual scale (Nunnally and Bernstein, 1994). The result of factor analysis is depicted in Table 2 for Facebook and Table 3 for Instagram.

Component	Initial Eigenvalues			Total Variance Explained			Rotation Sums of Squared		
	Total	% of Variance	Cumulative %	Extraction Sums of Squared Loadings			Loadings		
				Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.417	34.169	34.169	3.417	34.169	34.169	2.104	21.040	21.040
2	1.842	18.421	52.591	1.842	18.421	52.591	1.986	19.862	40.902
3	1.119	11.192	63.783	1.119	11.192	63.783	1.601	16.010	56.912
4	0.826	8.265	72.047	0.826	8.265	72.047	1.514	15.136	72.047
5	0.758	7.576	79.624						
6	0.591	5.912	85.535						
7	0.487	4.872	90.407						
8	0.393	3.932	94.339						
9	0.300	2.997	97.336						
10	0.266	2.664	100.000						

Extraction Method: Principal Component Analysis.

(Table 2 Factory Analysis for Facebook)

Component	Initial Eigenvalues			Total Variance Explained			Rotation Sums of Squared		
	Total	% of Variance	Cumulative %	Extraction Sums of Squared Loadings			Loadings		
				Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.610	36.098	36.098	3.610	36.098	36.098	2.327	23.266	23.266
2	1.773	17.734	53.832	1.773	17.734	53.832	2.003	20.028	43.293
3	1.111	11.112	64.944	1.111	11.112	64.944	1.557	15.568	58.861
4	0.879	8.794	73.737	0.879	8.794	73.737	1.488	14.876	73.737
5	0.669	6.689	80.427						
6	0.526	5.262	85.688						
7	0.440	4.400	90.089						
8	0.404	4.038	94.126						
9	0.372	3.724	97.850						
10	0.215	2.150	100.000						

Extraction Method: Principal Component Analysis.

(Table 3 Factor Analysis for Instagram)





**Survey Analysis:** People find Facebook marketing to be an unreliable source of information. “Having the experience of running ads on Facebook I can tell Facebook is the most powerful tool to micro-target the exact audience.” Facebook helps in educating the users regarding the product. Facebook marketing is aggressive and doesn't work all the time. It attracts a lot of fake ads. Instagram has good ideas for marketing. The AI algorithm is to the point in targeting people. Instagram offers a variety of products in ads. A good platform for engaging with customers. The large customer base on Instagram serves useful for marketers.

**Limitations:** This paper only focused on the effectiveness between Instagram and Facebook, a comparative study with other social media platforms such as Snapchat, Twitter, Reddit is yet to be done. The research can be focused in terms of conversion rate, socio geographical factors since the present paper is limited to only Bangalore, India.

## RESULT ANALYSIS AND IMPLICATIONS

The research includes questions related to four variables; Trust, engagement, Performance Expectancy and Purchase Intention the former three are independent variables and the latter one is a dependent variable. With this research study the authors conclude that:

- 1) Instagram is a better social media platform for marketing used by small businesses.
  - 2) Instagram helps users in deciding which product to buy.
  - 3) People use Instagram to check the trustworthiness of a new business/brand.
  - 4) Users on Instagram connect with each other to talk about a brand they like.
- Instagram is no longer just a social media platform to connect with each other for social interactions rather it has emerged as a great marketing platform for new brands.

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