

Role of Social Media in Marketing 4.0

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Abstract

Marketing has never been static. It is evolving along with the advancement of technologies and its users. The accelerated pace of emerging technologies had impacted the way marketing used to be done. Available literature suggests the evolution of marketing concepts from marketing 1.0 to marketing 4.0. In the current scenario, the impact of social media from a marketing perspective is remarkable. Social media has completely altered the way marketers target, communicate and engage their customers. The motivation of this study is to explore the available literature on the role of social media in the evolution of the marketing process engaging the perspectives of B2B and B2C. This study is completely based on secondary data.

Web 2.0-enabled ‘social media’ is the result of digitalization that has leveraged customers in many ways. Markedly making them an integral part and contributor to the formulation of marketing strategies. Social media has impacted society at large by impacting every industry and connected aspects of reaching the end customers and hence securing a place in the list of ‘game-changers’ in ‘marketing’. These platforms are not limited to an effective communication tool for socializing but is providing a one-stop solution to marketers and consumers in terms of research and development, awareness, and engagement.

Keywords

Marketing 4.0, B2B, B2C, Customer Path, and Social Media

1. Introduction

Marketing existed since the birth of civilizations. According to the literature initially, marketing was all about exchanging goods or services between the buyers and sellers. Referring to basics the straight definition of a market could be a place where supply and demand meet and marketing involves every necessary set of the process required to fulfill this goal (Roncevic, 2020). It does, however, have hundreds of different

shapes and faces. The reason it has now changed to a more dynamic process “Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large” (American Marketing Association, 2017).

The process of marketing has evolved over the decades, especially during the recent years of industrialization. “Marketing is a discipline in constant change” (Erragcha & Romdhane, 2014). Dussart and Nantel (2007) talked about the shift of marketing from “brand equity” to “customer capital” to “business capital” nowadays. Marketing has changed its focus from production to the customers. To communicate the evolution of marketing and the driving forces behind marketing activities Philip Kotler coined the different generations of marketing as Marketing 1.0, Marketing 2.0, Marketing 3.0, Marketing 4.0, and Marketing 5.0.

Marketing 1.0 was initiated with the start of industrialization when this process used to be product-driven. With time as customers’ awareness started increasing the marketing process shifted from marketing 1.0 (product-driven) to marketing 2.0 (customer-centric). It further evolved as marketing 3.0, as it became more human-centric. Due to technology convergence at large marketing 4.0 came into existence. Marketing 4.0 is also called the natural outgrowth of marketing 3.0 (Kotler, Kartajaya, & Setiawan, Marketing 4.0, 2018). It covers every aspect of human-centric marketing more profoundly, following an individual customer’s journey.

Marketing now is more scalable and responsive (Erragcha & Romdhane, 2014). Web 2.0 facilitated social media platforms are playing the role of game-changer to make information (feedback, reviews, comments, etc.) available ubiquitous, making customers empowered leading the marketing to new concepts like emotional marketing and experimental marketing.

In marketing 4.0, a new generation of marketing approaches, methods, tools, and practices, is being unified with marketing activities continuously or disruptively (Vassileva, 2017). The integration of social media into marketing has made communication one of the strongest components of reaching customers engaging and retaining them. Though communication has been an integral part of human society its role in the information age has added the highest value to it (Tarabasz, 2013).

2. Social Media and Marketing 4.0

The availability of the internet over portable and smart electronic gadgets has drastically transformed the fashion people behave and communicate with each other. Social media platforms have dissolved limitations and boundaries of communication. The power of social media can be anticipated by the statistical report published stating that in October 2021 there were 4.55 billion people constituting 57.6 percent of the total world population as active social media users, spending an average of 2hrs 27m each day accessing these platforms (datareportal.com, 2021).

According to a report, social media network marketing potential is still increasing along with user engagement. The time spent on social media per individual is approximately 144 minutes, this prompts brands across the world to utilize the opportunity to connect to their target customers (Statista, 2022).

With more than 50 percent of the world's population users, social media has become an irreplaceable tool for marketers and business organizations to spread awareness among customers, enhance engagement with them, and finally tapping the action leading to sales generation. It is a type of media that emphasizes the existence of users who engage in their activities and collaboration through a virtual medium that fosters social bonds among users.

The two most important aspects of the social media landscape are its 'platforms' (major and minor) and its 'users'. According to Kotler these platforms and networks are the sources of social inclusiveness (Kotler, Kartajaya, & Setiawan, Marketing 4.0, 2018). These platforms provide an environment to do moreover content, information, behaviors, people, organizations, and institutions—that can exist in an interconnected network (Appel, Grewal, Hadi, & Stephen, 2020).

If seen from the perspective of human behavior, it is a critical part of marketing to trace the footprints of netizens of different generations over social media to have a better and more personalized strategy for customer engagement. Web 2.0 is based on a wide variety of active tools that provide true interactivity between users based on the pooling of individual knowledge and information sharing. Kaplan and Heinlein characterized it as User Generated Content (UGC).

UGC is beneficial for both the marketing perspectives i.e. B2B and B2C because it is again about knowing the customers and tracing the adaptations in the perspective of Omnichannel marketing (Confetto, Conte, Vollero, & Covucci, From Dual Marketing to Marketing 4.0: The Role Played by Digital Technology and the Internet).

3. Dual Marketing Perspective

Marketing 4.0 is not limited to one-way Business-to-Customers (B2C). It is playing an equally significant role in Business-to-Business (B2B) collaborations, interactions, and establishing effective communication (Confetto, Conte, Vollero, & Covucci, From Dual Marketing to Marketing 4.0: The Role Played by Digital Technology and the Internet, 2020). This is also the reason digital transformation has stimulated the use of social media as part of their marketing strategy in B2B and B2C (Kırcova & Yazıcı, 2017).

The customized social media platforms like LinkedIn, Google+, Facebook, Twitter, Weibo, WhatsApp, Instagram, YouTube, etc. are facilitating the strategic interactions and collaborations in different ways, qualifying the strategic need for specific and customized interaction. LinkedIn is the most popular platform for the B2B social media lead generation with 89% B2B users (Hootsuite, 2022), followed by Twitter, Facebook, and Google+ (Komarketing, 2021).

4. Capturing the Specific Need of Customer

B2B and B2C are now moving towards Human-to-Human (H2H) (Kramer, 2014). Though these concepts are inseparable and overlap each other, revolving around the concept of communication among humans (netizens) and their behavior (Confetto, Conte, Vollero, & Covucci, From Dual Marketing to Marketing 4.0: The Role Played by Digital Technology and the Internet).

Capturing and understanding the needs of netizens is a new form of anthropology in a digital context. Social media communities could be one of the best platforms to do so. Refereeing the broader categorization of netizens makes it easy. Similar to the behavioral patterns of different work generations (e.g. Generation X, Y, and Z), internet generations and their behavioral pattern over social media platforms facilitate brands and

organizations to formulate more specific marketing strategies and its application at every customer path (Aware, Appeal, Ask, Act and Advocate) (Kotler, Kartajaya, & Setiawan, Marketing 4.0, 2018).

Web 2.0 enabled social media facilitating interaction, cooperation, and dialogue with target customers is more important than customer orientation. Marketing 4.0 is driving the generations from awareness to advocacy. It shifts in the promotion with the latest customer-oriented digital technology so that marketing activities are no longer solely focused on products, but also on the conveniences and experiences gained by customers as a result of their participation in manufacturers' promotion and production processes.

Different generations of customers are looking for products to meet more than just their basic needs, wants, desires, and concerns, It must also satisfy the customers' creativity and values, as defined in Marketing 3.0, but most importantly, they want to be a part of the product, i.e., they must be able to participate in, interact with, and share their experience (Jara & Parra, 2012).

Kotler et.al. in their book "Marketing 4.0" illustrated to present the human side of the brands and organizations if want to establish better human relations with customers in both perspectives (B2B & B2C) (Brintia, 2018).

5. Findings

- 5.1.** The evolution of the process of marketing continues from marketing 4.0 to marketing 5.0.
- 5.2.** Technological advancement, web 2.0 enabled two-way, paced, and organic communication over different social media platforms is one of the major driving forces behind this evolution.
- 5.3.** Communication over social media platforms play a decisive role in B2B and B2C marketing context. Which is recently termed as H2H (Human-to-Human).
- 5.4.** Social media is the most significant and key factor to trace and understand the psychology of customers (generations) with customer pockets.
- 5.5.** Facilitating customers at each touch point of the customer path is the significant action point driving marketing 4.0.
- 5.6.** Presenting the human side of brands or organizations is a new development to appeal to customers.

6. Conclusion

Marketing 4.0 is an advanced version of marketing 3.0 that invites marketers to focus on the human side of customers by presenting better-integrated purchase and post-purchase experiences in long terms. It is not the replacement of any of the prior versions of marketing 1.0, 2.0, or 3.0 rather is the integration of all covering a broad perspective. Hence, giving immense opportunities to fill the brand-customer relationship gap by making customers a part of the product.

Its inclination is more towards 5A (Aware, Appeal, Ask, Act, and Advocate) of customer path (Rahayu, Herawaty, S, & Prafitriyani, 2018). Marketing 4.0 is more about to the customer by the customers. The marketers need to facilitate this interaction.

Marketing 4.0 is to prioritize the human being, creating authentic brands that act the same, are appealing and approachable, and are transparent about their strengths and weaknesses. So that customers can accept them as long as they are sincere, and work to improve customers' experiences. In the aura of marketing 4.0, for brands and organizations, social media is paced and direct mode to share their community's beliefs and become a part of their customers' lifestyles.

7. Future Research Directions

Marketing is transforming dynamically and so does the customers hence the opportunities are immense for further research scopes. Philip Kotler has come up with the new Marketing 5.0: Technology for Humanity (Kotler, Kartajaya, & Setiawan, 2021). The need for Marketing 5.0 lies in the accelerated pace of digital adoption and transformation across the world arising due to the unprecedented Covid-19 situation.

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