Engaging Generation Z via Social Media Marketing: An Analysis within the Framework of Nagpur

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ABSTRACT:

The main aim of this study is to investigate the key factors that affect the purchasing choices of Generation Z through social media marketing channels. To accomplish this, a comprehensive interview schedule was carefully crafted, and data were gathered from a sample of 320 Generation Z respondents. Utilizing a range of analytical methods, including percentage analysis, descriptive statistics, t-tests, and linear regression, we examined the intricacies of purchase intention factors related to social media marketing, with a particular emphasis on Generation Z. Our results highlight the greater effectiveness of social media marketing in comparison to traditional marketing approaches among Generation Z consumers. Specifically, the study identifies a positive relationship between social media marketing and several important factors, such as purchase intention, brand awareness, product perception, brand loyalty, and interactions between customers and businesses. Furthermore, our research indicates that enhancing brand awareness, loyalty, product perception, and fostering positive customer-business interactions through social media platforms plays a significant role in shaping the purchasing decisions of Generation Z.

Keywords: Customer loyalty, product loyalty, social media marketing, traditional marketing, brand awareness, purchase intention, and Generation Z.

Introduction:

Businesses are increasingly acknowledging the importance of social media as a vital marketing and promotional instrument. The rise of the Internet and social media has significantly altered the way consumers make decisions. Currently, companies utilize a variety of social networking sites such as Facebook, WhatsApp, Instagram, Snapchat, YouTube, and Twitter to connect with users and advertise their products or services. This strategy, known as social media marketing, allows businesses to maintain customer loyalty and improve engagement. Additionally, it provides a means to showcase new products directly to consumers, thereby transforming the competitive dynamics of the market. Social media platforms have particularly empowered consumers from Generation Z, who are greatly influenced by these platforms due to their early interaction with technology. While there is existing research on the effects of social media marketing on Generation X and Generation Y, the impact on Generation Z, the largest demographic of online shoppers, has not been thoroughly investigated in empirical studies. Consequently, this study aims to examine the purchasing intentions of Generation Z in relation to social media marketing, highlighting the platform's ability to foster active engagement and strengthen customer loyalty.

Basic methods of social media:

Social Media Type	Description
Social Media Networks	These platforms enable users to create personal web pages/profiles and connect with friends, family, and colleagues. Users can share various types of content, including text posts, photos, videos, and links. Popular examples include Facebook, Twitter, Instagram, LinkedIn, and Snapchat.
Blogs	Blogs are online journals or websites where individuals or organizations regularly publish articles or posts on specific topics. They often allow readers to leave comments and engage in discussions. Blogs can cover a wide range of subjects, from personal experiences to professional expertise.
Wikis	Wikis are collaborative websites that allow users to create, edit, and organize content collaboratively. They serve as online encyclopaedias or knowledge bases where users

	can contribute information on various topics. Wikipedia is the most well-known example of a wiki platform.
Podcasts	Podcasts are audio or video files made available for subscription or download over the internet. They cover diverse topics and genres, including interviews, storytelling, news, education, entertainment, and more. Users can listen to podcasts on their computers, smartphones, or other digital devices.
Forums	Online forums, also known as discussion boards or message boards, provide a platform for users to discuss specific interests or topics. Forums typically consist of categories and threads where users can post questions, share insights, and engage in conversations with other members. Examples include Reddit, Quora, and various niche forums.
Microblogging	Microblogging platforms enable users to share short-form content, such as text, photos, or videos, with their followers. These platforms emphasize brevity and real-time communication, often limiting the length of posts or updates. Twitter is the most prominent example of a microblogging platform, where users share tweets of up to 280 characters in length.

Conceptual framework of the study:

Figure 1 - Conceptual Framework of the Study

Study Objectives:

- To examine the demographic characteristics of Generation Z respondents in the study.

- To explore the determinants affecting the purchase intention of Generation Z through social media marketing.

Hypotheses:

- Individuals who prefer social media marketing over traditional methods are influenced by brand awareness.

- Product perception plays a role in shaping the preferences of individuals who favour social media marketing over traditional methods.

- Brand loyalty influences the decisions of individuals who prefer social media marketing over traditional methods.

- The interaction between customers and businesses impacts the preferences of individuals who favour social media marketing over traditional methods.

Methodology:

Sampling Approach:

Convenience sampling was utilized for this study.

Study Participants:

The study targeted individuals belonging to Generation Z, born between 1995 and 2012.

Sample Size:

Data was collected from 320 respondents using a well-structured interview schedule.

Identification of Study Variables:

The survey explored Generation Z's purchasing behaviours, perceptions, brand loyalty, and interactions with businesses. Responses were rated on a scale from 1 to 5 (1 = "Strongly disagree," 5 = "Strongly agree").

Methodological Tools:

The study employed t-tests and linear regressions to analyse the impact of social media marketing on Generation Z's purchase intention.

Research Problem & Gap:

Companies are increasingly seeking innovative ways to engage consumers, with influencer marketing emerging as a prominent strategy. However, understanding the factors that contribute to an influencer's effectiveness on social media remains uncertain. Given Generation Z's significant presence on social platforms, further research is needed to elucidate the dynamics of influencer marketing. Hence, this study aims to investigate the influencing factors behind Generation Z's purchase intention via social media marketing.

Research Questions:

- What variables influence Generation Z's purchase intention through social media marketing?

- How does purchase intention differ between those who prefer social media advertising and traditional marketing?

Results and Discussions:

Validity and Reliability:

To evaluate the questionnaire's effectiveness, a preliminary study with 50 respondents was conducted to gather feedback. Participants assessed question relevance, and expert suggestions were sought to improve efficiency. Following necessary adjustments based on feedback, the questionnaire underwent reliability testing using Cronbach's alpha, indicating satisfactory consistency (Hama Kareem et al., 2016). Table 3 presents the Cronbach's alpha values for all constructs.

Construct	Number of Items	Cronbach's Alpha
Demographic Profile	4	0.88
Social Media Usage	7	0.86
Factors Influencing Marketing Through Social Media on Gen Z's Purchase Intention		

Analysis of Gen Z's Social Media Usage:

The study aimed to collect data on Gen Z's internet habits, including time spent online, preferred social platforms, reasons for using social media, brand engagement, and purchase behavior influenced by social content. Findings from Table 4 show that 37.6% of respondents spend more than 10 hours per week online, with 29.8% spending 7-9 hours, 27.6% spending 4-6 hours, and 5.0% spending 1-3 hours weekly.

Hours Spent	Number	Percentage
1-3	13	5.0%
4-6	88	27.6%
7-9	100	29.8%
More than 10	119	37.6%
Total	320	100%

Table 5 illustrates that Facebook was the top choice among social platforms for respondents, with 36.8% preference, followed by YouTube at 28.1%, LinkedIn at 12.2%, Instagram at 16.1%, and Twitter at 6.8%.

Social Platforms	Percentage
Facebook	36.8%
YouTube	28.1%

LinkedIn	12.2%
Instagram	16.1%
Twitter	6.8%

Table 6 findings highlight that the primary reasons for millennials using social media include obtaining brand information (25.9%), connecting with friends (25.3%), and acquiring information on products/services (24.6%). This underscores a significant shift in the role of social platforms, which now serve not only as means to connect but also as sources for brand and product information.

Reasons for Using Social Media	Percentage
Finding new friends	25.3%
Finding old friends	3.7%
Getting brand information	25.9%
Getting product/service information	24.6%
Catching up on news	20.5%
Playing games	7.5%

Data presented in Table 7 shows that 84.9% of participants engage with brands on social platforms, while 15.1% do not.

Engage with Brands	Percentage
Yes	84.9%
No	15.1%

Table 8 suggests that primary factors influencing product purchase are brand perception (25.1%), brand reputation (25.7%), and internet-sourced information (22.4%).

Influential Factors for Product Purchase	Percentage
Perception of the brand	25.1%
Past experience	21.5%
Knowledge from the internet	22.4%
Reputation of a brand	25.7%
Knowledge from media	2.6%
Knowledge from peers, friends, family members	1.8%

Demographic analysis:

As depicted in Table 9, 42.0% of participants identified as male, while 58.0% identified as female. The largest portion of respondents were pursuing undergraduate degrees (51.7%), with the most prevalent age bracket being 18 to 24 years old (74.5%).

Demographic Characteristics	Count	Percentage
Gender		
Male	130	42.0%
Female	180	58.0%
Age Groups		
18 - 25	240	74.5%
26 - 35	54	16.5%

35 years and above	26	8.5%
Educational Attainment		
Undergraduate	25	8.5%
Postgraduate	149	51.7%
Doctorate	107	39.8%
Occupation		
Student Services	149	51.7%
Entrepreneurs	96	35.1%
Self-Employed	10	4.1%

Table 11 displays the outcomes of independent sample t-tests, providing empirical validation for the following hypotheses:

H01: The influence of brand awareness on individuals favoring social media over traditional marketing is examined. With a slightly adjusted p-value of 0.001, rejecting the null hypothesis suggests that brand awareness indeed impacts those inclined towards social media marketing. Parameters such as market familiarity, comparative product analysis, marketing communications, and shared social media content are used to gauge brand awareness.

H02: The impact of product perception on individuals preferring social media over traditional marketing is scrutinized. With a slightly modified p-value of 0.001 leading to null hypothesis rejection, it is concluded that product perception does not significantly affect those favoring social media marketing. This underscores the enduring influence of information dissemination, whether positive or negative, on the product perception of social media ad supporters, who typically exhibit higher product perception scores.

H03: The influence of brand loyalty on individuals favoring social media over traditional marketing is investigated. With a slightly adjusted p-value of 0.001 resulting in null hypothesis rejection, it is established that brand loyalty does influence those leaning towards social media marketing. This is manifested by enhanced customer commitment to the brand and their propensity to advocate for it on social media platforms, often leading to rewards from businesses.

H04: The effect of customer-business interaction on individuals favoring social media over traditional marketing is explored. A slightly modified p-value of 0.001 leads to null hypothesis rejection, indicating that customer-business interaction does impact those preferring social media marketing. This suggests a preference among customers for interactive engagement with businesses, facilitated by social media marketing, which provides a platform for sharing customer needs and feedback.

H05: The impact of purchase intention on individuals favoring social media over traditional marketing is examined. With a slightly adjusted p-value of 0.001, rejecting the null hypothesis, it is concluded that purchase intention does not significantly influence those favoring social media marketing. This is reinforced by the higher mean scores among individuals preferring social media ads in terms of purchase intention, indicating that customer reviews and rankings on social media platforms significantly shape their purchasing decisions.

Table 11 - t - Test Results

HYPOTHESIS	t	Sig (2-tailed)	Test Results
H01: Brand awareness has no effect on those favouring social media over traditional marketing.	4.500	0.000	Rejected
H02: Product perception has no effect on those favouring social media over traditional marketing.	3.600	0.000	Rejected
H03: Brand loyalty has no effect on those favouring social media over traditional marketing.	5.300	0.000	Rejected
H04: Customer-business interaction has no effect on those favouring social media over traditional marketing.	5.350	0.000	Rejected

Table 12 indicates that approximately 52.1% of the total variability in purchase intention, the dependent variable, is accounted for by the independent variables, namely customer-business interaction, product perception, brand loyalty, and brand awareness.

Table 12Model Summary

Model	R	R Square	Adjusted R Square	Std. Errors of the Estimation
1	0.738	0.571	0.521	0.5490

Table 13 presents the adequacy of the multiple linear regression model. A statistically significant F-value (p-value < 0.05) indicates that the model's estimation is appropriate.

Table 13ANOVA

Model	Sum of Squares	Degrees of Freedom	Mean Square	F-value	Significance Level (Sig)
Regression	120.958	6	20.1596	70.8796	0.000
Residual	110.682	312	35.4829		
Total	231.64	318			

Concluding remarks and implications:

This study highlights significant findings after analyzing data and testing hypotheses. It reveals that the majority of online purchasers are young adults aged 18-24 years, with widespread usage of social networking sites, especially Facebook, YouTube, and Instagram. Millennials use social media primarily to connect with others, seek product information, and stay updated with news. Despite high brand following on social media, there is a gap in actual purchases, indicating a challenge for marketers. Social media plays a crucial role in shaping consumer preferences, with millennials perceiving it as more engaging and progressive than traditional marketing. Marketers should focus on customer relationship management and adopt transparent strategies to leverage social media's potential in acquiring and retaining long-term customers.

Limitations of the study and scope for further research:

The study sampled 320 respondents, suggesting the need for a larger sample size or different sampling methods to enhance the representation of consumer preferences. Furthermore, the research provides a broad overview of social media platforms and millennial preferences, leaving avenues for future research to explore various advertising types on these platforms. Additionally, while the study focuses on millennials' preferences, other aspects of consumer behavior, such as attitude formation and purchasing decisions, remain unexplored in the context of social media advertising. Moreover, considering different countries in future research can shed light on how cultural values influence acceptance of social media advertising among diverse populations.

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