Chapter 13

Social Media and Business: In Search of Missing Links

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ABSTRACT

The influence of social media on the various facets of society has attracted a lot of attention of the researchers in the last few years who are probing its multifaceted impact. One important aspect of social media is its role in promoting instant gratification. It has far reaching consequences for evolution of self, which in turn has important implications for society and businesses. Drawing from the conceptual foundations of the theories of identity and social comparison, the researchers tried to develop a model as to how the dual role of social media acts to alter the identity and hence behavior. In this context, the significance of the study lies in exposing the intricate interplay between the attributes of social media and the dynamic self. The study goes a long way in providing a deeper understanding of self-concept in connection to social media, which has immense importance for consumer behavior and can help businesses to fine-tune their strategies with the changing consumer psychology.

INTRODUCTION

There have been three fundamental inventions and discoveries in the history of mankind- fire, wheel and money, and it shall not be an exaggeration if this list is extended to include internet. It has really revolutionized the world of ours. It has led to massive churning in the cultural, social, political and economic spheres, the ripples of which are being felt across the countries, across the societies, across the cultures and above all, across the individuals. One of the direct offspring of internet is social media, which has emerged as the strongest force shaping our thoughts & actions. Social media can be defined

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as web based applications that allows individuals to connect with strangers to satisfy their social needs. That is why it is usually referred to as Social Networking Sites. Some examples are Facebook, Twitter, LinkedIn, WhatsApp etc. Man is a social animal, and consequently, the advent of social media was bound to have a massive effect as is becoming evident now. Social Networking Sites (SNSs) like Facebook are blurring the boundaries of time and space and are going to alter the contours of conduct of businesses in the coming years.

The influence of social media on the various facets of society has attracted a lot of attention of the researchers in the last few years who are probing its multifaceted impact. The key assumption underlying this study is that studying the effects and influence of social media necessitates an interdisciplinary approach. The pace at which social media and Information Communication technology (ICT) is changing is so fast that new Avatars of SNSs are encountered every now and then. However, amidst all these developments, it may be argued that it is the alteration and transformation in the self-identity resulting from the coalition of social media with the lives of present generation, which can provide with a firm framework to further understand the influence of social media on the society in general and business, in particular. Though empirical and theoretical studies have started flowing in regarding the implications of social media in the field of management, still it remains enigmatic as to how managers can fine tune their strategies in the fields of human resource management, marketing management, production and operation management and so on to effectively deal with the impact of social media on their businesses.

Till now little is known about the effect of social media-individual interaction and its effect on the dynamism of self and consequently on behavior of the individuals. This in turn limits our knowledge of the consumer behavior in terms of choice making and well-being, for instance, to what extent social networking sites fulfill the social needs (other needs?) of individuals? Does this have any influence on the buying behavior of consumers especially those goods and services which have social value like trendy clothes, latest automobiles etc. How does it influence, say, gift-giving behavior? There are several such questions that need attention and whose answers have the capability to transform the way businesses are carried on; be it the way of communicating to the consumers, be it the way consumers evaluate the various choices and be it the customer relationship management (CRM) practices.

The remainder of the paper proceeds as follow. First of all, background and approach of the study has been presented. Next, the salubriousness of social media for the evolution of identity has been analyzed followed by development of a model of social media and need interaction. A separate section has been devoted to the discussion on the implications of this dynamism of self, due to social media for the businesses. Finally, concluding remarks have been made.

BACKGROUND AND APPROACH

Social Media these days have intruded into the life of more than billion people over the globe and for youth it has become a vital tool for connecting and sharing information. People share thoughts, feelings, pictures, accomplishments etc. with their friends and families through social media. By engaging in such behavior, they not only satisfy their social need but also question their identity and self. When reinforced by the growing individualism and instant gratification it has far-reaching consequences. This has not only implications for the development and evolution of self but has certain sociological and psychological notions of the need relevant for the business as well. How this social media shapes the self and what ramifications it is likely to have for the businesses in the coming time remains terra incognita among researchers and hence the motivation for this study.