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“Role of social media in Indian economy”

Deepak kumar Chandan

Research Scollar

Dr. Ajay kumar Jha

HOD Dept. of Commerce & Business Administration
Tilka Manjhi Bhagalpur University Bhagalpur

Abstract

Many people have seen how important social media is becoming to businesses. A wide range of industries might be affected by them: from private to public to non-governmental organisations. This study examines the role of social media on the Indian economy. The author has looked at the influence of social media on companies and customer behaviour. It was discovered how social media helps businesses to communicate with customers and influence demand and supply, including the phenomena of presumption. In this way, it may be concluded that social media has an impact on the economy. In addition, social media allows for lower operational expenses and more effective use of resources, which is a major benefit. Additionally, they have a significant influence on customer choices. A survey of 100 randomly selected Indian users who are corporate professionals (Managers, HR, Team Leader) was conducted for the study . The SPSS 26.0 statistics programme was used to analyse the study's data.

Keywords: Social media, Economy, India

1.1 Introduction

Social media is a computer-based technology that allows individuals to share their ideas, views, and information through virtual networks and communities. As a result of social media, users may rapidly and easily share personal information, documents, films, and photographs. The most common way that users access social media is via web-based programmes that operate on a computer, tablet, or mobile phone. Many Americans and Europeans use social media, but Asian nations like Indonesia lead the pack when it comes to social media use. Approximately 4.5 billion individuals are expected to be on social media by the end of October 2021.

The numerous platforms allow for a wide variety of applications and draw individuals in a variety of ways. In addition to connecting with friends and family, Facebook lets you keep tabs on what's going on in your own life and the lives of those you care about. You can keep up with people and events quickly and concisely on Twitter because to the character limit of tweets (140 characters). Unlike other social media platforms, Instagram allows users to upload both images and videos, along with text captions. Photographs and videos sent using Snapchat can only be seen a few times before they vanish from a recipient's view before they are lost forever. Even while each

Saarth

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platform has its unique look and feel, they all aim to provide a public online area where people may connect with one another and share information.

Internet users could share their passions and connect with people who had similar interests through a variety of channels. Once it became a place for individuals to meet and exchange information, it transformed into a public online resource. For most of the early 2000s, social media included everything from social networking sites and video-sharing platforms like YouTube to blogging and microblogging services like WordPress and other tools that let users create and distribute their own content. Participants in online communities may also use social media to communicate with one other. Those who are unable or unwilling to make physical touch with one another may do so via this medium. (Anon 2016)

1.2 Role of Social media in Indian economy

The 'social media savvy' of today's youth is second only to their 'tech savvy.' In India, two-thirds of all internet users spend time on social networking sites such as Facebook and Twitter. It seems that email is no longer relevant compared to social media. However, why is investigative journalism so popular in India? But these are only a few of the most crucial components of social networking.. Businesses utilise social media in India and throughout the world to connect with their customers and build brand awareness. This has led to the rise in popularity of social media as a result of its numerous uses, which go beyond its primary function of conveying information.

By the end of 2012, urban India's population of social media users had topped 62 million. The increased availability of smartphones and mobile Internet has led to an increase in social media use. Businesses in India use social media to find and connect with their customers, build their brands, and keep them informed about new products and promotions. Indian internet users utilise social media to create online communities and groups and to communicate with one another. This means that information and technology, particularly social media sites such as Facebook and Twitter are increasingly influential in shaping customers' impressions of certain products and firms. The majority of Indians, however, also utilise it for fun and entertainment when they are on the internet. Every day, more Indians than the entire population of Germany log on to social media platforms. It is impossible to overestimate the influence of social media in India's business and consumer marketplaces. Social media's place in Indian society is evolving due to a shift in consumer habits. Social media has developed from a source of amusement to a source of information and marketing throughout the years. Client participation makes Facebook the most crucial social media network for businesses, followed by Twitter, YouTube and blogging. Social media is a tool that brands use to build communities and convey information.

As a result, businesses of all sizes have social media profiles on sites like Facebook, Twitter, Pinterest, YouTube, and others. 95.7 percent of Indian companies use social media to create communities, and 76.1 percent utilise it to showcase news about their brands. Eighty-one percent of organisations use measures like the amount of likes, shares and comments on social media platforms to measure their success. Most companies set aside less than INR 10 million for social media spending, which represents for between 1 and 5 percent of their whole marketing budget.

Saarth

E-Journal of Research

ISSN NO: 2395-339X

When it comes to gaining insight into customer behaviour, social media is an invaluable source of data. As the use of social media in recruiting grows, it is becoming an integral part of the recruiting process. These companies use social media sites like LinkedIn, Facebook, and Twitter to find and hire new employees and skills. As a result, the days of relying on the employment exchange and newspaper classified ads for job seekers and recruiters are over. As opposed to traditional media recruiting, social media hiring relies on direct reaction, interaction, and communication. Social media recruiting is a well-thought-out approach for most businesses. **(ramandeep kaur 2013)**

All of the changes in the present world can be traced back to the rise of social media. As a result of this shift, not only have we changed the way we communicate, but so have celebrities, politicians, and major corporations in their pursuit of public attention. In the face of geographical and socioeconomic limitations, social media has helped reduce distances throughout the world that would otherwise be insurmountable. User-generated material can be shared, discussed, collaborated on and altered using social media. Businesses of all sizes can benefit from it, as it motivates them to enhance their public image and find new methods to interact with their business partners and customers. When it comes to the business and economic landscape of India, social media has had a significant impact.

New markets are being created and formed via word of mouth, consumer empowerment, and rating systems that are facilitated by social media. While social media's effect on India's economy has not yet reached its peak, the country's economy, society, and cultures will all fully embrace social media's potential in the years to come. Open source cooperation will cut software expenses as social media makes it easier for employees to share information. Because of social media's potential to quickly unearth crucial information, organisations will become more aware, agile, active, and responsive to their customers. As consumers become more connected and knowledgeable about what they want thanks to the Internet, traditional advertising is losing its effectiveness. This has a detrimental impact on large firms.

In recent years, customer-oriented websites and rating websites have become increasingly popular, with independent consumer reviews proving to be more trustworthy than traditional advertising methods. If you want to reach a global audience and save money, social media is a great option. Consumer purchase habits have changed as a result of the wide range of options available and the availability of information that guides consumers through the buying process. As social media has transformed the entire notion of internet marketing in India, it has become a major driving force in the modern economy. **(Anon 2015)**

1.3 Research Objectives

- To evaluate role of social media in India economy.
- To determine impact of social media on business development.

Saarth

E-Journal of Research

ISSN NO: 2395-339X

2.1 LITERATURE REVIEW

(Brough, Literat, and Ikin 2020) This study examines the viewpoints of minority adolescents on social media design in order to develop more ethical and equitable social media applications. Human-computer interaction research for the first time examines how social media users' views and expectations, which are shaped by their identities, influence the affordances and ethical implications of social media. Using the help of young people from underrepresented groups, 25 in-depth interviews and "think aloud" social media tours were conducted. Studies have shown how young people perceive and feel the power and disempowerment that comes with social media interface design.. In the field of digital technology design, there is a widespread feeling of underrepresentation, which may be exacerbated by social media. These organisations are particularly concerned about the design of user profiles and popularity rating systems that promote uniformity. Students' views on how social media may be utilised to combat negative stereotypes and build social capital are revealed in our research. Adolescents who were underrepresented in the survey have made specific recommendations for enhancing the user interface design of social media platforms.

(Ahmed 2020) Humanity may now transcend the confines of space and time thanks to technological advancements. As a result, individuals' ability to converse with millions of other people more quickly has enhanced. Educational programmes might be significantly impacted by these technological breakthroughs. Interactive, mixed, and even distant learning may all be made easier and more effective with the right technology. The use of social media in the classroom may be very beneficial to students learning a new language. Students' ability to communicate in a foreign language may be improved by using social media sites like Facebook, WhatsApp, and YouTube. People who are just beginning to learn a language may connect with people who are already fluent on social media sites like Facebook and Twitter. Students' linguistic skills may be improved in this way. This study shows that social media can be utilised to aid in the teaching of languages. People who are prepared to put in the time and effort can reap the benefits of learning a new language. We can achieve these aims by incorporating social media into the instructional process. Learners of a second or foreign language may choose to immerse themselves in their target culture as a last resort. As a result, pupils' comprehension would rise, resulting in an improved educational experience. Additionally, you can connect with native speakers of a language through social media. Pronunciation and diction would improve, which would have a substantial impact on the learning process for the pupils involved.

(Bhati and Bansal 2019) Social media is an essential aspect of daily life for the vast majority of Indian youth. For the most part, the Internet is used for social media. Overuse of social media can have detrimental effects on young people's health and well-being, as well as cause a shift in how they act and think. Many studies in this field have focused on countries outside of the US. This study aims to examine the good and negative effects of social media on Indian youth.

(Kumar and Raman 2019) Indian business schools and higher education institutions are increasingly relying on social media as a means of promoting themselves. The use of social media by Indian

Saarth

E-Journal of Research

ISSN NO: 2395-339X

business schools to connect with potential students, employers, and recent alumni has grown significantly. As the level of competition among Indian business schools rises, so does the need of using social media and communicating effectively with all parties involved. Maintaining and updating social media networks is a crucial digital marketing activity for many Indian business schools. Statistics show that India has 300 million Facebook users, followed by the United States, which has 210 million members. When it comes to promoting their brand and engaging with potential students, Indian business schools rely heavily on Facebook. The authors of this research compiled their data from Facebook posts made by students at well-known Indian B-schools. The style and content of these posts were inspired by the Facebook sites of Indian business schools. Government of India-India Rankings 2018 in Management selected the B school based on the National Institutional Ranking Framework by Ministry of Human Resource Development (NIRF). For this study, a total of 19612 messages were gathered. Each and every Facebook post was scrutinised between May of 2018 and January of 2019. These subjects and formats have been thoroughly investigated by the authors in order to establish which ones are the most effective at drawing readers. With the help of the suggestions in this paper, Indian B Schools can better market their products and increase the organic reach of their Facebook posts.

(Talla, Ningaye, and Koyeu 2019) According to this research, social media has a significant impact on African economic growth. The results of a study including 29 African countries from 2010 to 2017 and based on the method of moments back up these assertions. Economic growth suffers as a result of the findings from social media, the study found. Economic growth can be influenced by the rise in productivity at work. This is a subtle but significant effect of social media on the economy.

(Thakur and Rakesh Kumar 2018) In this age of "global communications," it's usual to use social media for both personal and professional goals. Social networking is one of the best ways to connect with potential customers today. Consumers' wants, needs, opinions, likes, and preferences, as well as what they buy, must be understood by businesses. Each person's preferences and inclinations are influenced by a multitude of factors. Consumers used to focus on various characteristics of the items, such as quality, price, and brand, but today they rely on social recommendations when making a purchase decision. In today's digital world, consumers are increasingly looking to online forums such as YouTube, blogs, and Facebook for suggestions and peer opinion on a wide range of topics, including products and services and the firms that offer them. Social media, which is a multipurpose platform, is assisting customers in their decision-making process while making a purchase. India, like many other countries, is seeing an uptick in the use of online marketing. Consequently, in order to market their brands on social media, today's business owners employ effective strategies.

(Venkatraman 2017) These editions, freely available through the university's press website, include a cover designed for the first time, an ethnographic study that examines how people in Tamil Nadu use social media in their daily lives. it does so in an area that is experiencing tremendous change. An interesting contrast between the growing knowledge economy and rural customs stems from the migration of IT companies to a sector that was previously dominated by agriculture. While this

Saarth

E-Journal of Research

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association has created some class conflicts, a look at local social media reveals that there are also some similarities, particularly in the blurring of the lines between work and personal life for both old and new residents. Venkataraman studies how socio-economic media platforms are used in different contexts based on social class, caste, age and gender to better understand how social media affects people's lives. Many people in South India use social media, and one author believes this is due to a combination of factors. As a result, despite the presence of social change, local norms and habits still govern the use of social media in the region. He has a PhD in Anthropology from, Delhi. In the United States, he worked as a senior leader at Walmart as a certified professional statistician before going back to school to obtain his doctorate. An important part of his research is the intersection of entrepreneurship and technology in the workplace.

(Mohan and Kar 2017) On Twitter, people may now share their opinions and ideas about the happenings in their lives. This study uses 1, 44,497 tweets regarding demonetization to get a sense of the public's reaction to a fundamental upheaval in the Indian economy. Aside from looking at how demonetization affects different sectors of the economy, the study also examines if public sentiment on Twitter and the Nifty 50's stock market performance are linked. Based on their dependency on cash, industries were split into two groups and the repercussions for each group were analysed separately. On Twitter, the feelings expressed concerns demonetization were shown to have no relevant association with the performance of important economic sectors or the performance of the financial market.

(Dell'Anno, Rayna, and Solomon 2016) The goal of this research is to examine the role that social media plays in promoting growth and progress in the economy. Social media has been found to have a large and detrimental impact on economic development by analysing the information provided by social media users. Social media, we believe, has a detrimental influence on growth because it drives up knowledge acquisition costs and raises the substitution effect between work and leisure activities.

(Safiullah, Pathak, and Singh 2016) Social media has developed as a crucial advertising tool for political campaigns as a result of the digital revolution. Social media has become a powerful tool for people throughout the world to express their opinions. Although India is a developing economy, its growing influence may be recognised. Political parties are considering using it to gauge and shape public opinion because of its growing popularity. In 2013, the Delhi Assembly was an example of this. Examining how social media influences public opinion, its value as a measure of popular sentiment and forecasting public sentiment via an evaluation of Facebook popularity, and its link to political results, is the goal of this research. The number of persons who liked a Facebook page in December of 2013 was used in this study. The Indian National Congress, the Bhartiya Janta Party, and the Aam Aadmi Party all have candidates running for the Delhi Assembly (AAP). In the 2013 Delhi Assembly election, a link was observed between the number of "Facebook likes" political parties received and the number of votes they received.

(Agrawal and Kaur 2015) Social media marketing can do more for your business than you could ever dream. Mckensey & Co. expects the Indian pharmaceutical business to grow to \$55 billion by 2020,

Saarth

E-Journal of Research

ISSN NO: 2395-339X

based on current trends. The market will be significantly impacted by social media. Facebook's tenth anniversary was celebrated on February 12th, 2014, with \$134 billion in sales. There are many pharmaceutical businesses that have spent enormous quantities of money in social media, resulting in a big network of patients, physicians, hospitals, as well as pharmaceutical corporations, all working together. Use this platform to gather customer data for market research, real-time consumer feedback and raising illness awareness and brand recognition for pharmaceutical firms. Social media marketing has been adopted by the Indian pharmaceutical business, and this research investigates the factors that have led to this adoption. Patients (consumers) now have a more cohesive platform for social media marketing thanks to the findings of the research. Additionally, it serves to bring together others with similar medical conditions, which does more than only raise awareness about the disease.

(Power 2014) Nursing and Midwifery Council (NMC) and Royal College of Midwives (RCM) are increasingly using social media platforms for professional dialogue, dissemination of research and sharing of best practises in maternity care (RCM). They're both on Facebook and Twitter. The NMC encourages its members to conduct themselves in a professional manner online and in person, in accordance with The Code, in the absence of regulatory guidelines. According to the National Center for Missing and Exploited Children (NMC, 2008), It has been challenging for midwives to properly utilise social media in their professional capacity since the digital extension of the profession has not created a distinction between personal and professional identities. In this series of short essays, we'll show you how to join Facebook, Twitter, and LinkedIn and provide advice on how to utilise the networks confidently, effectively, and securely in a professional environment.

(Kietzmann et al. 2011) People used the Internet largely to consume information in the past: to read, watch, and buy goods and services online. Users are increasingly turning to social media platforms like blogs and wikis instead of traditional ways of information creation and delivery (such as traditional websites). Social media has placed everything from a company's reputation to its very survival in jeopardy. However, this is despite the fact that many high-ranking executives avoid or reject this kind of media because they do not grasp its nature and the ways in which it may be used or how to gain from and participate in it Identity, conversations, sharing, presence, connections, and reputation are the seven functional building elements of social media. The degree to which a company focuses on one or more of these components determines its social media strategy. Finally, we'd like to give some advice on how businesses might better monitor, understand, and respond to social media in general.

3.1 Research Methodology

Data collection and analysis are also discussed in this portion of the study's methodology. Research is fundamentally an academic endeavour. Before gathering data, evaluating it, and drawing conclusions, researchers identify and redefine problems and produce hypotheses or potential solutions.. Finally, they examine the results of their investigation to see whether they support their hypothesis or are based on flawed assumptions.

Saarth

E-Journal of Research

ISSN NO: 2395-339X

3.2 Research Method

This research depends on the survey approach. It was decided to undertake a survey of 100 Indian consumers between the ages of 25 to 40, who were all corporate professionals (Managers, HR and Team Leaders). Young adults (ages 25 to 40) were selected as the target demographic for this campaign because of their high frequency of social media usage and propensity to be early adopters of cutting-edge technologies. For a number of factors, we settled on this age range for our Respondents.

3.3 Tool used

The SPSS 26.0 statistics programme was used to analyse the study's data. Anova test was used to analyse the primary data, tests such as ANOVA test analysis was used to examine nearly all of the data, highlighting the study's most important variables. Data can be better understood and compared when using percentage analysis. It is the simplest way to convey all of the necessary information. It aids in getting a comprehensive picture of the outcomes from the collected data.

3.4 Hypothesis

Null Hypothesis

- There is no role of social media in India economy.
- There is no significant impact of social media on business development.

Alternative Hypothesis

- There is role of social media in India economy.
- There is significant impact of social media on business development.

4.1 RESULT AND DISCUSSION

A thorough explanation of how the questionnaire results should be interpreted. Analyses of Variance (ANOVA) were used in the research. When there are more than two variables, ANOVA is used to show the relationship between the variables, with one variable serving as the independent variable and the other as the dependent one.

4.1.2 One way Anova test description

Table 1.1: Anova test on social media effects economic development

ANOVA			
	Mean Square	F	Sig.
social media do use	3.818	2.870	.027
Time do you spend on social media every day	.178	.308	.872
Use social media while outing with friends	.023	1.188	.321

Saarth

E-Journal of Research

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use of social media in right direction to generate business opportunity	6.036	3.314	.014
Recommend some measures for proper use of social media in right direction to generate business opportunity.	3.417	3.215	.016
Social media give direction to Youth for business opportunity	4.614	3.584	.009
As a business, loyalty is critical because it encourages repeat customers	2.177	1.910	.115
Read the opinions shared by friends through social media before buying the product.	3.648	1.723	.151
Economy of India is fast growing economy of the world	.820	.421	.079
Social Networking Sites Effect on the Quality of Life of College Students.	.293	.167	.955
Social media is a good platform for business advertisement	4.865	3.623	.009
Social media as the most powerful weapon to change the world.	7.019	3.778	.007
Social media has a favourable impact on both businesses and consumers.	1.273	.628	.644
People use social media to talk about their problems and thoughts.	3.354	1.481	.214
Impact of social media marketing on customer purchasing behaviour.	1.164	1.115	.0354

The above table discusses Anova test on social media effects economic development. In social media do use sig. value is 0.02 which is significant because its value is less than significant level 0.05 and f value is 2.87. Time do you spend on social media every day its sig. value is 0.87 and f value is 0.30. Use social media while outing with friends its sig. value is 0.32 and f value is 1.18. Use of social media in right direction to generate business opportunity its sig. value is 0.01 and f value is 3.31. Recommend some measures for proper use of social media in right direction to generate business opportunity its sig. value is 0.01 and f value is 3.21. Social media give direction to Youth for business opportunity its sig. value is 0.00 and f value is 3.58. As a business, loyalty is critical because it encourages repeat customers its sig. value is 0.11 and f value is 1.9. Read the opinions shared by friends through social media before buying the product its sig. value is 0.15 and f value is 1.72. Economy of India is fast growing economy of the world its sig. value is 0.07 and f value is 0.42. Social

Saarth

E-Journal of Research

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Networking Sites Effect on the Quality of Life of College Students its sig. value is 0.95 and f value is 0.16. Social media is a good platform for business advertisement its sig. value is 0.00 and f value is 3.62. Social media as the most powerful weapon to change the world its sig. value is 0.00 and f value is 3.77. Social media has a favourable impact on both businesses and consumers its sig. value is 0.64 and f value is 0.62. People use social media to talk about their problems and thoughts its sig. value is 0.21 and f value is 1.48. Impact of social media marketing on customer purchasing behaviour its sig. value is 0.03 and f value is 1.11.

Conclusion

Social media has a big influence on the Indian economy, according to survey data. More than half of Indians were using social media, according to our research based on secondary sources.

Social media has laid the groundwork for a participatory economy in which individuals generate value by working together in their local communities. A consequence of social media collaboration is a novel or perhaps unexpected outcome for the people who engage in the activity. Emergence may be a successful business for companies and a source of revenue, but it also has an influence on social interactions and the well-being of people.

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Saarth

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