

Impact of Social Media Marketing on iGen Consumer Buying Behaviour of White Goods

Dr. Hemant Kothari, Dean P.G. Studies, Pacific University
Dr. Swati Lodha, Director, MET Institute of Management
Dr. Nirmala Joshi, Research Head, MET Institute of Management
Ms. Sana Khan, Research Scholar, Pacific University

ABSTRACT

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The industry has witnessed the unprecedented changes in the marketing competitive landscape over the past few years. People across the globe have drastically enhanced and integrated themselves to the new digital life. Furthermore the amplifying technological advancement and the disposable income are substantially enabling the consumers to shift for the consumer durable smart appliances. This has further boosted the demand for the consumer durable white goods. At the same time the businesses also had to and are still thriving on the Digital and Social Media platforms to not only survive but also endeavouring to grasp the attention of the customers to engage.

Maintaining relationship with the existing customer, increasing brand equity and constantly encouraging them to stay with a company is a dynamic and conscientious work. Therefore, it is crucial to gain knowledge about the consumer behaviour for creating innovative marketing strategies, accessing consumers in a cost effective way and to dominate in the competitive market. Hence, the organisations should adopt and adapt the overwhelming change in marketing climate to meet the needs of broader audience in the multiple platforms.

Keywords: White Goods, Consumer Durables, Social Media Marketing, AIDA Model, Honeycomb Model

Introduction

Social media has become a ubiquitous part of modern society, and its influence on various industries and sectors cannot be understated. It has transformed the way we communicate, interact, and consume information. It has become a powerful tool for businesses to reach out to customers and build brand awareness. There are 467mn social media users in India in January 2022, it is no longer an option, social media is very crucial for all the organisations to use this platform to reach out to the customers, gain valuable acumen, tracing the customer journey, effectively engaging with them and growing the brand.

In recent years, social media has had a significant impact on the white goods industry. With the rise of digital marketing, manufacturers and retailers of white goods appliances are increasingly leveraging social media to reach out to consumers and build

brand loyalty. White goods refer to large household appliances that are typically finished in white enamel or painted white. These appliances include refrigerators, washing machines, air conditioners, and other major appliances that are typically used in homes.

About White Goods Industry

In India, white goods have become an essential part of modern living as they offer convenience and comfort to millions of households across the country. With the rise of the middle class in India, the demand for white goods has increased significantly over the past few decades. People are increasingly adopting smart appliances to improve their life standard, so companies dealing in white goods are heavily investing on R&D activities.

Market Growth

According to a report by the India Brand Equity

Foundation (IBEF), the white goods market in India is expected to reach a value of USD 48.5 billion by 2025, growing at a CAGR of 10.5% during the forecast period. This growth can be attributed to several factors, including the rise in disposable incomes, the growing population of working women, and the increasing urbanization of the country.

• Refrigerators

Refrigerators are one of the most essential white goods appliances in India. With the rise in incomes and changing lifestyles, consumers are looking for more advanced and efficient refrigerators. The Indian refrigerator market is dominated by players such as LG, Samsung, and Godrej, with LG leading the market share with a 32% share. The market is expected to grow at a CAGR of 11.7% between 2020-2025.

• Washing Machines

The washing machine market in India is dominated by top brands like LG, Samsung, and Whirlpool. The semi-automatic washing machine segment still holds the largest market share due to its affordability and easy maintenance. However, with the rising adoption of fully automatic washing machines, this segment is expected to grow at a faster rate in the future.

• Air Conditioners

The air conditioner market in India is expected to grow at a CAGR of 10.5% between 2020-2025. The increasing temperature in the country and the rise in disposable incomes are some of the major factors driving the growth of the air conditioner market. Brands such as Daikin, Hitachi, and LG are leading the market share in this segment.

Purpose: To study the impact of the customer's social media journey through the AIDA model and the effectiveness of user's engagement through the Honeycomb model in the white goods industry.

According to the white goods market analysis, the white goods market segmented into product, end user, distribution channel, and region. According to distribution channel, it is divided into supermarket & hypermarket, specialty store, retail store, e-commerce and others.

Methodology

This research paper uses a secondary research and qualitative approach has been used to analyse the social media post to understand the consumers buying

behaviour towards white goods. The pandemic has given the leverage to the organisation for using social media to lure the consumers in purchasing the products. The AIDA Model and Honeycomb Model will specifically help in innovative strategy in branding and engaging with the young customers and prospective customers via social media platform. Few interviews were taken experts dealing in white goods.

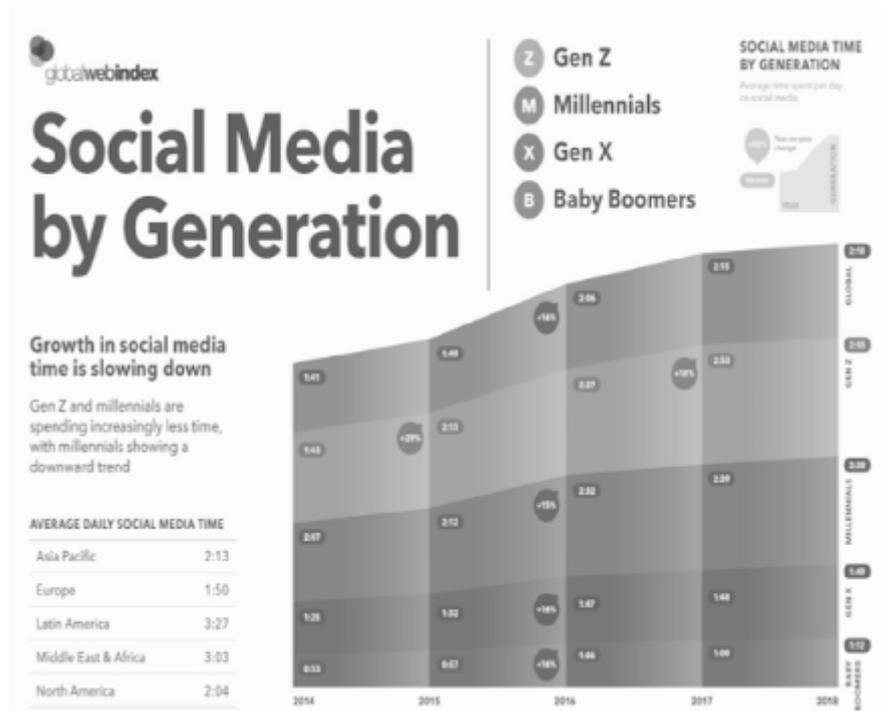
Theoretical Construct and Hypothesis:

- Ha1: There is a significant impact of the customer's social media journey through the AIDA model in the white goods industry.
- Ha2: There is an significant impact on the effectiveness of user's engagement when they are engaged through the Honeycomb model in the white goods industry.

Marketers can reach a total potential audience of 2.109 billion users with ads on Facebook in January 2022. As increasing digital penetration Number of Facebook users in the world (monthly active users): 2.912 billion (January 2022), Size of Facebook's global advertising audience: 2.109 bn (Jan. 2022). Meta made significant changes to the ways in which it reports advertising audience data for Facebook in Q4 2021 For example, one person may maintain more than one active presence on the same social media platform (i.e. "duplicate" accounts). Similarly, some accounts may represent "non-human" entities, including: pets and animals; historical figures; businesses, interests and causes, groups and organisations; places of interest; etc.(KEMP)

Google says that people now consult up to 10 sources before they make a purchase. According to PWC 2018 study 54% of the people use social media to look for products, whereas 37% of the people find inspiration for their next purchase from social media. And as Mr. Rick Kauffeld, a PWC Principal mentioned that "Today's consumers trust the wisdom of the crowd, what somebody in their network says about something.

Below is the diagram which shows how much each generation spends time on social media that means this is the amount of time the businesses get to target them, if done correctly.



Source: GlobalWebIndex (GWI)

So when social media branding is done correctly, it helps to connect to target market in an optimal way. Social media branding forms a natural but essential part of overall marketing efforts. Since the rise of social media brands have taken to these platforms and content marketing to reach its potential customers. Social media is also a great way to build followings for your brand. There are some standard models which brands implement to get their names big on social media, two of the models that we can look into are AIDA and the Honeycomb Model.

AIDA Model



Source: THIMPRESS

The AIDA model is a marketing framework that stands for Attention, Interest, Desire, and Action. It is commonly used to plan and execute marketing campaigns, and it can be applied to various industries, including the white goods industry. This model was developed by Elmo Lewis as American advertising expert.

AIDA stands for:

Attention – The first step in the AIDA model is to grab the customer's attention; the need to win the consideration of the potential of the new clients who don't have an idea about your organization.

In the white goods industry, this can be done through advertising, social media campaigns, or in-store displays. For example, a company could create an attention-grabbing ad showcasing their latest washing machine with innovative features.

Interest – Once the customer's attention has been captured, the next step is to generate interest in the product. This can be achieved by highlighting the benefits and features of the product, such as energy efficiency, ease of use, or durability. For example, a company could create content highlighting how their refrigerators save energy and reduce electricity bills.

Desire – After generating interest, the goal is to create a desire for the product. It is about want. This can be done by creating an emotional connection with the customer, such as highlighting the convenience of having a dishwasher or the satisfaction of owning a high-end range. For example, a company could create an ad that showcases a happy family enjoying a meal cooked using their state-of-the-art oven.

Action – The final step in the AIDA model is to encourage the customer to take action and make a purchase. This can be done by providing a clear call to action, such as offering a discount or limited-time promotion. For example, a company could offer a discount on their latest washing machine for a limited time to encourage customers to buy.

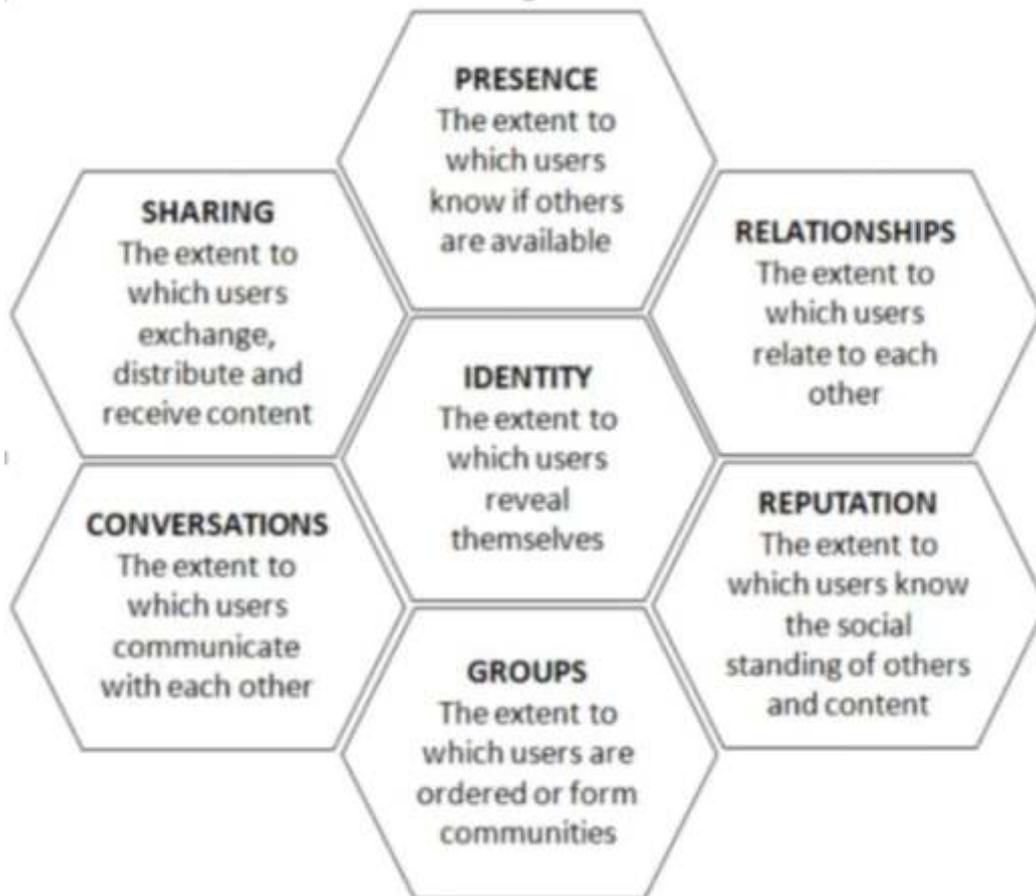
Overall, the AIDA model can be applied to the white goods industry to create effective marketing campaigns that attract and convert customers.

Example: Whirlpool Corporation Marketing Strategy
The promotional plan of Whirlpool Corporation

Marketing Strategy requires the company to consider the following factors:

- Start with clearly defining your unique selling propositions and understand why customers need the product and how it is different from available alternatives.
- Craft the message content and evaluate how the crafted message will help customers in creating a clear image of the offered product. Consider the AIDA (awareness, interest, desire, action) when developing the message.
- The promotional strategies like direct selling or high-profile advertising will suit if the company wants to push the product. However, the pull strategy will require the development of a prestigious brand image that could attract the customers towards the offered product.

Honeycomb Model: The Honeycomb model is a way of setting out the most important forces behind the social media ecology which all social media marketers, users and platforms operate within.



The honeycomb framework of social media (Kietzmann et al., 2011 p. 243)

The honeycomb model is a marketing framework that considers multiple facets of a customer's experience with a brand. It consists of seven components, which can be applied to the white goods industry to create a comprehensive marketing strategy.

1. Identity: The identity component refers to the brand's unique personality and values. In the white goods industry, this can be showcased through branding and messaging that emphasizes the company's commitment to quality, innovation, and customer service.

2. Groups: The culture component refers to the shared beliefs and values of the organization. In the white goods industry, this can be demonstrated through company culture initiatives that prioritize employee well-being, diversity and inclusion, and sustainability.

3. Conversations: The conversations component refers to the ways in which the brand engages with customers and fosters a dialogue. In the white goods industry, this can be achieved through social media engagement, customer service interactions, and online forums.

4. Relationships: The relationships component refers to the long-term connections that the brand establishes with customers. In the white goods industry, this can be achieved through loyalty programs, personalized offers, and follow-up communications.

5. Presence: The presence component refers to the brand's ability to stay current and adapt to changing consumer needs. In the white goods industry, this can be achieved through product innovation, research and development, and market analysis.

6. Sharing: The experience component refers to the customer's overall experience with the brand, including product design, ease of use, and customer service. In the white goods industry, this can be achieved through user-centered design, user testing, and streamlined customer support.

7. Reputation: The reputation component refers to the customer's confidence in the brand's integrity, reliability, and security. In the white goods industry,

this can be achieved through transparent communication, high-quality products, and strong security measures.

Overall, the honeycomb model can be applied to the white goods industry to create a holistic marketing strategy that considers multiple aspects of the customer's experience. By prioritizing identity, culture, conversations, relationships, relevance, experience, and trust, brands can establish a strong and lasting connection with customers.

Challenges

Despite the growth prospects, the white goods market in India faces several challenges. One of the major challenges is the high price sensitivity of consumers, which has made it difficult for companies to maintain profitability. The intense competition in the market has also made it challenging for players to differentiate their products and services, resulting in a margin squeeze.

Future Prospects

The white goods market in India is expected to witness significant growth in the coming years, driven by the rising disposable incomes, changing lifestyles, and increasing urbanization. The government's focus on improving infrastructure and providing affordable housing is also expected to boost the demand for white goods appliances. With the increasing competition in the market, companies are expected to focus on product innovation, value-added services, and expanding their distribution networks to stay ahead in the game.

Conclusion

The white goods market in India is a significant contributor to the country's economy, offering employment opportunities to millions of people. With the growth in disposable incomes, urbanization, and changing lifestyles, the demand for white goods appliances is expected to rise significantly in the coming years. Companies that are able to navigate the challenges and capitalize on the growth opportunities are likely to emerge as winners in this lucrative market.

The white goods industry has been impacted by social media in significant ways, with companies using

social media to build brand awareness, engage with customers, and provide after-sales support. Companies that can effectively navigate the challenges and leverage the benefits of social media are likely to emerge as winners in this sector. Social media platforms such as Facebook, Twitter, and Instagram have become important marketing channels for white goods manufacturers and retailers. Companies are using social media to build brand awareness, engage with customers, and provide after-sales support.

One of the key benefits of social media for the white goods industry is the ability to engage with customers in real-time. Social media platforms allow companies to respond to customer queries and complaints promptly, improving customer satisfaction and loyalty. Social media also provides companies with an opportunity to monitor customer's sentiments and gather feedback on their products, allowing them to make necessary improvements.

However, social media also presents several challenges for the white goods industry. One of the main challenges is the risk of negative publicity. Social media platforms provide customers with a powerful tool to voice their opinions and experiences, which can lead to negative publicity for companies. Another challenge is the need to constantly monitor and update social media profiles, which can be time-consuming and resource-intensive. But with the help of AIDA and HoneyComb model the organisations can not only keep a tab on the positive and negative publicity but also take a strategic action and improve their branding and public engagement on social media.

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