

# A Research of Competitive Advantage through Social Media Marketing in Business: A Review

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**Abstract –** *The world over, it is being perceived that the Gen-Y of the workforce is unique in relation to the prior age of laborers. The more youthful employees are more technology canny and persist their desires for the social media world to their work places. In any case, the most ideal approach to sort out and advantage from this pattern is as yet developing and we are learning as we come. From one perspective, there are a great deal of desires and then again, there are numerous instances of bombed social media initiatives. There is an absence of structured systems and lion's share of administrators have no clue about how to break down social media. The utilization of social media, for example, Facebook, Twitter, LinkedIn and YouTube as a piece of communication strategy with the marketplace has commanded many marketing discourses as of late. In any case, there is a developing collection of narrative proof showing that enormous corporate clients of these methodologies have turned out to be progressively disappointed with an absence of evident profit for the venture (basically the season of employees included) they've made around there.*

*The helpfulness of social media has taken off lately as a platform that has enabled customers in characterizing firms, their brands, items, and administrations through collaboration with different customers while overlooking the firm as a simple spectator. Numerous companies are currently mindful of the need to use social media in upgrading their image and items, yet are reluctant on the grounds that they are questionable about which social media to utilize, and are ignorant regarding the best strategy for marketing their image and items utilizing social media. Firms are likewise uncertain on the most proficient method to oversee social media outlets viably, and are stressed over how client to-client communication on social media may influence consumers' choices about their image and items. Competitive advantage is maybe the most broadly utilized term in vital administration, yet it remains inadequately defined and operationalized.*

*This paper mentions three objective facts with respect to competitive advantage and reasonably investigates the different examples of connection between Competitive advantage and firm performance. First, competitive advantage does not liken to unrivaled performance second, competitive advantage is a social term. Third, it is setting explicit.*

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## INTRODUCTION

Competitive strategy is characterized as the particular methodology which the firm expects to use so as to prevail in every one of the key business territories (Ogutu and Samuel, 2011) and it gives an organization an advantage over its opponents in drawing in customers and guarding against competitive forces. They hold that there are numerous roots to competitive advantage, yet the most fundamental is to furnish purchasers with what they see to be of unrivaled worth a decent or administration at a low value, a predominant administration that merits paying more for, or a best worth offering that speaks to an alluring blend of

costs, highlights, quality, administration, and different traits that purchasers find appealing. The resource based hypothesis attempts to clarify how organizations can accomplish competitive advantages. The hypothesis expositions a model of firm performance that spotlights on the resources and capacities controlled by a firm as wellsprings of competitive advantage (Katua, Mukulu and Gachunga, 2014).

This investigation tries to investigate how social media marketing has been utilized to create capacities for competitive advantages in the business. In this investigation marketing is viewed as client center that saturates organizational

capacities and forms and is outfitted towards making guarantees through offer, empowering the satisfaction of individual desires made by such guarantees and satisfying such desires through help to customers' worth producing forms, in this way supporting worth creation in the firm's as well as its customers' and other partners' procedures (Groenroos, 2009).

In this definition, the way toward making guarantees requires a communication channel for example the medium that is utilized in the transmission of a message from the organization to its customers. In fact customarily organizations have had a few communication channels, for example, one on single word of mouth, print media, communicate media, post cards, telephone calls, bulletins and so on. These customary channels have difficulties extending from customers not getting data on time to having a difficulty in arranging data from heaps of messages.

The most recent three decades saw the development of the internet. The Internet has developed to turn into the best strategy that individuals use to impart in the cutting edge world and the connection between the internet and marketing is one that can't be wished away. Stanford (2011) sets that the internet might be connected as a successful communication device in marketing for the advancement of a nation's economy. He proceeds with that the development of internet as a communication technique is rapidly assembling pace and being considered by a few companies, legislators and business individuals as a competitive device.

On hearing the expression "social media" the vast majority consider rather minor exercises, for example, sharing family photographs on Facebook or transferring infant recordings on YouTube. Be that as it may, social media has moved on from simply being an individual, buyer arranged worldview to something that has colossal effect on businesses. Organizations of all sizes from small firms to enormous global partnerships are currently utilizing social media for improving their businesses. The market for social media tools, programming and administrations is relied upon to reach \$4.6 billion by 2014 (Karr, 2011). As per a Jive Social Business Index study<sup>5</sup> of more than 900 US based officials: • 53% of those overviewed accepted they ought to embrace social business as there's a risk of falling behind otherwise; • 83% of administrators use at any rate one social system at office; • 62% of administrators accept they can accomplish "better client steadfastness and administration levels" by having a social media strategy; • 57% expect increment in incomes and deals after implementing a Social Business strategy; (information source: (Jive)<sup>5</sup>) The patterns inside India are not very unique in relation to worldwide patterns. India has progressively number of Internet clients and social media clients than link and satellite house-holds. As per comScore<sup>3</sup>, around 59 million individuals get to the well known social

networking site Facebook consistently from their PCs. On the off chance that you incorporate individuals who access Facebook from cell phones, this figure would cross 100 million. Actually, Economic Times<sup>9</sup> verifies this figure referring to Facebook legitimately. What's more, this development isn't constrained to Facebook. Online video sharing website, YouTube is seeing an immense development as well. As indicated by comScore<sup>3</sup>, around 31 million individuals watch video on YouTube. While there are immense seen advantages of social media, many are forewarning against over the top publicity. As indicated by research firm Gartner, "Through 2015, 80% of social business endeavors won't accomplish planned benefits"<sup>8</sup>. Composing for the very much respected McKinsey Quarterly call attention to that dominant part of officials have no clue about how to exploit the intensity of social media. They further say that 'social media is a puzzler, enveloped by a conundrum for some officials'.

The utilization of social media as a piece of communication strategy by marketers is probably the most smoking point in marketing today. It appears to nearly be moving toward a condition of pandemonium as another social medium is apparently declared practically day by day and is then advanced similar to the "new best thing". This abnormal state of enthusiasm for social media isn't amazing when one considers the exponential development in the quantity of clients of prevalent social media outlets, for example, Facebook, Twitter, LinkedIn and YouTube. For instance, Facebook claims to have more than 500 million dynamic clients with every client having a normal of 130 "companions" ([facebook.com/press/info.php?statistics](http://facebook.com/press/info.php?statistics)) and 50% of these clients signing onto the site on some random day. This analyzes to 20 million dynamic clients in April 2007 and just a single million clients as of late as in December 2004. While there is no known source that endeavors to follow the all out number of social media sites accessible, there is little inquiry that this number is developing quickly and that a portion of the new players, for example, Foursquare, have likewise turned out to be very prominent with clients.

Nonetheless, there is episodic proof that the utilization of social media isn't exactly the panacea that some boss appear it to be. For each success story, for example, those of Starbucks and Dell, there are loathsomeness stories from companies, for example, Wal-Mart and Nestle.

Difficulties running from difficulty in deciding the arrival on interest in social media and the absence of control in an intelligent domain to the out of the blue abnormal state of time responsibility required to utilize them successfully appear to lead a developing discussion with regards to the long haul feasibility of these media as powerful channels of communication with an organization's markets.

Since a chief's □ William R. Smith, Demosthenes Vardiabasis, 2010. time compares to cash, if the utilization of social media is expending more administrative time than had been foreseen it appears that this cost may make it much progressively difficult for small businesses to utilize this communication channel. Be that as it may, there are additionally a few contentions that could be propelled that would demonstrate that the utilization of social media could really be more compelling in a small business setting than is the situation for huge businesses. For instance, Li and Bernoff see in their top of the line 2008 book, Groundswell, that, "... it's completely unfamiliar to the ground-breaking companies and foundations – and their authorities - that run things now" (Introduction). The reason for this paper is to move the peruser with certain things to consider with regards to the utilization of social media by smaller businesses and organizations.

Another real advantage of small businesses is that proprietors are frequently the official administration. Since the expectation is that possession will, in any event sometime in the future, bring about benefits to be conveyed, there is a money related inspiration to put in extended periods of work. Some have contended that while suitable use and estimation of the viability of social media are not really difficult, they are very tedious. "We request excessively numerous alternate ways. We need just-addwater strategies that don't expect us to do much work but instead reveal some unit of parts we can simply connect to put. We're occupied, overtasked, under upheld, and delving profound into something in unbearable detail with meticulous exertion makes our skin creep" (Naslund, 2009). On the off chance that this present creator's declaration that the utilization of social media requires a ton of diligent work, however isn't really hard, is valid, at that point the way that administrators in small businesses frequently have a more straightforward and more noteworthy personal stake in the success of the enterprise would offer ascent to another regular advantage of the smaller firm in the utilization of social media.

For any competitive firm in the 21st century business world that is keen on achieving its potential customers and holding its present customers, social media is as adaptable, dynamic, and versatile as any business procedure strategy. For social media to be successful, it must have an infrastructure supplier and a substance supplier. These suppliers decide the success of any social system. The infrastructure is the platform on which clients connect; while the substance is the abundance of discussion the clients make (Chai, Potdar, and Chang, 2007).

The motivation behind social media isn't simply to speak with customers, yet in addition to get input from customers trying to realize what they are feeling and thinking, just as what contenders are accomplishing for them. Firms as of now

comprehend the helpfulness of client criticism, yet don't have the foggiest idea how to exploit it on social media destinations, a setting where customers are enabled. Customers' acclaim implies brilliance, and their abhorrence leaves an undesirable alarm on the internet (Gallaughier and Ransbotham, 2010). Web 2.0 and social media have enabled customers to characterize brands and impact the notoriety of organizations (Mathur, Black, Cao, Berger, and Weinberg, 2012) and social media scene are extraordinary intelligent spots made by customers (Dwyer, 2007). Successful firms utilize social media to change the manner in which they associate with their customers so as to satisfy client need in the new and competitive marketplace. For example, through discourse on social media, firms may discover what customers need from their image and their ideal costs.

Social media are changing how firms and their customers collaborate. Social media comprise a cutting edge outlet that can be utilized to influence the enthusiasm of merchandise and enterprises in any capacity, just as effect buy choices (Mathur et al., 2012). Social media straightforwardly sway item evaluations and deals. By a similar token, negative item reviews do decrease the estimation of a brand. Social media is a strategy that firms must pay attention to and exploit so as to have some contribution on how customers see their image and items, just as assume a functioning job in helping customers settle on obtaining choices to support their image. Firms should pay attention to social media in light of the fact that most of their customers are on social media, invest a great deal of energy in this domain, and do effect buying choices online.

## **SOCIAL MEDIA STRATEGY**

The social media change that is continuous has affected on firms' notoriety, deals and survival (Kietzmann et al, 2011). This change realized on by headways in technology driven tools and gadgets like PCs and hand held gadgets like tablets and advanced cells have extended our social connections into the World Wide Web by means of online journals, social networking destinations and wikis. These permit individuals not exclusively to get to data in a hurry yet in addition to share it and have catalyzed the learning driven world we currently live in. They open up individuals to companions and colleagues alike and further to nondescript outsiders spread over the globe that we are just associated with by means of the net. These virtual associations occurring on social destinations like Facebook, online classes and online visit discussions incite sharing of considerations, thoughts and sentiments. Drury (2008) characterizes social media as online resources that individuals use to share content in different configurations including recordings, photographs and content. Through social media,

individuals share thoughts, tattle, news and funniness and give their assessments and knowledge on a wide scope of subjects. Despite the fact that at first planned as a methods for individuals to associate with family and companions, business enterprises are ceaselessly looking for manners by which they can beneficially take advantage of the business capability of uses, for example, Facebook, Twitter, LinkedIn, YouTube, Instagram, Blogs, etc. No structured meaning of the term social media strategy appears to show up in the writing reviewed. Notwithstanding, all meanings of the term strategy point that strategy ought to be gotten ready for ahead of time, be intentional and deliberate. Acquiring from Mintzberg's (1994) meaning of strategy and concentrating on the arrangement viewpoint, social media strategy can be viewed as a deliberately planned game-plan equipped towards social media. Lardi and Fuchs (2013) state that a vital way to deal with social media encourages companies to go out on a limb and to apply the fitting due determination to guarantee the organization is prepared and ready to help social media. For any arrangement to succeed, it must have the full help of the organization the board and significant officials. This would come as adequate staff to actualize the strategy, money related resources and an authentic energy about the requirement for the social media strategy itself and a conviction that it will succeed.

Wilson et al (2011) distinguished four ways to deal with social media strategy which companies can accept. Firstly, the prescient professional methodology in that companies appoint social media duties like client care to explicit units or divisions with quantifiable yields - for instance they may quantify what number of customer questions were reacted to on a specific day. Secondly, the innovative experimenter approach can be expected by companies looking to gain from customers and employees through social media platform discussions. Thirdly, the social media champion methodology is whereby social media is brought together with explicit heads overseeing it crosswise over offices and units. From this brought together gathering, social media rules are detailed and spread over the organization. The methodology additionally calls for contribution from outside gatherings like marketing organizations to direct the procedure. Finally, an organization may expect a social media transformer approach. This methodology empowers an organization to have more extensive collaborations with outer partners, for example, customers and business accomplices too employees.

## COMPETITIVE ADVANTAGE

Different elements make up nature with each representing an alternate risk or opportunity as far as effect on business activities. Specifically, rivalry assumes an immense job in deciding the success or disappointment of businesses since as contending

firms, each organization eats into the market portion of its adversary. An organization should therefore know where it remains against its rivals and arm itself as needs be so as to benefit from the opportunities accessible and ruin any dangers that come its direction. So as to draw in and hold customers, companies must tailor make a client centered worth conveyance framework that meets their customer needs just as conveys better administration than them. Parts of this framework would incorporate items, procedures and individuals.

Besanko et al (2000) characterize competitive advantage as when a firm wins a higher rate of financial benefit than the normal rate of monetary benefit of contending firms inside a similar market. A firm will have a supported competitive advantage when it is executing a worth making strategy not at the same time being actualized by any present or potential contenders and when these different firms can't copy the advantages of this strategy. Doorman (1985) suggested that a firm seek after either an ease or separation strategy to accomplish manageable competitive advantage. On the off chance that an organization applies the cost authority approach they would need to turn into the most minimal cost maker in their separate industry. This would include dealing with all costs (both creation expenses and overheads). Doorman (1985) expressed that this strategy is suitable where a business has a high market share with respect to its rivals and has had the option to decrease costs due to economies of scale. The differential strategy calls for separating an item or administration from the contender's items or administrations in the item structure, the brand picture, highlights, technology, client administration, valuing or dispersion channels.

## EFFECT OF SOCIAL MEDIA ON COMPETITIVE FORCES

Another approach to examine social media is in setting of Competitive Forces. As indicated by Porter and Millar<sup>7</sup>, the "data upset" changes the structure of the business and subsequently changes the standards of competition. Doorman and Millar additionally recommend that accessibility of data brings about competitive advantage and can likewise bring forth new businesses.

Social media is intrinsically data arranged thus quite a bit of what Porter and Millar recommend applies to social media also.

Use of social media raises boundaries to section and consequently makes it difficult for new participants to contend. Successful social media initiatives require interests in new infrastructure, for example, enormous information, cloud and portable advances. There is likewise a necessity to put resources into complex examination programming. The majority of this requires enormous interests as



far as equipment, programming and HR and isn't minor to duplicate.

Social media effects intensity of purchasers just as sell-ers. Purchasers would now be able to think about more venders without venturing out of their homes with the assistance of customer produced content, input on different review destinations, etc. Thus, purchasers have better capacities of correlation and assessment between various venders.

By getting criticism rapidly and continuously by means of social media channels, companies can make changes to their procedures and methodologies, in this manner resulting in new product offers. They can make creative packages and do dynamic valuing based on this criticism. Retailers like Flipkart frequently recommend item packages based on what you are viewing. For instance, on the off chance that you are viewing a USB key-board, you will be demonstrated a group comprising of console and mouse at a limited cost.

As a result of simple accessibility of data on social media channels, there is expanded contention between com-pa-nies inside a similar industry. Thus, companies regularly need to enhance as far as their contributions (e.g., a greater list), exceptional offers (e.g., limits) or different advantages all of which thus increment purchaser control.

Social media additionally brings about numerous new businesses – both Greenfield just as by existing companies. Numerous PR and Digital Agencies would now be able to offer social media con-sulting just as social media observing as an administration to companies.

## **COMPETITIVE ADVANTAGE: THE RESOURCE-BASED VIEW**

The Resource-based View (RBV) gives another point of view on competitive advantage, which is hailed as a conceivable worldview prepared to do explaining and coordinating exploration in every aspect of strategy. The essential principle of the resource-based view is that remarkable resources are the wellsprings of continued competitive advantage. To create such advantage, a resource must be uncommon, profitable, supreme, non-tradable, and non-substitutable, just as firm-explicit. An outstanding work is the integrative record by Peteraf (1993) which outlines the foundations of competitive advantage from the RBV.

Heterogeneity in resource blessings gives competitive advantage. Ex present restriction on rivalry supports the rents. Defective versatility of the resources continues the rents inside the firm. Ex bet cutoff points to rivalry ensures that the expense of verifying resources not balance the financial rents.

In RBV, a firm's one of a kind resource is treated as being characteristically identified with performance. The one of a kind, supreme, and stationary resource is significant exactly as in it creates financial lease. Here the linkage between competitive advantage (one of a kind resources) and performance (financial lease) is more straightforward than that in Porter (1980): it doesn't need to determine cost advantage, separation advantage, or some other sorts of competitive advantage. On the off chance that a firm has important, uncommon, and incomparable resources, at that point unrivaled performance results. That is, the meaning of such resources as of now has characteristic performance suggestions.

A few inquiries emerge. Does the RBV expect that there is just one specific kind of interesting resource (thus one sort of continued advantage) in a specific industry? Does the medicine by the RBV block the circumstance where beyond what one firm can have such resource(s)? On the off chance that firm A has resource X that fits the RBV solution and firm B has resource Y that likewise meets the RBV criteria, at that point what figures out which firm has competitive advantage over the other?

Or on the other hand does it make a difference? On the off chance that we can distinguish the resources that bear the correspondence by the RBV and use them to straightforwardly anticipate performance, do despite everything we need builds like competitive advantage or continued competitive advantage? Based on the above review of the two overwhelming viewpoints on competitive advantage in our field, we reach the accompanying speculative resolutions, which will be additionally expounded on in later areas. First, competitive advantage and performance are two distinct develops. Second, if competitive advantage, either characterized by position or resource, is utilized calmly as a surrogate of prevalent performance, it isn't just repetitive yet in addition redundant. Third, competitive advantage, whatever type, does not ensure predominant performance. At last, for competitive advantage to be a hypothetically valuable build, it must be better characterized and operationalized.

## **CONCLUSION**

Social media isn't just about leaving inconsequential remarks or loving pictures on Facebook. It has colossal ramifications for organizations for their inward utilize, for example, learning the board just as for outside utilizations, for example, deals and marketing. Actually, social media can be utilized in the greater part of the exercises in an organization's worth chain. So as to utilize social media to increase competitive advantage, this article gave a base system to assess utilization of social media by mapping social media use to various exercises in the worth chain.

The present utilization of social media isn't generally anything new. It's been well-acknowledged administration knowledge for a great many years that a planned client who's developed to know and believe you is bound to buy an item from you than somebody who has not built up this degree of relationship.

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