"EFFECTIVENESS OF SOCIAL NETWORKING SITES AS A TOOL OF ADVERTISING"

Final Project Report

Submitted To
Institute Of Management Technology
in partial fulfillment of the requirement
for the degree of

MASTER OF BUSINESS ADMINISTRATION

Under Supervision: **Submitted By:**

…………………   ………
                                                        Roll-on:

Institute Of Management Technology
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PREFACE

Project research work in the college infers among students a sense of cultural analysis to apply of real managerial situation, to which they will exposed later on. It gives them opportunity to apply their conceptual, theoretical and imaginative skills to the real life situation and to evaluate results thereafter.

I was lucky to have got opportunity to get the project of my interest. I worked on the project for around three months and prepare my project on the topic *"Effectiveness of Social networking sites as a tool of advertising"*

The report is written account of what I learnt experience and explored during my research.

CERTIFICATE

This is to certify that **………………..**, a student has completed project work on titled **"EFFECTIVENESS OF SOCIAL NETWORKING SITES AS A TOOL OF ADVERTISING"** under my guidance and supervision.

I certify that this is an original work and has not been copied from any source.

Signature of Guide   :_____

Name of Project Guide :_____

Date   :_____

ACKNOWLEDGEMENT

With Candor and Pleasure I take opportunity to express my sincere thanks and obligation to my esteemed guide **…………………...** It is because of his able and mature guidance and co-operation without which it would not have been possible for me to complete my project.

It is my pleasant duty to thank all the staff member of the computer center who never hesitated me from time during the project.

Finally, I gratefully acknowledge the support, encouragement & patience of my family, and as always, nothing in my life would be possible without God, Thank You!

(STUDENT NAME)
(ENROLLMENT NO.)

DECLARATION

I hereby declare that this project work titled **"EFFECTIVENESS OF SOCIAL NETWORKING SITES AS A TOOL OF ADVERTISING"** is my original work and no part of it has been submitted for any other degree purpose or published in any other from till date.

(STUDENT NAME)
(ENROLLMENT NO.)

ABSTRACT

The research project **"Effectiveness of Social networking sites as a tool of advertising"** was undertaken with the objective to understand the effectiveness of the advertisement on the users of social networking sites. The various aspects studied 1.To evaluates the effectiveness of display advertisement on social networking sites. 2. To understand user reaction towards social networking sites based advertisement. 3. To study advertisement recall status of users of social networking sites. Primary data was collected from 100 respondents by means of questionnaire. The data is analyzed by a number of statistical tools to arrive at certain results. These results are likely to describe the various aspects of users regarding social networking based advertisement.

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CHAPTER 1

INTRODUCTION TO SOCIAL NETWORKING SERVICE

 A social networking service focuses on building online communities of people who share interests and activities, or who are interested in exploring the interests and activities of others. Most social network services are web based and provide a variety of ways for users to interact, such as e-mail and instant messaging services. Social networking has encouraged new ways to communicate and share information. Social networking websites are being used regularly by millions of people.

While it could be said that email and websites have most of the essential elements of social network services, proprietary encapsulated services gained popularity in the first decade of the 21st century.

1.1 History of social networking sites (SNS)

Early social networking websites started in the form of generalized online communities such as The WELL (1985), Theglobe.com (1994), Geocities (1994) and Tripod (1995). These early communities focused on bringing people together to interact with each other through chat rooms, and share personal information and ideas around any topics via personal homepage publishing tools which were a precursor to the blogging phenomenon. Some communities took a different approach by simply having people link to each other via email addresses. These sites included Classmates.com (1995), focusing on ties with

former school mates, and SixDegrees.com (1997), focusing on indirect ties. User profiles could be created, messages sent to users held on a friends list and other members could be sought out who had similar interests to yours in their profiles. Whilst these features had existed in some form before SixDegrees.com came about, this would be the first time these functions were available in one package. Despite these new developments (that would later catch on and become immensely popular), the website simply wasn't profitable and eventually shut down. It was even described by the website's owner as "simply ahead of its time." One such model of social networking that came about in 1999 was trust-based, such as that developed by Epinions.com. Innovations included not only showing who "friends" with whom is, but giving users more control over content and connectivity. Between 2002 and 2004, three social networking sites emerged as the most popular form of these sites in the world, causing such sites to become part of mainstream users globally. First there was Friendster (which Google tried to acquire in 2003), then, MySpace, and finally, Bebo. By 2005, MySpace, emergent as the biggest of them all, was reportedly getting more page views than Google. 2004 saw the emergence of Facebook, a competitor, also rapidly growing in size. In 2006, Facebook opened up to the non US college community, and together with allowing externally-developed add-on applications, and some applications enabled the graphing of a user's own social network - thus linking social networks and social networking, became the largest and fastest growing site in the world, not limited by particular geographical followings. It is estimated that combined there are now over 200 social networking sites using these existing and emerging social networking models, without counting the niche social networks (also referred to as vertical social networks) made possible by services such as Ning. Twitter now has recently (2009) eclipsed many other social network services and although lacking in some

of what were considered the essential aspects of a SNS, has allowed add-on services to connect and supply these services via its public API.

1.2 How does a social networking site work (SNS)?

While SNSs have implemented a wide variety of technical features, their backbone consists of visible profiles that display an articulated list of Friends who are also users of the system. Profiles are unique pages where one can type oneself into being. After joining an SNS, an individual is asked to fill out forms containing a series of questions. The profile is generated using the answers to these questions, which typically include descriptors such as age, location, interests, and an "about me" section. Most sites also encourage users to upload a profile photo. Some sites allow users to enhance their profiles by adding multimedia content or modifying their profile's look and feel. Others, such as Facebook, allow users to add modules ("Applications") that enhance their profile.

The visibility of a profile varies by site and according to user discretion. By default, profiles on Orkut or hi5.com are crawled by search engines, making them visible to anyone, regardless of whether or not the viewer has an account. Alternatively, sites like MySpace allow users to choose whether they want their profile to be public or "Friends only." Facebook takes a different approach—by default, users who are part of the same "network" can view each other's profiles, unless a profile owner has decided to deny permission to those in their network. Structural variations around visibility and access are one of the primary ways that SNSs differentiate themselves from each other.

The public display of connections is a crucial component of SNSs. The Friends list contains links to each Friend's profile, enabling viewers to traverse the network graph by

clicking through the Friends lists. On most sites, the list of Friends is visible to anyone who is permitted to view the profile, although there are exceptions.

Most SNSs also provide a mechanism for users to leave messages on their Friends' profiles. This feature typically involves leaving "comments," although sites employ various labels for this feature. In addition, SNSs often have a private messaging feature similar to webmail. While both private messages and comments are popular on most of the major SNSs, they are not universally available. Beyond profiles, Friends, comments, and private messaging; SNSs vary greatly in their features and user base. Some have photo-sharing or video-sharing capabilities; others have built-in blogging and instant messaging technology. Many SNSs target people from specific geographical regions or linguistic groups, although this does not always determine the site's constituency. Orkut, for example, was launched in the United States with an English-only interface, but Portuguese-speaking Brazilians quickly became the dominant user group. Some sites are designed with specific ethnic, religious, sexual orientation, political, or other identity-driven categories in mind. There are even SNSs for dogs (Dogster) and cats (Catster), although their owners must manage their profiles.

While SNSs are often designed to be widely accessible, many attract homogeneous populations initially, so it is not uncommon to find groups using sites to segregate themselves by nationality, age, educational level, or other factors that typically segment society, even if that was not the intention of the designers.

1.3 Features of social networking sites (SNS)

Normal features

Almost all social network have a set of features which are considered essential to qualify as a social networking service, namely: the ability to set up and customize a personal profile, an ability for members to comment, fine granular control of who sees what (privacy settings), ability to block an unwanted member, have own page of personal entries or notes and individual picture albums, ability to own, form or be member of a Group or Community.

Additional features

Some social networks have additional features, such as the ability to create groups that share common interests or affiliations, upload or stream live videos, and hold discussions in forums. Lately, mobile social networking has become popular. In most mobile communities, mobile phone users can now create their own profiles, make friends, participate in chat rooms, create chat rooms, hold private conversations, share photos and videos, and share blogs by using their mobile phone. Mobile phone users are basically open to every option that someone sitting on the computer has. Some companies provide wireless services which allow their customers to build their own mobile community and brand it, but one of the most popular wireless services for social networking in North America is Facebook Mobile. Other companies provide new innovative features which extend the social networking experience into the real world

1.4 Emerging Trends in Social Networks

As the increase in popularity of social networking is on a constant rise, new uses for the technology are constantly being observed.

One popular use for this new technology is social networking between businesses. Companies have found that social networking sites such as Facebook and Twitter are great ways to build their brand image. According to Jody Nimetz, author of Marketing Jive, there are five major uses for businesses and social media: to create brand awareness, as an online reputation management tool, for recruiting, to learn about new technologies and competitors, and as a lead gen tool to intercept potential prospects. These companies are able to drive traffic to their own online sites while encouraging their consumers and clients to have discussions on how to improve or change products or services.

A final rise in Social Network use is being driven by college students using the services to network with professionals for internship and job opportunities. Many studies have been done on the effectiveness of networking online in a college setting, and one notable one is by Phipps Arabie and Yoram Wind published in Advances in Social Network Analysis. The most popular social networking sites are facebook, Myspace, Twitter, and Youtube but a number of new sites and social groups are born each day. Ning.com allows you to create your own social networking site to fit your own niche group.

1.5 Application domains

1.5.1 Government applications

Social networking is more recently being used by various government agencies. Social networking tools serve as a quick and easy way for the government to get the opinion of the public and the keep the public updated on their activity. The Centers for Disease Control demonstrated the importance of vaccinations on the popular children's site Whyville and the National Oceanic and Atmospheric Administration has a virtual island on Second Life where people can explore underground caves or explore the effects of global warming. Similarly, NASA has taken advantage of a few social networking tools, including Twitter and Flickr. They are using these tools to aid the Review of U.S. Human Space Flight Plans Committee, whose goal it is to ensure that nation is on a vigorous and sustainable path to achieving its boldest aspirations in space.

1.5.2. Business applications

The use of social network services in an enterprise context presents the potential of having a major impact on the world of business and work. Social networks connect people at low cost; this can be beneficial for entrepreneurs and small businesses looking to expand their contact bases. These networks often act as a customer relationship management tool for companies selling products and services. Companies can also use social networks for advertising in the form of banners and text ads. Since businesses operate globally, social networks can make it easier to keep in touch with contacts around the world.

One example of social networking being used for business purposes is LinkedIn.com, which aims to interconnect professionals. LinkedIn has over 40 million users in over 200

countries. Another is the use of physical spaces available to members of a social network such as Hub Culture, an invitation only social network for entrepreneurs, and other business influential's, with Pavilions in major cities such as London, UK. Having a physical presence allows members to network in the real world, as well as the virtual, adding extra business value.

Application of social networking sites have extended toward business and brands are creating their own, high functioning sites, a sector known as brand networking. It is the idea a brand can build its consumer relationship by connecting their consumers to the brand image on a platform that provides them relative content, elements of participation, and a ranking or score system.

1.5.3. Dating applications

Many social networks provide an online environment for people to communicate and exchange personal information for dating purposes. Intentions can vary from looking for a one time date, short-term relationships, and long-term relationships.

Most of these social networks, just like online dating services, require users to give out certain pieces of information. This usually includes a user's age, gender, location, interests, and perhaps a picture. Releasing very personal information is usually discouraged for safety reasons. This allows other users to search or be searched by some sort of criteria, but at the same time people can maintain a degree of anonymity similar to most online dating services. Online dating sites are similar to social networks in the sense that users create profiles to meet and communicate with others, but their activities on such sites are for the sole purpose of finding a person of interest to date. Social networks do not necessarily have to be for dating; many users simply use it for keeping in touch with

friends. However, an important difference between social networks and online dating services is the fact that online dating sites usually require a fee, where social networks are free. This difference is one of the reasons the online dating industry is seeing a massive decrease in revenue due to many users opting to use social networking services instead. Many popular online dating services such as Match.com, Yahoo Personals, and eHarmony.com are seeing a decrease in users, where social networks like MySpace and Facebook are experiencing an increase in users.

1.5.4. Educational applications

The **National School Boards Association** reports that almost 60 percent of students who use social networking talk about education topics online and, surprisingly, more than 50 percent talk specifically about schoolwork. Yet the vast majority of school districts have stringent rules against nearly all forms of social networking during the school day — even though students and parents report few problem behaviours online.

Social networks focused on supporting relationships between teachers and between teachers and their students are now used for learning, educator professional development, and content sharing. Ning for teachers, Learn Central, and other sites are being built to foster relationships that include educational blogs, eportfolios, formal and ad hoc communities, as well as communication such as chats, discussion threads, and synchronous forums. These sites also have content sharing and rating features.

1.5.5. Medical applications

Social networks are beginning to be adopted by healthcare professionals as a means to manage institutional knowledge, disseminate peer to peer knowledge and to highlight individual physicians and institutions. The advantage of using a dedicated medical social

networking site is that all the members are screened against the state licensing board list of practitioners. The role of social networks is especially of interest to pharmaceutical companies who spend approximately "32 percent of their marketing dollars" attempting to influence the opinion leaders of social networks.

A new trend is emerging with social networks created to help its members with various physical and mental ailments. For people suffering from life altering diseases, PatientsLikeMe offers its members the chance to connect with others dealing with similar issues and research patient data related to their condition. For alcoholics and addicts, SoberCircle gives people in recovery the ability to communicate with one another and strengthen their recovery through the encouragement of others who can relate to their situation. Daily strength is also a website that offers support groups for a wide array of topics and conditions, including the support topics offered by PatientsLikeMe and SoberCircle. SparkPeople offers community and social networking tools for peer support during weight loss.

CHAPTER -2

POPULAR SOCIAL NETWORKING SITES (SNS)

2.1. Orkut: is a social networking website that is owned and operated by Google Inc. The service is designed to help users meet new friends and maintain existing relationships. The website is named after its creator, Google employee Orkut buyukkokten. Although Orkut is less popular in the United States than competitors Facebook and MySpace, it is one of the most visited websites in India and Brazil. In fact, as of December 2009, 51.09% of Orkut's users are from Brazil, followed by India with 20.02% and United States with 17.28%.

As of February 2010**, Alexa traffic** ranked Orkut **61st in the world**; the website currently has more than 100 million active users worldwide. The graph below depicts the total number of unique visitors worldwide per month on Orkut from the perod of 4/2009 to 2/2010 as per by **Compete.com**.
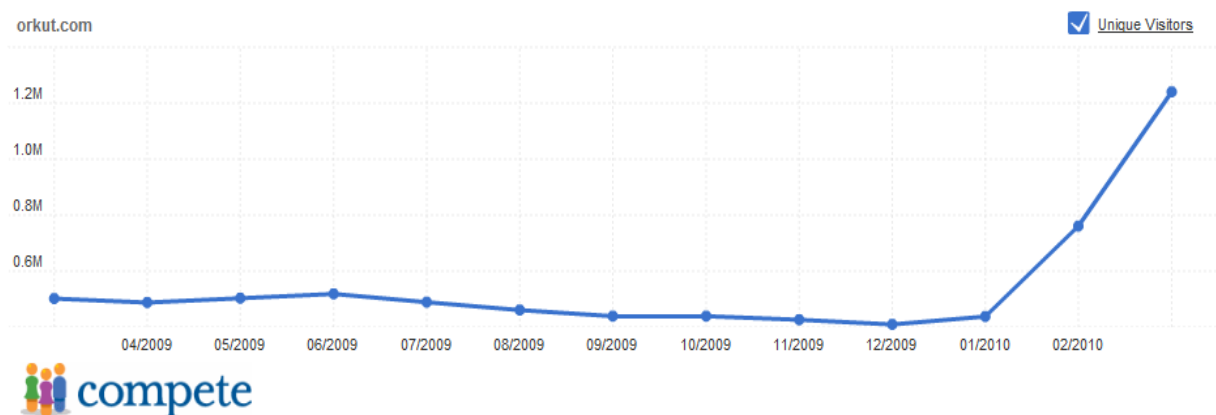
Figure 2.1 Total number of unique visitors of Orkut

2.1.2. Orkut India:-

Orkut is ranked as **first** most visited site in India as it allowing users to send messages, share photos, and make new friends. The initial target market for orkut was the United States, but the majority of its users are in Brazil. In fact, as of December 2008, Orkut is the **most visited social networking site in India** this December 2008 with more than **12.8 million** visitors, an increase of 81 percent from the previous year. In fact Orkut's audience is three times its nearest competitor Facebook

2.1.3 Facts about Orkut India:

The following facts reveals that Orkut is the most popular and visited site in India.

Over 13 million active users, more than 40% of the Indian online population

Average user visits the site 10 times each month, spending over 13 minutes per visit.

Over 5 billion pageviews in India each month

India ranks **2nd** worldwide when it comes to the traffic on Orkut i.e. number of unique visitors per month as per April13, 2010.

2.2. Facebook is a social networking website that is operated and privately owned by Facebook, Inc. Since September 2006, anyone over the age of 13 with a valid e-mail address can become a Facebook user. Facebook's target audience is more for youths than adults. Users can add friends and send them messages, and update their personal profiles to notify friends about themselves. Additionally, users can join networks organized by workplace, school, or college. The website's name stems from the colloquial name of books given to students at the start of the academic year by university administrations in the US with the intention of helping students to get to know each other better.

Facebook was founded by Mark Zuckerberg with his college roommates and fellow computer science students Eduardo Saverin, Dustin Moskovitz and Chris Hughes. The website's membership was initially limited by the founders to Harvard students, but was expanded to other colleges in the Boston area, the Ivy League, and Stanford University. It later expanded further to include any university student, then high school students, and, finally, to anyone aged 13 and over. The website currently has more than **400 million** active users worldwide. The original concept for Facebook was borrowed from a product produced by Zuckerberg's prep school Phillips Exeter Academy which for decades published and distributed a printed manual of all students and faculty, unofficially called the "face book".

A January 2009 Compete.com study ranked Facebook as the most used social network by worldwide monthly active users, followed by MySpace. *Entertainment Weekly* put it on its end-of-the-decade 'best-of' list, saying, "How on earth did we stalk our exes, remember our co-workers' birthdays, bug our friends, and play a rousing game of Scrabulous before Facebook?"

2.2.1. Statics of the Facebook worldwide user

Facebook has now more than ever become a potent force on the web and also a "parallel" internet. Optimization on Facebook is a must for every organization, brand and individual.

Facebook General Growth

- More than 250 million active users

- More than 120 million users log on to Facebook at least once each day

- More than two-thirds of Facebook users are outside of college

- The fastest growing demographic is those 35 years old and older

Facebook User Engagement

- Average user has 120 friends on the site

- More than 5 billion minutes are spent on Facebook each day (worldwide)

- More than 30 million users update their statuses at least once each day

- More than 8 million users become fans of Pages each day

Facebook Applications

- More than 1 billion photos uploaded to the site each month

- More than 10 million videos uploaded each month

- More than 1 billion pieces of content (web links, news stories, blog posts, notes, photos, etc.) shared each week

- More than 2.5 million events created each month

- More than 45 million active user groups exist on the site

Facebook International Growth

- More than 50 translations available on the site, with more than 40 in development

- About 70% of Facebook users are outside the United States

Facebook Platform

- More than one million developers and entrepreneurs from more than 180 countries

- Every month, more than 70% of Facebook users engage with Platform applications

- More than 350,000 active applications currently on Facebook Platform

- More than 200 applications have more than one million monthly active users

- More than 15,000 websites, devices and applications have implemented Facebook Connect since its general availability in December 2008

2.2.2. Statics of Facebook users in India

Facebook as a social networking medium has grown by leaps and bounds in India. This is significant because India were the largest consumers of Orkut the Google property that kick started the social networking revolution in India. In fact "Orkutting" and "Scrapping" (sic) had become a part of the lexicon of the average internet savvy user in India much before"facebooking" and "tweeting" did. But over the years (somewhere between 2007 & 2009) the emergence of Facebook as the social network of choice has seen a gradual decline in active Orkut usage.

Facebook has approximately 7,779,180 users in India as per Social media on 26-03-10.................

The table below depicts the age profile and relationship status of Facebook users in India.

By age group		
Age group	Number of people	Percentage
Age group – 13-17	580,080	(7.46 %)
Age group – 18-21	2,128,660	(27.36 %)
Age group – 22-25	1,948,100	(25.04 %)
Age group – 26-30	1,430,520	(18.39 %)
Age group – 31-40	1,027,180	(13.2 %)
Age group – 40-64	518,520	(6.67 %)

Table 2.1 Age profile and relationship status of Facebook users in India

The data compiled by Social media reveals that Facebook has major chunk of population ranging between the ages of 18-25, followed by age group 26-30. So majority of Facebook users are youngsters.

Relationship status of users		
Number of users who are single	2,088,880	(26.85 %)
Number of users who are engaged	52,300	(0.67 %)
Number of users who are in a relationship	181,020 (2.33 %)	(2.33 %)
Number of users who are married	647,140	(8.32 %)

Table 2.2 Relationship status of users of facebook

According to above facts and figures 26.85% of population is single followed by 8.32 are married. 2 .33% of population are in some relationship while 0.67% are engaged.

The graph below depicts the total number of unique visitors worldwide per month on Facebook from the period of 4/2009 to 2/2010 as per by **Compete.com**

Figure 2.2 Total number of unique visitors of facebook
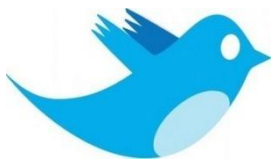
2.3. Twitter is a social networking and microblogging service that enables its users to send and read messages known as *tweets*. Tweets are text-based posts of up to 140 characters displayed on the author's profile page and delivered to the author's subscribers who are known as *followers*. Senders can restrict delivery to those in their circle of friends or, by default, allow open access. Since late 2009, users can follow lists of authors instead of following individual authors. All users can send and receive tweets via the Twitter website, Short Message Service or external applications. While the service itself costs nothing to use, accessing it through SMS may incur phone service provider fees. The website currently has more than 100 million users worldwide. Since its creation in 2006 by Jack Dorsey, Twitter has gained notability and popularity worldwide. It is sometimes described as "SMS of the Internet." The use of Twitter's application programming interface for sending and receiving text messages by other applications often eclipses direct use of Twitter.

2.3.1. Rankings

Twitter is ranked as one of the 50 most popular websites worldwide by Alexa's web traffic analysis. Although estimates of the number of daily users vary because the company does not release the number of active accounts, a February 2009 Compete.com blog entry ranked Twitter as the third most used social network based on their count of 6 million unique monthly visitors and 55 million monthly visits. In March 2009, a Nielsen.com blog ranked Twitter as the fastest-growing site in the Member Communities category for February 2009. Twitter had a monthly growth of 1,382 percent, followed by Facebook with an increase of 228 percent. However, only 40 percent of Twitter's users are retained. The graph below depicts the total number of unique visitors worldwide per month on Twitter from the period of 4/2009 to 2/2010 as per **Compete.com.**
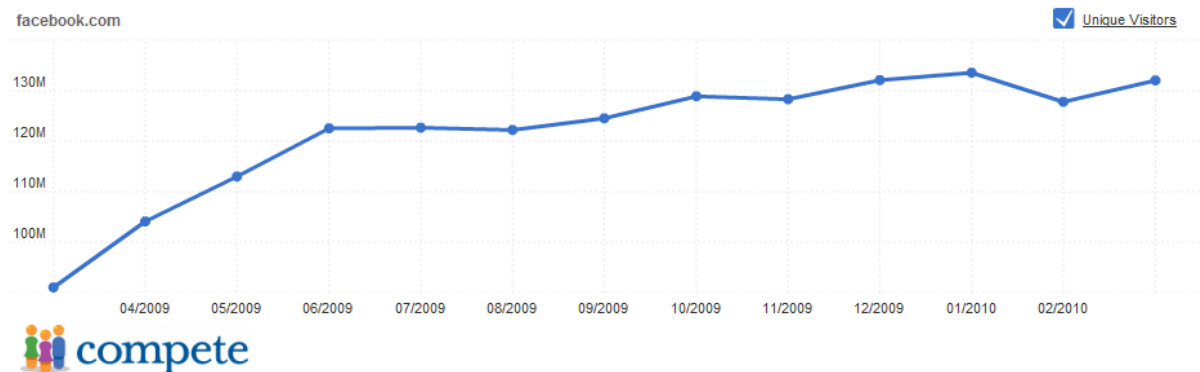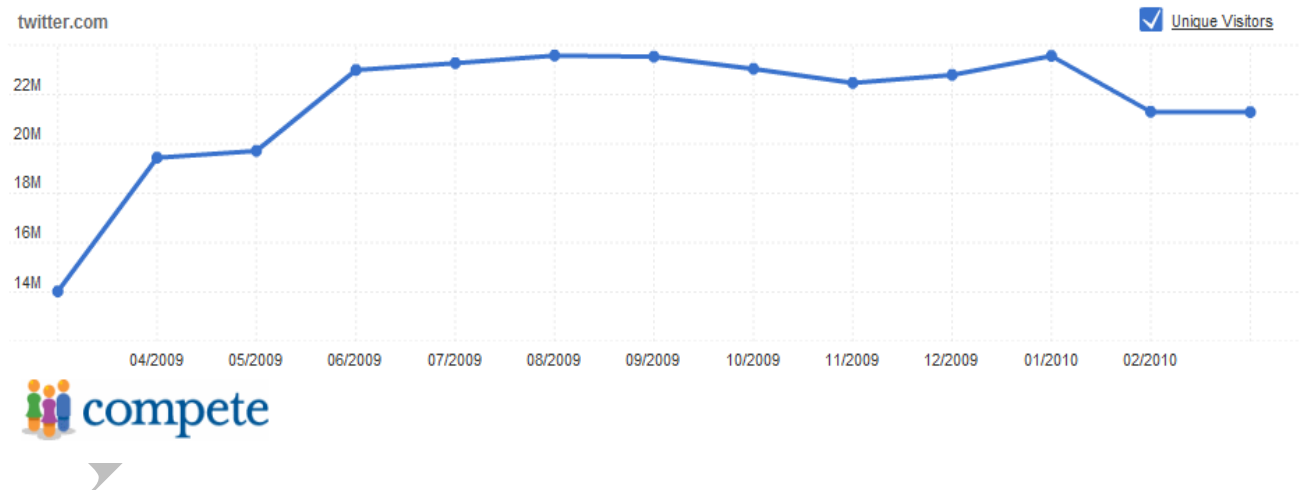
Figure 2.3 Total number of Unique visitors of Twitter

2.3.2. Twitter statics worldwide

Twitter has achieved an unprecedented growth, and here are some interesting stats :

- 72.5% of all users joining during the first five months of 2009

- 85.3% of all Twitter users post less than one update/day

- 21% of users have never posted a Tweet!

- 5% of Twitter users account for 75% of all activity.

- In terms of new twitter users, India is the 9th growing country.

- 93.6% of users have less than 100 followers, while 92.4% follow less than 100 people

- There are more women on Twitter (53%) than men (47%), though when it comes to activity, male (54%) outnumber females (46%).

- Of the people who identify themselves as marketers, 15% follow more than 2,000 people.

2.3.3. Behaviour aspects

- Until people have 150 followers, they follow about the same number of people. After that, this starts to break down.

- The average number of tweets made by the average Twitter user based on how many followers they have. Twitter users with a higher number of friends and followers tend to tweet more often

- **92.4% of Twitter users follow less than 100 people,** while 97.8% of Twitter users follow less than 400 people.

- The average number of tweets made by the average Twitter user based on how many people they follow.

The following graph depicts top 10 countries as per twitter account created and India's ranked 9th in creation of new account.
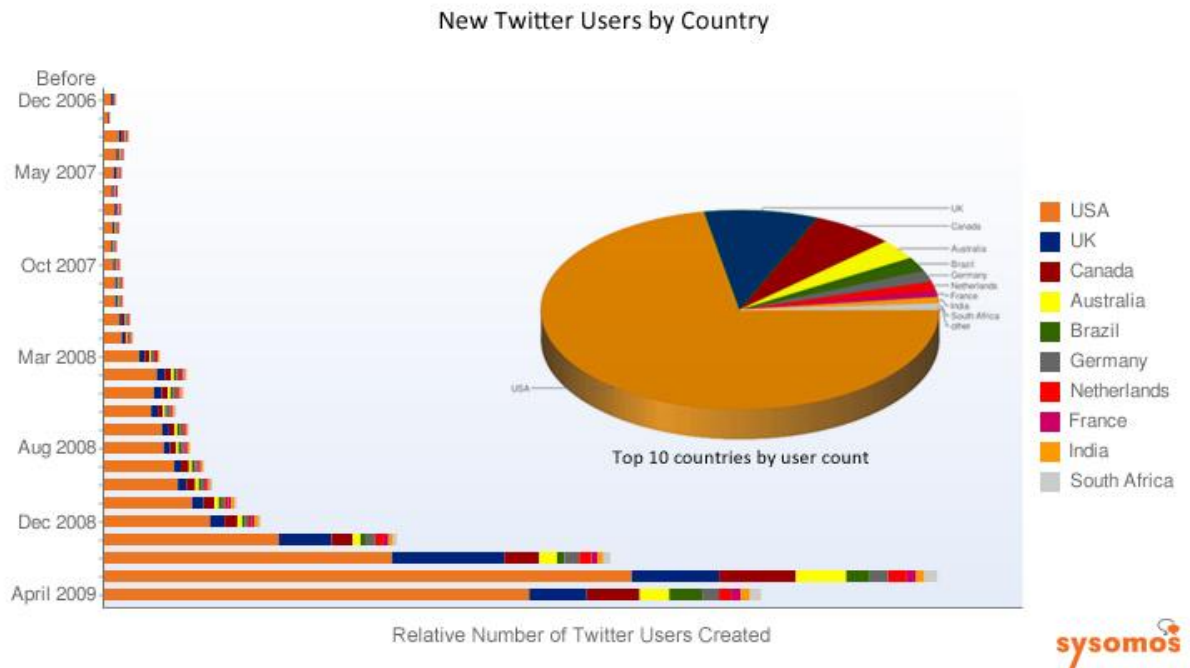
Figure 2.4 Top 10 countries as per Twitter account creation.

2.3.4. Twitter audience profile in India

Twitter.com continues to grow in popularity and importance in India No longer just a platform for friends to stay connected in real time, it has evolved into an important component of brand marketing. Unique visitors to Twitter in India of age group 15 + comprise 119000, followed by 18+ that comprise 118000 visitors.

Twitterers are not primarily teens or college students as you might expect. In fact, the largest age group on Twitter was 35-44; with nearly 90,000 unique visitors, comprising almost 30 percent of the site's audience.

Total Audience	Total Unique Visitors (in '000)
15+	119
18+	118
25+	72
35+	29
15-24	47
25-34	43
35-44	18

Data as per Feb 2010
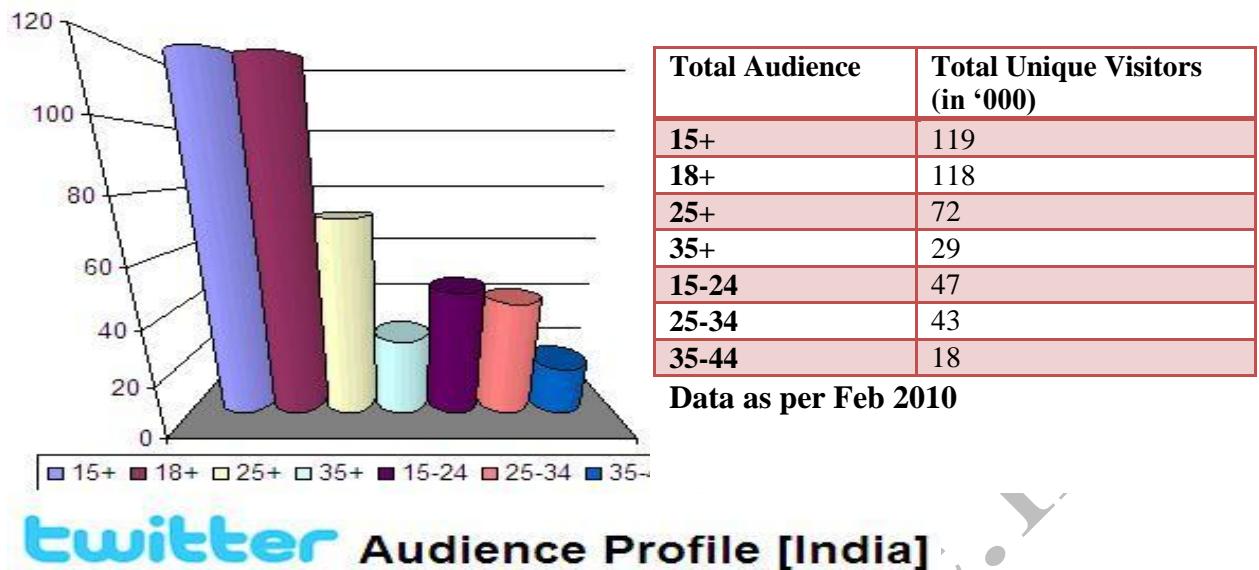
Figure 2.5 Audience profile of Twitter in India

2.4. MySpace is a social networking website with **125 million** active users worldwide. Its headquarters are in Beverly Hills, California where it shares an office building with its immediate owner, News Corp. Digital Media, owned by News Corporation. MySpace became the most popular social networking site in the United States in June 2006. According to comScore, MySpace was overtaken internationally by its main competitor, Facebook, in April 2008, based on monthly unique visitors. MySpace employs 1,000 employees, after laying off 30% of its workforce in June 2009; the company does not disclose revenues or profits separately from News Corporation.

2.4.1. Revenue model

MySpace operates solely on revenues generated by advertising as its user model possesses no paid-for features for the end user. Through its Web site and affiliated ad networks, MySpace is second only to Yahoo in its capacity to collect data about its users and thus in its ability to use behavioural targeting to select the ads each visitor sees.

On August 8, 2006, search engine Google signed a $900 million deal to provide a Google search facility and advertising on MySpace. MySpace has proven to be a windfall for many smaller companies that provide widgets or accessories to the social networking giant. Companies such as Slide.com, RockYou!, and YouTube were all launched on MySpace as widgets providing additional functionality to the site. Other sites created layouts to personalize the site and made hundreds of thousands of dollars for its owners most of whom were in their late teens and early twenties.

In November 2008, MySpace announced that user-uploaded content that infringed on copyrights held by MTV and its subsidiary networks would be redistributed with advertisements that would generate revenue for the companies.

2.4.2. **My Space Statics**

By February 2004, MySpace reached 1 million registered users. By November 2004, that number had reached 5 million. In July, 2005 News Corporation bought eUniverse (renaming it Intermix Media) for $580 M, of which approximately $327 M was the valuation of MySpace. At this time, the site had 20 million registered users. In mid 2007, News Corporation contemplated selling 25% of MySpace stock to Yahoo! in a deal that would have valued the site at $12 B, though this never went through. My space has around 2 million active users in India. The graph below depicts the total number of unique visitors worldwide per month on Myspace from the period of 4/2009 to 2/2010 as per **Compete.com**

Figure 2.6 Total number of Unique visitors of Myspace

2.5. Hi5is a social networking website. The company was founded in 2003 by Ramu Yalamanchi. Bill Gossman was appointed CEO in April 2009, and Alex St. John joined as President and CTO in November 2009. In early 2010, hi5 acquired social gaming company, Big Six. The company raised $20 million in series A venture capital from Mohr Davidow Ventures, as well as $15 million in venture debt, in 2007, and announced it had raised $3 million convertible note from existing investor Mohr Davidow, bringing the funding up to $38 million.

2.5.1. Features

In Hi5, users create an online profile in order to show information such as interests, age and hometown and upload user pictures where users can post comments. Hi5 also allows the user to create personal photo albums, play online games, and set up a music player in the profile. Users can also send friend requests via e-mail to other users. When a person receives a friend request, he may accept or decline it, or block the user altogether. If the

user accepts another user as a friend, the two will be connected directly or in the 1st degree. The user will then appear on the person's friend list and vice-versa.

In early 2010, Hi5 began to evolve from a social network into a site focused on social gaming and opened to new game developer. The graph below depicts the total number of unique visitors worldwide per month on Hi5 from the period of 4/2009 to 2/2010 as per **Compete.com.**
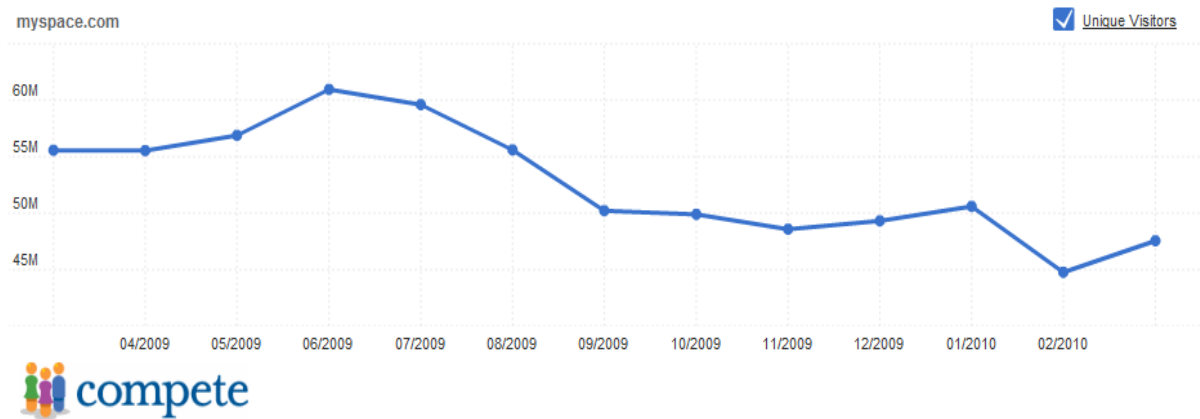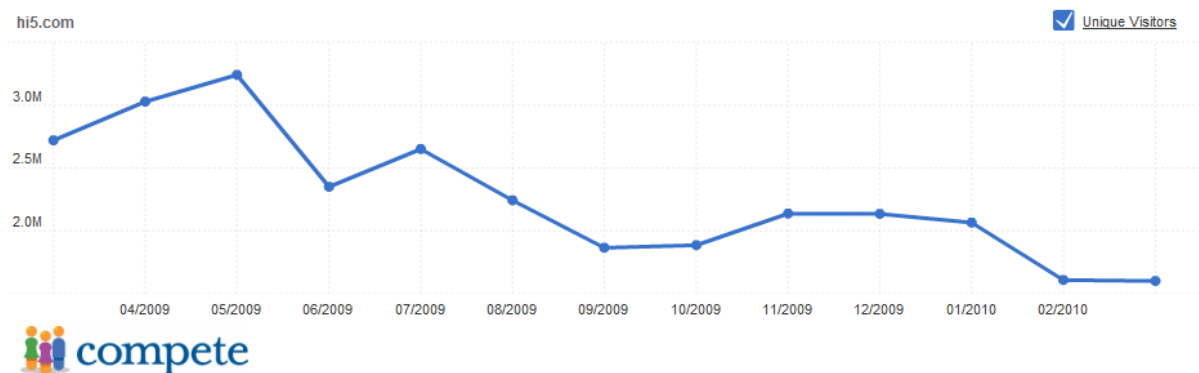

Figure 2.7 Total number of Unique visitors of Hi5

2.6. LinkedIn is a business-oriented social networking site. Founded in December 2002 and launched in May 2003, it is mainly used for professional networking. As of 8 April 2010, LinkedIn had more than **65 million** registered users, spanning more than 200 countries and territories worldwide. LinkedIn's CEO is Jeff Weiner, previously a Yahoo! Inc. executive. The company was founded by Reid Hoffman and founding team members from Paypal and Socialnet.com Founder Reid Hoffman, previously CEO of LinkedIn, is now Chairman of the Board. Dipchand Nishar is Vice President of Products. LinkedIn is headquartered in Mountain View, California, with offices in Omaha, Chicago, New York and London.

They are funded by Greylock, Sequoia Capital, Bain Capital Ventures, Bessemer Venture Partners and the European Founders Fund. LinkedIn reached profitability in March 2006.

On June 17, 2008, Sequoia Capital, Greylock Partners, and other venture capital firms purchased a 5% stake in the company for $53 million, giving the company a post-money valuation of approximately $1 billion.

2.6.1. Statics of LinkedIn

As per Feb 2010, LinkedIn has **50 million users** worldwide and they are growing that figure at roughly one new member per second. When LinkedIn launched in 2003, it took 477 days — almost a year and four months — to reach their first million members. This last million took only 12 days.

LinkedIn has been global since inception — about half of their total membership is international. There are now 11 million users in Europe alone. India is currently is the fastest-growing country with **almost 3 million users**, while the Netherlands has the highest rate of adoption per capita outside the U.S., at 30%.

While 50 million is an important milestone, they are even more excited about how their members are using the site. Around the globe, people turn to LinkedIn to create and manage their professional identities online. They reconnect with former colleagues and develop new relationships, enabling them to create and collaborate with a network of trusted individuals. Every day professionals use LinkedIn to define themselves —and their businesses — to the world. The graph below depicts the total number of unique visitors worldwide per month on LinkedIn from the period of 4/2009 to 2/2010 as per

Compete.com.
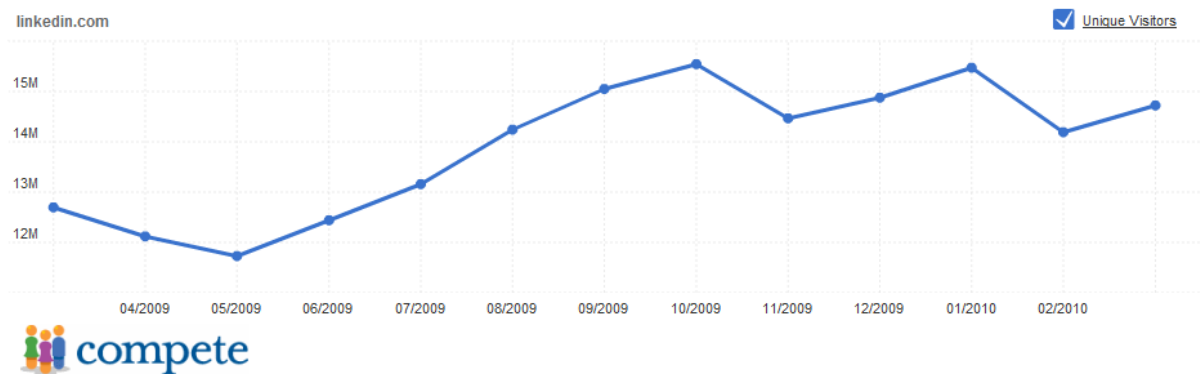
Figure 2.8 Total number of unique visitors of LinkedIn

2.7. BeBo an acronym for "**Blog early, blog often**", is a social networking website, founded in January 2005. There is now tailored content targeted at UK, Ireland, Australia, NZ, US English and US Latino, Canada, France, Germany, Italy, Spain, Netherlands and India, with the site being available in English, French, German, Spanish, Italian, Dutch and Polish. Founded by husband and wife Michaeland Xochi Birch, Bebo had a major relaunch in July 2005.

It was bought by AOL on March 13, 2008 for $850 m. In April of 2010, AOL announced that **they are planning to sell or shut down Bebo**, perhaps as soon as May, 2010. This was mainly due to the falling numbers of unique users, Bebo users were moving to the growing Facebook and to MySpace. The graph below depicts the total number of unique visitors worldwide per month on Bebo from the period of 4/2009 to 2/2010 as per **Compete.com.**

Unique Visitors
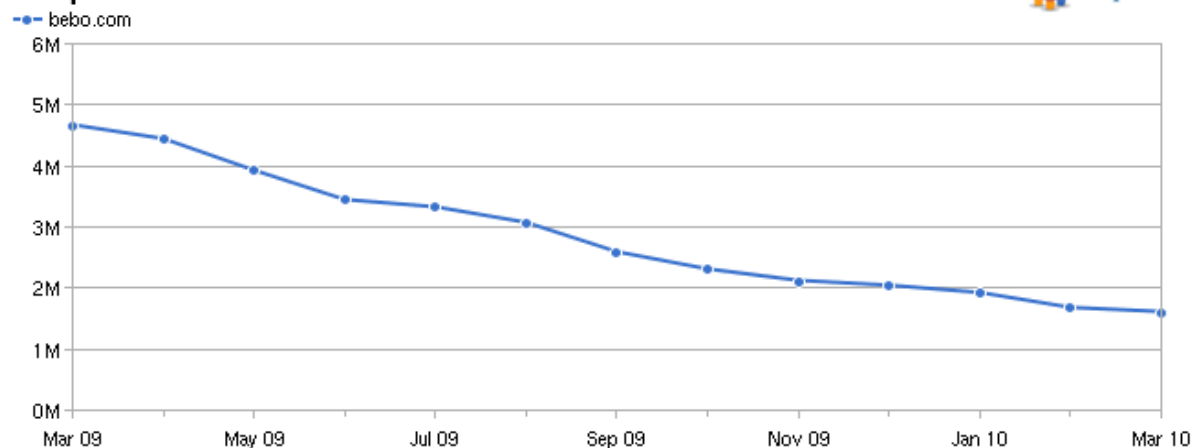
Figure 2.9 Total number of unique visitors of Bebo

2.8. Bharatstudent.com is the third most popular social networking site with 3.3 million visitors (up 88 percent) followed by hi5 **with 2 million visitors** (up 182 percent).is a social utility that brings together all the young Indians living across the globe. It is for every Young Indian who is a student or a non-student, fresh graduate, a working professional or an Entrepreneur, and is focused on providing comprehensive solutions for any personal and professional issues.

Bharatstudent.com provides services such as Study zone, cafe bharat, Classifieds, Greeting, and store. In Classifieds the user can look for various categories and hence can narrow down to his perusal. In the greetings section the user has the chance to select among various available greeting cards and can greet his/her friends with them. In Store the user has the option of shopping various products such as books, DVD's etc.

2.9. Top 10 social networking sites in India

Global social networking brands are continuously gaining prominence in India, and this is quite evident from comScore's recent report on India's top social networking sites. As

compared to the previous year (2007), there has been a 51 % increase in the number of visitors on such sites amounting to more than 19 million visitors by the end of 2008.Orkut tops the list followed by Facebook and Bharatstudent at rank 3. They elaborate that Orkut is the **most visited social networking site in India** this December 2008 with more than 12.8 million visitors, an increase of 81 percent from the previous year. In fact Orkut's audience is three times its nearest competitor Facebook. Facebook is second most popular Indian social networking site with 4 million visitors, up 150 percent versus year ago. The third most popular social networking site is Bharatstudent, with 3.3 million visitors followed by hi5 with 2 million visitors. Top 10 Social Networking Sites in India (2008 vs. 2007)

Rank	Social Networking Site	Total Unique Visitors (m) (Dec07)	Total Unique Visitors (m) (Dec08)	% Change
1	**Orkut.com**	7.123	12.869	81
2	**Facebook.com**	1.619	4.044	150
3	**Bharatstudent.com**	1.736	3.269	88
4	**hi5.com**	714	2.012	182
5	**ibibo.Com**	1.970	990	-50
6	**MySpace Sites**	352	741	110
7	**LinkedIn.com**	293	513	75
8	**PerfSpot.com**	2.106	433	-79
9	**BIGADDA.com**	515	385	-25
10	**Fropper.com**	256	248	-3

Table 2.3 Top 10 Social Networking Sites in India (2008 vs. 2007)

2.10. Top 25 social networking sites

Compete.com one of the famous ranking companies reveals that Facebook is now the most visited social network, with nearly 1.2 billion visits in January 2009. That is an increase of 36% over December, and 256% over the previous twelve months. MySpace slipped into second place at the end of 2008 and since September of that year has been seeing visits levelling at about 810 thousand a month.

The big winner in the social networking area has been Twitter which jumped from the 22nd most visited social network at the start of 2008, to third most visited in January. The table below provides comprehensive list of top 25 social networking sites in India.

Top 25 Social Networks Re-Rank
(Ranked by Monthly Visits, Jan '09)   compete.com

Rank	Site	UV	Monthly Visits	Previous Rank
1	facebook.com	68,557,534	1,191,373,339	2
2	myspace.com	58,555,800	810,153,536	1
3	twitter.com	5,979,052	54,218,731	22
4	flixster.com	7,645,423	53,389,974	16
5	linkedin.com	11,274,160	42,744,438	9
6	tagged.com	4,448,915	39,630,927	10
7	classmates.com	17,296,524	35,219,210	3
8	myyearbook.com	3,312,898	33,121,821	4
9	livejournal.com	4,720,720	25,221,354	6
10	imeem.com	9,047,491	22,993,608	13
11	reunion.com	13,704,990	20,278,100	11
12	ning.com	5,673,549	19,511,682	23
13	blackplanet.com	1,530,329	10,173,342	7
14	bebo.com	2,997,929	9,849,137	5
15	hi5.com	2,398,323	9,416,265	8
16	yuku.com	1,317,551	9,358,966	21
17	cafemom.com	1,647,336	8,586,261	19
18	friendster.com	1,568,439	7,279,050	14
19	xanga.com	1,831,376	7,009,577	20
20	360.yahoo.com	1,499,057	5,199,702	12
21	orkut.com	494,464	5,081,235	15
22	urbanchat.com	329,041	2,961,250	24
23	fubar.com	452,090	2,170,315	17
24	asiantown.net	81,245	1,118,245	25
25	tickle.com	96,155	109,492	18

Table 2.4. Top 25 social networking sites

CHAPTER-3

INTERNET ADVERTISING

We all are surrounded by so much of advertising that we do not realise its presence and the fact that it has become part and parcel of our lives. Today one can hardly think of world without banners, hoarding and posters etc. Advertisement is the activity without which no product can become huge success.

3.1. Indian scenario

Internet is worldwide means of exchanging information through a series of interconnected computers. As is known by almost everyone today internet represents e-mails, e-commerce, information and entertainment. Internet is now accessible to anyone with computer, a modem, a cellular phone and internet account. In India, till some time back, Videsh Sanchar Nigam Limited (VSNL) was the only provider of internet facilities. With changes in government policies private internet providers have also jumped into fray. This is generating intense competition and the prices of internet time have declined substantially over the years .Business organisation consider the internet as the medium with unlimited potential. The web seems to be evolving as the commercial component of the internet.

In 2008, The PC density was reported to be 4.94 per 1000 and the number of internet users was more than 6.7 billion. By the end of 2009, there are more than 70 million web users in country.

3.2. Internet status in India

India is not untouched by the fascinating world of the internet year after year the internet population is increasing rapidly .This can be proved from the following table:

Estimated growth of Broadband and internet subscribers in India		
Year ending	**Estimated internet subscribers**	**Estimated broadband subscribers**
2005	6 million	1 million
2007	10 million	9 million
2010	40 million	20 million

Table 3.1 Estimated growth of Broadband and internet subscribers in India

Sectoral trends in internet advertising are different in India, compared to the rest of world. The financial sector has been using advertisement extensively ICICI bank being the prime user of this domain.

International and Domestic Trends	
World Trends	**Indian Trends**
30% of net advertisements are from FMCG industries **15% from financial sector** **11% hails from technology driven companies** **7% from communication /publication industry**	40% of the net advertisement from the financial sectors 20% from FMCG sector 15% from consumer durables sector 10% from media.

Table 3.2 International and Domestic Trends of internet advertisement

Simply counting how many people visit a particular website and linking advertisement to the search engine can result in an increase in internet advertising. The basic difference between online and offline ads, it is the internet users who decide what they want to see. The following table shows internet spending in different sectors in India:

Internet spending by different sectors	
List of categories	Spending in Rs.cr
E-commerce	45
FMCG	34
Online services	23
Banking products	23
Investment products	23
IT/Technology	23
Automobiles	11
Travel and Tourism	11
Media	11
Others	23

Table 3.3 Internet spending by different sectors

It has been estimated that the internet advertising would grow to **Rs.2, 500 crore** thus it reflect the promising future of online advertisement.

3.3. Indian internet usage trends

In India, 4 **out of top 20 most visited sites are social networking sites.** There are more than **70% people in India** who are online are engaging with social media on some or the other platform.

Advertisers look for certain demographics whilst targeting their communication messages. Hence it is important to also see what kind of people is a part of this social media fraternity. Let us look at the demographics of users of Facebook . Almost 50% of Facebook users have income over 2 lacs / annum and more than half of the users are above 24 years of age. 63% users are graduates & above.

Audience demographics of LinkedIn.com - a business networking website is even better. Close to 60% users have an annual income of more than 2 lacs and close to 80% users are graduates and above.

This reinforces the point that not only there are a substantial number of users visiting various social media sites but they are also relatively well educated and well to do –

exactly the kind of Audience that most of the brands & marketers will want to address. Thge current scenario leads us to go a step ahead and say that after bollywood and cricket, the only other thing than has the potential of truly binding Indians is social networking!

Advertisers need to understand that it is also only a matter of time that the younger generation who is growing with internet will be difficult to find anywhere but on the web, as these people are shunning consumption of the traditional / offline media and are spending disproportionate time on the Internet. This phenomenon can already be witnessed across the world.

There are 50 million users Internet is no longer a niche medium and the advertisers need to start allocating proportionate monies to internet in their overall marketing plans rather than allocating some small percentages.

1. **Reasons for usage of internet**
   - Top usage of internet was for communication (email / chat). Almost 96% users use internet for communication purposes.
   - Almost **85% users stated that they visit social networking sites**. This emerged as the **second largest reason for using the internet**.
   - This was followed by consumption of news at 61%.

2. Amongst the social networking sites, Orkut emerged as the most popular website with almost 91% users visiting it, followed by Face book at 61%, LinkedIn at 34% and Twitter at 23%.

3. 35% of the users contacted are students and almost 60% of the users earn more than Rs. 10,000 per month. 22% users claimed to earn more than Rs. 50,000 per month.

4. Usage hours:

- Another significant finding from our survey was that 80% users consume Internet for more than 2 hours / day, while only 33% users watched TV for more than 2 hours/day, and none of the users read newspaper for more than 2 hours/day.

- Almost 75% newspaper readers read it for less than 1 hour/day. 36% viewers watch TV for less than 2 hour/day. While amongst the Internet users, the percentage of users spending less than 1 hour/day on Internet was only 4%.

- The fact that gets clearly established is that the internet users consume Internet far more than any other media! Advertisers need to really note this point. Since to find these users on any media other than internet will become more and more difficult as they increase their internet consumption and reduce consumption of other media. in the western countries already the advertisers are finding it hard to target the under 29 users outside Internet and it is only a matter of time when this will also happen in India.

3.4. Advertisement on social networking sites

It has become very apparent today that social networking sites are increasingly being noticed and are now gaining a lot of traction as to their overall popularity. Internet surfers as well as the advertising industry as a whole are now taking notes, and many are expecting this could have some important changes in the way Internet advertising will on fold in the near term and what to expect next.

This phenomenon has the potential to drastically change today's advertising on many Internet sites, as new marketing ideas are being created almost every day.

Social networking sites such as Orkut, MySpace and Facebook sell online advertising on their site. Hence, they are seeking large memberships, and charging for membership would be counterproductive. Some believe that the deeper information that the sites have on each user will allow much better targeted advertising than any other site can currently provide.

Social networks operate under an autonomous business model, in which a social network's members serve dual roles as both the suppliers and the consumers of content. This is in contrast to a traditional business model, where the suppliers and consumers are distinct agents. Revenue is typically gained in the autonomous business model via advertisements, but subscription-based revenue is possible when membership and content levels are sufficiently high.

3.5. Social networking advertisement spending worldwide

eMarketer predicts that $2 Billion will be spent this year (2008) on social network advertising worldwide and that this market will continue to grow - reaching $3.8 billion in spending by 2011. However, a large portion of this spending is predicted to be coming from the US market. As Internet usage continues to grow in other parts of the world, and social networks continue to proliferate advertising dollars on social networking sites outside of the US will begin to play a major role.

There have been many claims that Social Network Advertising will revolutionize the online advertising market. Most famously, founder of Facebook Mark Zuckerberg, announced that "For the last hundred years media has been pushed out to people, but now marketers are going to be a part of the conversation." No doubt social network advertising is a significant new way of reaching customers, but the market is far from being mature.

"In general, it's been improving but we still have a long way to go. Things have been going well this year...it's hard to predict where social networking will come out." - Sergey Brin (Google Co-Founder)

In times of crisis and recession, it is only obvious that advertisers will want to make every penny spent on advertisement count. Internet lends itself very well here. It is the only medium that on one hand can deliver against ROI objectives of the advertisers, since the medium is truly capable of specific measurement in terms of 'cost of acquiring a customer' or 'cost of generating a transaction'. Advertisers can use internet as a direct response medium, a medium where they can actually specify their objectives in terms of cost per acquired customer. On the other hand being an interactive medium Internet can provide a really immersive brand engagement with the user.

However, it is a pity that advertisers in India have still not exploited the true potential of Internet. Digital media in India has not got its due despite being present for over a decade in India. There has been no growth in terms of advertising spends per user during the decade. The following table highlight this fact:

	2009			2000		
	Spend	Users	Spend Per User	Spend	Users	Spend Per User
	($'mill)	(million)	$	($'mill)	(million)	$
UK	5,185	47	110	205	27	8
Europe	16,313	418	39	1,337	105	13
Asia	14,452	738	20	827	114	7
China	3,100	360	9	*	22.5	*
North America	23,509	253	93	6,103	108	57
India	105	81	1.3	6	5	1.2

Table 3.4. Advertisement spends per user

The above charts clearly show that in 2009 the **ad spend per user in India have remained almost the same at an abysmal $ 1.3 up from $ 1.2 in 2000**, though during

this period the number of internet users have gone up 14 times. There is a lot of catching up that Indian digital media has to do with other parts of the world.

Not everything in 2009 was doom and gloom as far as Digital advertising is concerned. Categories that continued using internet were Travel, Finance and Online classified businesses. Categories that significantly increased the share of digital in their overall mix were Automobiles & Consumer Electronics. Emerging categories include Education & Real Estate. We would like to see FMCG & Retail advertise more on the internet.

3.6. Social networking advertisement spending in India

Social media sites have enjoyed a steep surge in popularity, as there is 13 per cent of the total Internet ad spends have gone into social media initiatives for the year 2008-09, according to a recent study of the top 500 marketers in India. One sector which will contribute most to the rise in ad spends on social media, is the fast moving consumer goods (FMCG) sector. FMCG brands are increasingly logging on to online advertising since their target audience uses social media, notes the report. Examples of online advertising in the FMCG sector abound. For instance, Coca-Cola India in August 2009 launched its campaign for Sprite first on the Internet. Pepsi, ITC Group, and Colgate Palmolive are some other FMCG brands that have begun using online advertising in a big way.

In India, Facebook tops social media spends, followed by Orkut and LinkedIn — but all earn revenue less than Rs 10 crore.

3.7. Facts and figures related to advertisement spending in India

- Total ad spend in India: $4 billion (Rs 19,400 crore)

- Penetration: Internet penetration 4.2%, TV 50%, Print 20%

- Allocation of online expenditure was about 5.4% in 2008-09, expected to increase to 10% in 2009-10

- Ultimate aim of online communication should be to stay 'top of mind'

- Online spend by consumer goods companies to increase by 300% from Rs 16 crore in 2008-09

- Thru online advertising you can reach 4% of Indians or 11% of urban consumers

**The comparison of 2008-09 to 2009-10 ads spending in India is as follows:**

2008-09			2009-10		
Medium of advertisement	**Spending in Rupees (In crores)**	**Percentage contribution to total spending**	**Medium of advertisement**	**Spending in Rupees (In crores)**	**Percentage contribution to total spending**
T.V	2,652.2	51.4%	T.V	2,273.44	48.9%
Print	1,415.44	27.4%	Print	1,194.68	25.7%
Internet	278.15	5.4%	Internet	399.38	8.6%
Radio	48.81	0.9%	Radio	115.57	2.4%
Others	768.35	14.9%	Others	673.91	14.5%

Table 3.5. 2008-09 to 2009-10 ads spending in India

3.8. Digital Ad Spending Pie

The total internet ad spending is further split up into ads, viral ads and social networking ads. The following table tells us the share of each medium.

Medium	Percentage Share
Ad networks	15%
Display ads	14%
Social networking initiatives	13%
Promotional websites	13%
Electronic direct mailers	12%
Mobile and others	5%

Table 3.6. Digital Ad Spending Pie
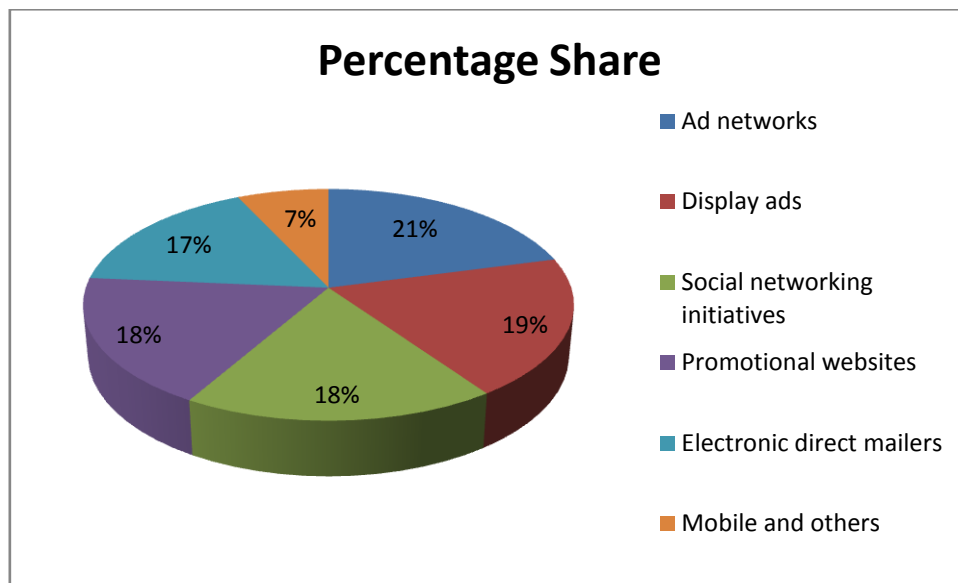
Figure 3.6. Digital Ad Spending Pie

3.9. Forms of Social Network Advertising

There are three major classifications of Social Network Advertising:

- **Direct Advertising that is based on your network of friends -** This can be the most effective format but also causes the most controversy. An example is the Facebook beacon project. Based on an action your friend has taken, you might see a message in your news feed saying 'Bob has just bought a 'RadioHead CD from MusicWorld'. This can be an extremely effective mode as often people make decisions to purchase something or do something based on their close group of friends. However, there is also a lot of controversy surrounding this as it can be considered exploiting the personal relationships you have with your friends and also raises privacy concerns.

- **Direct Advertising placed on your social networking site -** This is a more traditional form of web advertising. Just like you see banner ads on many other sites, this is a similar concept, except on a social networking site. You can see these - for example - as a brick in the top right of MySpace pages, or as a banner on the left of Facebook profiles and so on. There are two differences however - One is that these social networks can take advantage of demographic data on your profile and hence target the ad directly to you. Secondly, these types of ads can also be placed by individual developers on their application pages through ad networks such as AdParlor, Offerwall. They have access to the same data and can generate income for application developers giving them further motivation to create apps and giving advertisers a more engaging way to reach out to these social networking users.

- **Indirect Advertising by creating 'groups' or 'pages' -** This is an innovative marketing technique in which a company will create a 'page' or 'group' that users can choose to join. They will use this to build up 'subscribers' or 'fans' and use this to market a contest, a new product, or simply just to increase brand awareness. These groups can quickly grow in numbers of subscribers which can become a very effective marketing tool.

## 3.10. Advertisement options on various Social media sites

3.10.1. Facebook:

- Self-served advertising model on selected inventories. Advertisers can buy some inventories on a Cost-per-Click (CPC) and the payment can be made through credit card.

- Facebook also has a tie-up with Google wherein advertising is possible through the Google Content Network on a CPC/CPM basis.

- Presence through brand page/ fan page. Facebook has an option for brands to create their fan/ brand page. This allows users to become fans of the brand and they can then engage with the brand in various manners. Any 'post' made by the advertiser/ brand on this page will go directly into the account of the fans. Using the Fan page application advertisers can send regular updates, promotional messages etc to the fans or followers very easily. It is not difficult for a brand to create a brand/fan page, but what is challenging is to give users compelling reasons to become fans and then also to keep remained engaged with the brand over a period of time. This requires great level of strategic planning & execution. For a participation strategy brands must pre plan a complete calendar of user engagement hooks and then embark on the implementation.

- Can create discussion groups and invite engagement / participation from users. No media cost implication

While Facebook is still testing the performance of many of these ads with top advertisers, here's a rundown of the 6 types of home page advertisements that one can purchase on Facebook:
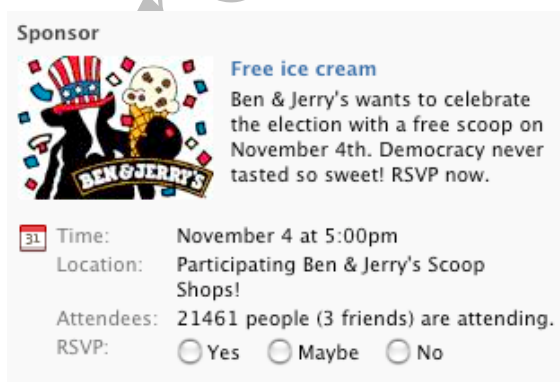
1) Event Ad: The Event Ad is integrated with Facebook Events and includes an "RSVP" call to action. When RSVP is clicked, full event details are displayed, including the number of Facebook users and friends attending. Friends' responses are visible beneath the ad .

2. Video Ad: The Video Ad is integrated with Facebook Video and can be played in line. Friends' comments are visible beneath the video, somewhat like a "wall."


3. Gifts Ad: The Gifts Ad is integrated with Facebook Gifts, and includes an in-line gift giving call to action. When friends give or receive gifts, it's visible beneath the ad,

along with any comments.

4. Page Ad The Page Ad is designed to drive fans of Facebook Pages, and allows users to become fans of a Page in line. When users become fans, it's listed beneath the ad for friends to see.

5. Website Ad: This is similar to any other web advertisement out there – clicking the ad just takes you to the advertiser's website.
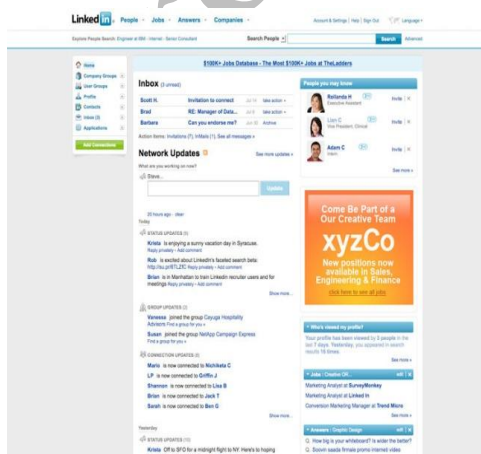

3.10.2. LinkedIn

- Has a tie-up with Google. We can use Google Content network for text advertisements on LinkedIn on a CPC/CPM basis.

- LinkedIn also has a self-served advertising model on selected inventories. Advertisers can buy some inventories on a CPC basis. Payment through credit card.

- In India LinkedIn have appointed www.NetworkPlay.in as sole concessionaires for representing their inventory where advertisers can buy this inventory on a CPM basis.
- Create company page
- Create discussion groups.

3.10.3. Orkut

It is a Google company. Advertising possible through Google Content Network on a CPC / CPM basis. The following images describe the placement of ads on Orkut. There are basically banner ads on the right hand side of the profile page. Ads can also be placed in form of theme of the home page.
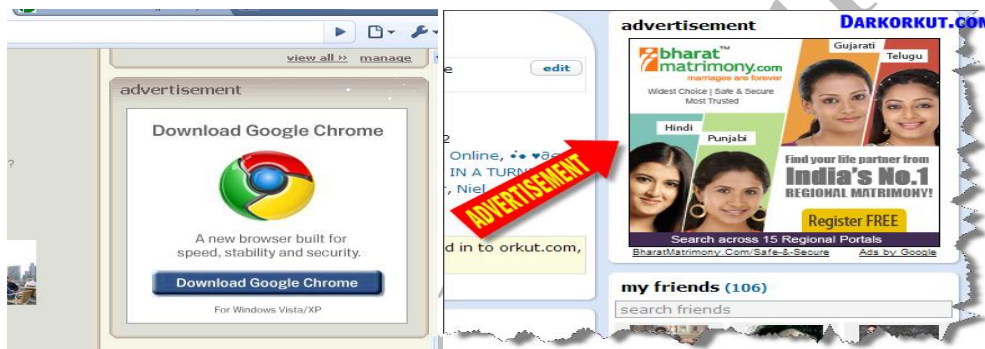
3.10. 4.   Twitter:

Offers inventories through two models where the advertiser pays the Twitter users to

 Sport the ad on their personal profiles for a pre-decided period of time, so it can be viewed by their "followers" – Twitad. (Payment is for the number of users that agree to publish the ad on their profile/account pages.)

Publish "ad tweets" through their personal profiles – Twivert. (CPC inventory in terms of ad tweets created by the advertiser & sent out by twitter users. An advertiser pays only when the ad tweet is clicked on.)

Allows users to create a company profile which can then be used for promotions in the form of personal tweets.

3.10. 5. Myspace

MySpace operates solely on revenues generated by advertising as its user model possesses no paid-for features for the end user. Through its Web site and affiliated ad networks, MySpace is second only to Yahoo! in its capacity to collect data about its users and thus in its ability to use behavioural targeting to select the ads each visitor sees.

CHAPTER-4

REVIEW OF LITERATURE

Rick E Bruner (2006) reveals in his study he measure the advertisement effectiveness on the various parameters , The first parameter is manage or reach frequency to know how many times the user is exposed to ad. The second parameter is the aesthetic appeal of the ad in form of banner size, colours used, and rich media say animated is more popular then static ad.

Joshua Porter (2008) reveals in his study that there's been lots of talk recently about the ineffectiveness of advertisements in social media properties like MySpace and Facebook. During their recent quarterly earnings results, Google explained that they are not making as much money from ads on social network sites as they had predicted. Even though this was a blip on an otherwise stellar quarter, Google's stock took a serious beating. When people are on MySpace, the activity they're doing isn't search. It's something akin to "hanging out" or "networking". Their task is almost the opposite of search. They are already on the site they want to be on. They don't need to click on links to take them where they want to go.

Yaveroglu et.al (2008) in his article reveals that advertisers were attracted to the Internet early on because of its interactivity, wide reach, and effective targeting ability. His studies shows that banner ads also have an impact on consumers' attitude toward a brand independent of click-through rate. It was shown that banner ads have longer-term effects that help build brand equity and can successfully raise brand awareness, preference, and consumer purchase intentions.

Kushan Mitra (2009) in his article talk about the various aspects of online social networking sites in India.There is hiring over the social networking sites say through LinkedIn. There is fuding done over the social networking sites by the advisors of Viedea capital that enhance their business.there is great consumer outreach over the social networking sites companies like Tata ,Maruti ,Nokia are promoting their products. Thus he highlighted various aspects of business on social networking sites.

Seema Sindhu (2009) in her article reveals that Social media sites have enjoyed a steep surge in popularity, but fail to attract advertisers at the same pace. Only 13 per cent of the total Internet ad spends has gone into social media initiatives for the year 2008-09, according to a recent study of the top 500 marketers in India. In FY 2009-10, the report predicts, ad spend on digital media by the top 500 marketers is likely to grow 44 per cent — from the current Rs 278 crore to around Rs 400 crore. In India, Facebook tops social media spends, followed by Orkut and LinkedIn — but all earn revenue less than Rs 10 crore. The ads that work well on social media are those which engage and involve the users — those that have games, apparel, accessories, electronics and automobiles.

Fue Zeng et.al (2009) in his sudy reveals that with the advent of popular Web destinations such as MySpace and Facebook, online social networking communities now occupy the center stage of e-commerce. Yet these online social networking communities must balance the trade-off between advertising revenue and user experience. Drawing on the sociology and advertising literature, this study investigates the impacts of social identity and group norms on community users' group intentions to accept advertising in online social networking communities. By outlining how this type of group intention could influence community members' perceptions and value judgments of such advertising, this study delineates possible mechanisms by which community members

may respond positively to community advertising. The authors test the proposed theoretical framework on a sample of 327 popular online community users in China and obtain general support. Implications for the prospect of advertising in online social networking communities are discussed.

Ken (2009) reveals that internet advertising is effective as it reaches a larger audience than traditional advertising almost everyone in the 1st world countries and many in third world countries have access to one or more computers. An advertisement placed on the internet can be seen by literally billions of people. The companies can track internet advertising better than you can track traditional forms of advertisement because of the sophisticated software which allows them to record and analyze visitor patterns such as whether their visit is a first time, what they looked at in terms of the web site pages and for how long, what pages or offers they responded to by providing information and what they requested in terms of free or paid offers. All this information can be used by companies for future campaigns and better advertising methods.

RESTON (2009) a leader in measuring the digital world today released a study of U.S. online display advertising on social networking sites in June 2009, based on data from the comScore Ad Metrix service. The study showed that social networking sites accounted for more than 20 percent of all display ads viewed online, with MySpace and Facebook combining to deliver more than 80 percent of ads among sites in the social networking category. Social media is becoming an increasingly attractive vehicle for major advertisers seeking to optimize campaign reach and frequency and smaller advertisers desiring to reach a highly targeted audience. The social networking sites innovate on their existing ad offerings, the category should continue to grow in ad volume, while CPMs could also increase if the sites can demonstrate a high campaign ROI.

Wayne (2010) talk's in his article that Social networking site is an area where individuals can spend tons of their time with friends just chatting the day away. Currently the companies should recognize what social networking is, then only they are in a position to see how this could facilitate an on-line business. Suppose of it like this. If the company business was not online, and would wish to place their ads in areas that had a lot of people. Think of a social networking web site as being sort of a mall. If they just place their ad in an exceedingly gas station, then solely a few individuals would see it and they are going to determine their ad. This suggests that social networking sites are reasonably like the "mall"

Viral Dholakia, (2010) reveals that it does make business sense to spend towards promotional activities in various forms of media, thronged by maximum number of people wherein lays your target customer – be it by age group, income group, gender profile or a profile with specific style statement. One such new medium (rather old to a few) that has cropped-up, against all odds of conventional media offerings, is social networking sites. These new generations of sites, like Facebook, Orkut or Twitter are attracting maximum number of ad revenues spending among other online mediums. A number of brands are concentrating to tap the social networking class people, mostly centered by young and middle class population as of now, to build images and attract new customers. It is marketing by means of social networking

CHAPTER-5

NEED OF STUDY

5.1. Need of study

Social networks, such as Facebook, Orkut and Myspace have witnessed a rapid growth in their membership. They have been adopting advertising-based model by offering advertisement placement on their websites. Social networking sites are one of the hot favourite spots of youngsters, middle aged people and professionals. The companies have been placing advertisements on these sites. It is imperative to note that internet advertisement is much cheaper than any other media of advertisement. People hang on these sites for the couple of hours daily so companies find it attractive place for the promotion of their products. The behaviour of consumers to the social networking site based advertisement is very important to study. It can enhance the brand visibility. The companies spend millions of rupees to advertise products so it is important to study the effectiveness of advertisement else the huge marketing efforts got wasted if ads got unnoticed.

5.1. Problem Statement:

The basic problem under study is to evaluate the effectiveness of social networking sites as a tool of advertising.

5.2. Objectives of study:

1. To evaluate the effectiveness of display advertisement on social networking sites.

2. To understand user reaction towards social networking sites based advertisement.

3. To study advertisement recall status of users of social networking sites.

4. To study various social networking sites.

5.3. Limitations

No study is complete in itself, however good it may be and every study has some limitations. Some of the limitations, which had been faced while conducting this research, are as follows:

1. Insufficient time and resources.

2. The findings of this study were based on expressed opinions of the respondents.

3. Since this is an opinion survey, personal bias may also have crept in.

4. Sample size was small. Bigger size could have made the results more effective.

5. The respondents were not willing to express their opinions, so the results or findings may not be rational.

6. To keep the questionnaire short and simple various questions were sacrificed which could have made the study more informative and effective.

CHAPTER-6

RESEARCH METHODOLOGY

The project being undertaken is exploratory research. Where in all these approaches of exploratory research like:

It is a way to systematically solve the research problem. The research methodology includes the various methods and techniques for conducting a research. Research is the systematic design, collection and analysis and reporting of data and finding a solution to a specific situation or problem. D.Slesinger and M.Stephenson in the encyclopedia of social sciences defines Research as, **" The manipulation of things, concepts or symbols for the purpose of generalizing to extend , correct or verify knowledge, whether that knowledge aids in construction of theory or in the practice of an art."** Research is, thus, an original contribution to the existing stock of knowledge making for its advancement.

DATA COLLECTION METHOD:

The data with respect to the study was collected in both ways, i.e.

(i) Primary Data

(ii) Secondary Data

Primary data mean original data that have been collected specially for the purpose in mind. As far as Primary Data is concerned, The Research was more of a sample survey; making the respondents fill the Questionnaire has collected the data. The respondents have personally filled the questionnaires and their attributes regarding the study were collected. For the purpose of Secondary Data, the researcher has reviewed the literature

like books by famous authors, internet searching and different articles published in academics journals and magazines, newspapers, data from book etc.

SAMPLE DESIGN:

Sampling is that part of statistical practice concerned with the selection of individual observations intended to yield some knowledge about a population of concern, especially for the purposes of statistical inference. Each observation measures one or more properties of an observable entity enumerated to distinguish objects or individuals. Survey weights often need to be applied to the data to adjust for the sample design.

a) **Universe**: The universe of the study consists of all the users of social networking sites.

b) **Population**: The population consists of all Delhi users of social networking sites.

c) **Sample Unit**: It refers to the smallest possible individual eligible user of social networking sites. In the current study the sampling unit is user of social networking sites.

d) **Sample Size:** 100 users of social networking sites constitute the sampling size.

e) **Sampling Technique**: The selection of the respondents will do on the basis of convenience sampling.

METHOD USE TO PRESENT DATA:

Data Analysis & Interpretation – Classification & tabulation transforms the raw data collected through questionnaire in to useful information by organizing and compiling the bits of data contained in each questionnaire i.e., observation and responses are converted in to understandable and orderly statistics are used to organize and analyze the data.

♦ Simple tabulation of data using tally marks.

♦ Calculating the percentage of the responses.

♦ Formula used = (name of responses / total responses) * 100

Graphical analysis by means of pie charts bar graphs etc.

CHAPTER-7

DATA ANALYSIS AND INTERPRETATION

7.1. Total number of respondents using social networking sites.

Options	Respondents	Percentage
Yes	96	96%
No	4	40%
Total	100	100

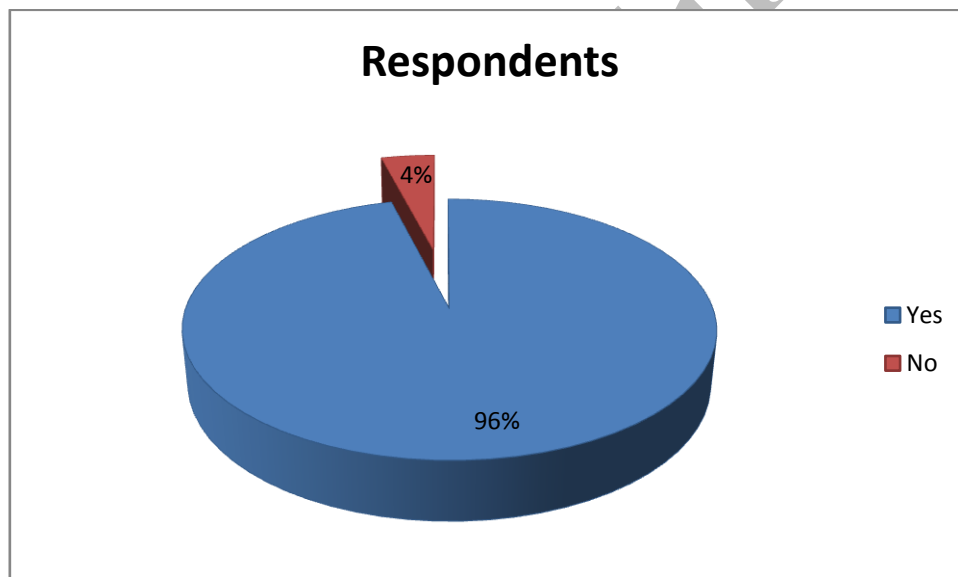**Table7.1. Number of respondents using SNS**

Fig 7.1. Number of respondents using SNS

Interpretation:-

- 96% of respondents use social networking sites.

- Only 4% are non users of social networking sites

- The following analysis will be carried on with 96 respondents.

7.2. Social networking sites that are used by respondents as per frequency of their usage.

Social networking site	Responses	Ranking as per survey
Orkut	236	2
Facebook	318	1
Hi5	28	4
Twitter	66	3
LinkedIn	28	4
Zorpia	18	5
Bebo	4	6

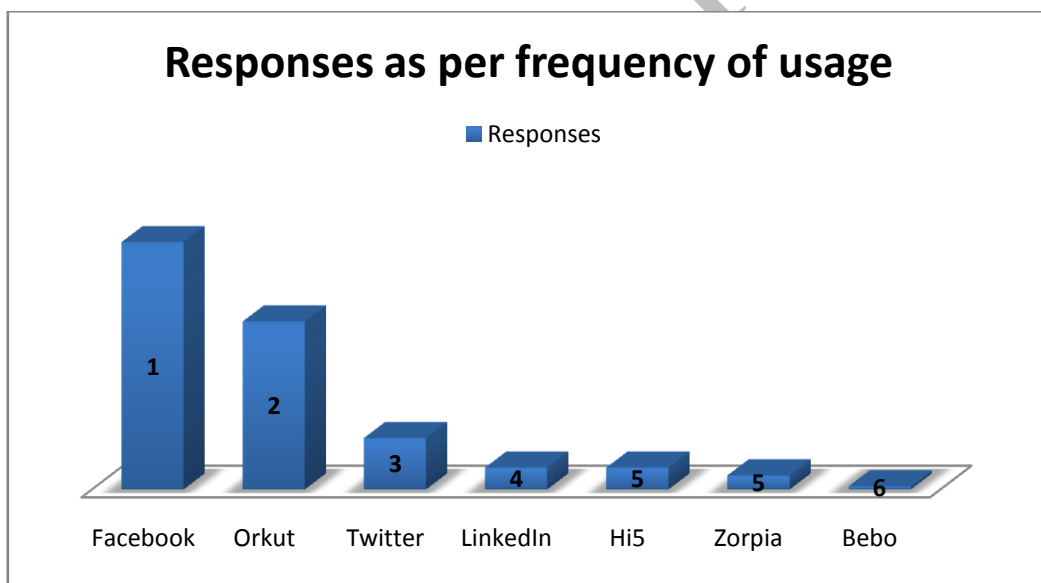**Table7.2. Responses as per frequency of usage**

Fig7.2 Responses as per frequency of usage

Interpretation:

- Facebook ranks first as per frequency of usage are concern that means it is the most popular site among respondents.
- Orkut ranks second by the respondents
- Facebook and orkut is followed by Twitter as it is ranked third by respondents.
- LinkedIn and Hi5 at fourth rank and which is followed by Zoropia at fifth and Bebo at sixth rank

7.3. On average how long users used to stay on social networking site.

Options	Responses	Percentage
Less than 30 mins	19	19.7
30-60 mins	27	28.3
More than 60 mins	24	25
Above 2 hrs	26	27
Total	96	100

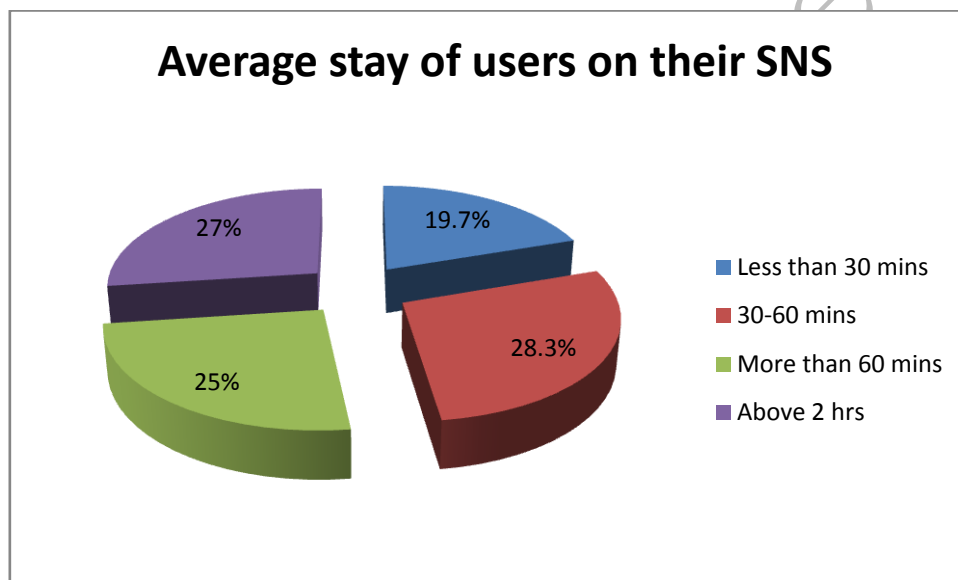**Table 7.3Average stay of users on their SNS**

Fig 7.3Average stay of users on their SNS

Interpretation:

- 19.7% of users stay less than 30 mins on the social networking site that means they are light users
- 28.3% of respondents stay for 30-60 mins on site and that are the medium users of social networking sites.
- 25% users spend more than one hour and 27% respondents spend more than 2 hrs on their social networking site the both categories corresponds to the heavy users.

7.4 The purpose of usage of social networking sites by various respondents.

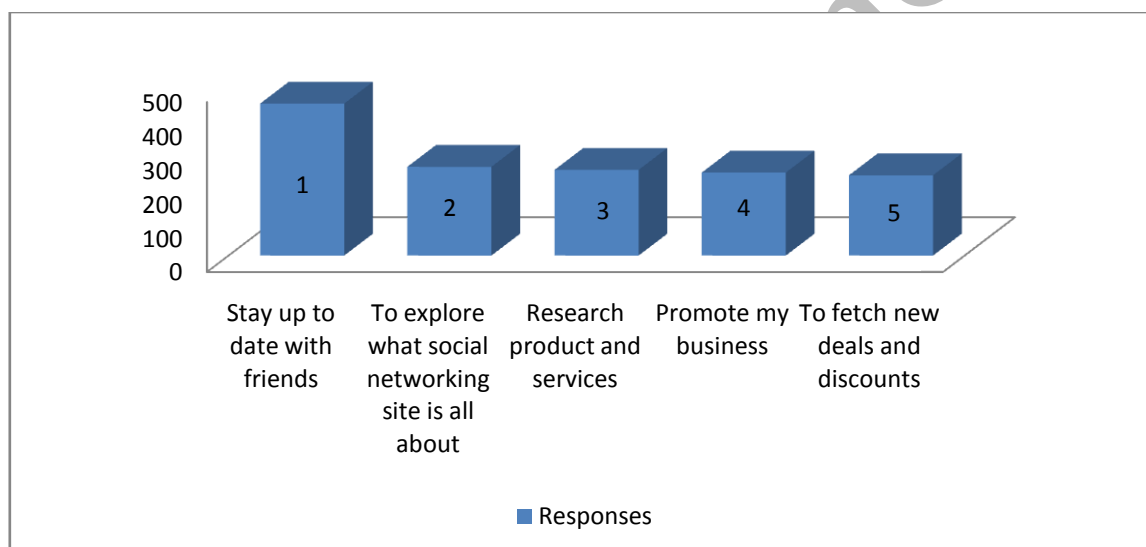| Options	Total	Ranking as per survey
Stay up to date with friends	447	1
Promote my business	244	4
To fetch new deals and discounts	236	5
Research product and services	252	3
To explore what social networking site is all about	261	2

Table 7.4 Purpose of usage of SNS

Fig 7.4 Purpose of usage of SNS

Interpretation:

• The basic motive of users of social networking sites is to stay up to date with their friends as it has been ranked 1st by them.

• The second reason of usage of social networking site is explore about the world of social networking as it has been ranked 2nd by the respondents.

• The product and services are also researched by users as it has been ranked third by respondents.

• Promote my business and fetch new deals and discounts stand at rank 4th and 5th respectively by respondents.

7.5. Ads or promotions of companies seen the most by the respondents of social networking sites.

Options	Total	Ranking as per survey
Profile page	447	1
Photo album	244	4
Events	236	5
Message	252	3
Application	261	2

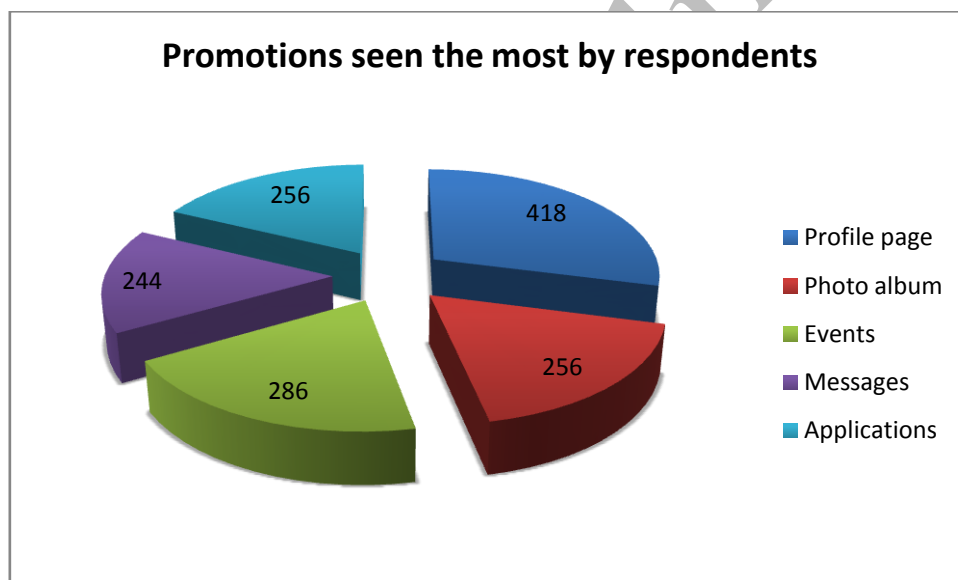**Table 7.5 Promotions seen the most by respondents**

Fig 7.5 Promotions seen the most by respondents

Interpretation:

- Profile page is ranked 1st as far as visibility of advertisements is concern followed by event page that stands at rank 2nd.
- Photo albums and events at rank 3rd, followed by messaged at ranked 4th.

7.6. To know the reaction of respondents after viewing advertisement on social networking sites

Options	Responses	Percentage
I never pay attention to advertisement	19	19.7
On seeing advertisement I take overview of the product	27	28.3
If ad attracts me I visit website and gather information about the product	24	25
I pay attention to ad &take steps to purchase the product if it suits me	26	27
Total	96	100

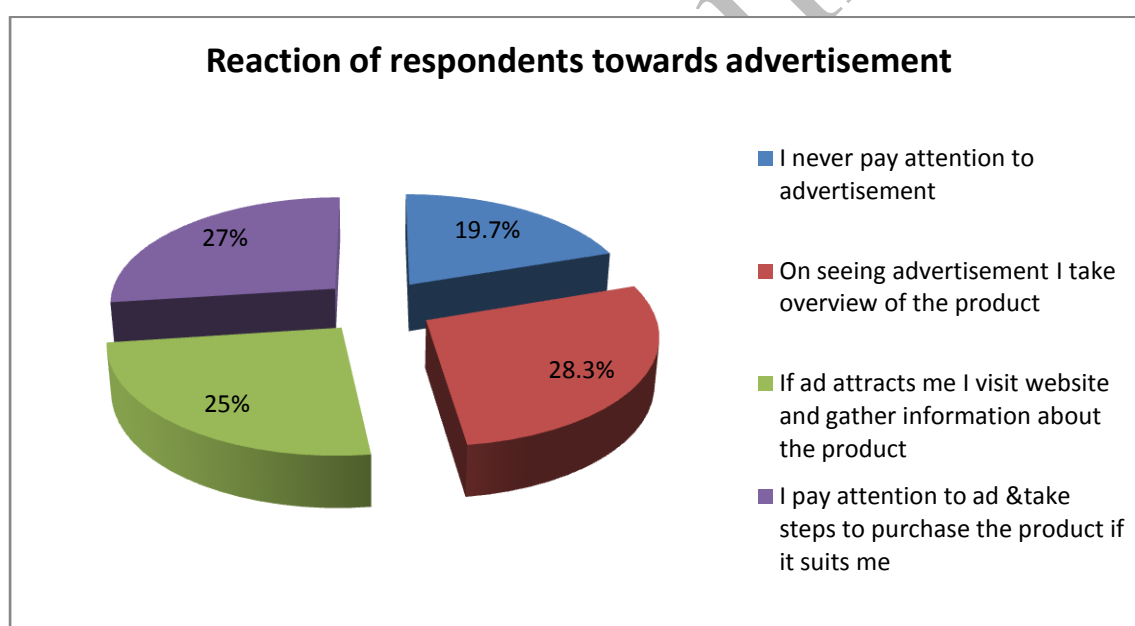**Table 7.6.Reaction of respondents towards advertisement**

Fig 7.6 Reaction of respondents towards advertisement

Interpretation:

- As far as reaction of the respondents is concerned towards advertisement of social networking sites 19.7% of respondents never pay attention to advertisement.
- 28.3 % of respondents take overview of the product after viewing advertisement.
- 25% of respondents visit website and gather information about the product.
- 27% of respondents take steps to purchase the product if the later is as per requirements of the respondent.

7.7. To know the type of ads respondents generally click on.

Options	Responses
Matrimonial	12
Job search	28
Event related	6
Tour and travel	8
Finance	8
Product related	36

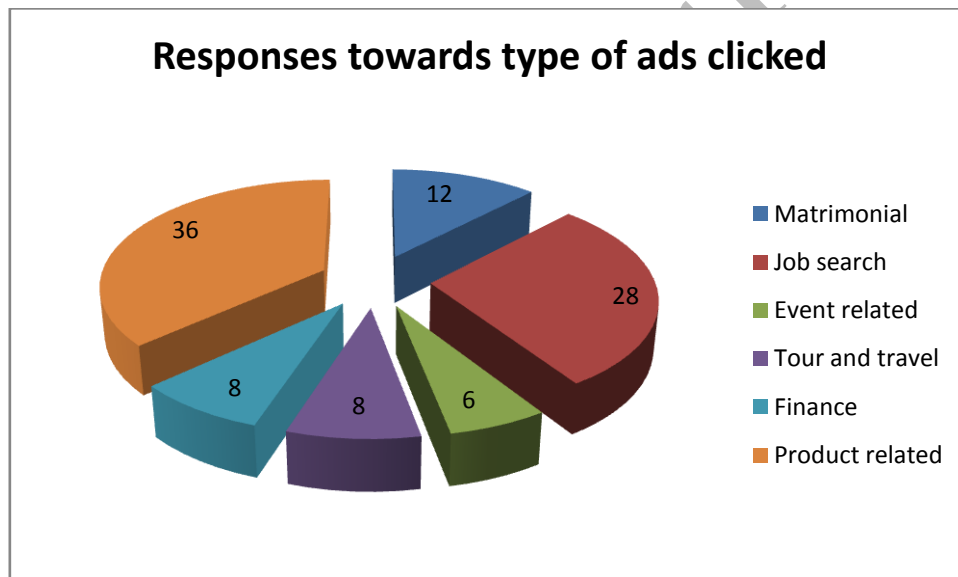**Table 7.7.Responses towards type of ads clicked**

Fig 7.7.Responses towards type of ads clicked

Interpretation:

- As far as interest of respondents towards different types of ads is concerned they generally like to view product related advertisement followed by the job search.
- The next hot favourite category is matrimonial advertisements followed by tour and travel & finance advertisement.
- Event related advertisement are least clicked by respondents.

7.8. To know the position of advertisements that catches the attentions of the respondents the most on social networking sites.

Options	Total	Ranking as per survey
Horizontal band running on the top of the page	200	2
Horizontal band running on the bottom of the page	170	4
Ads display on right hand side of the page	229	1
Ads displayed on left hand side of the page	171	3

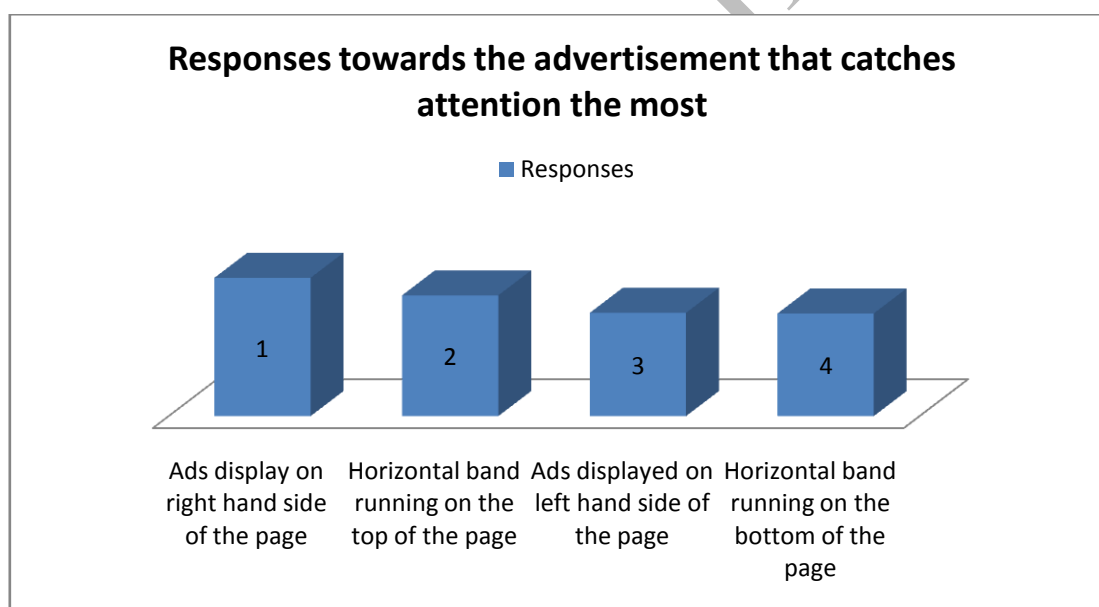**Table7.8 Responses towards the advertisement that catches attention the most**

Fig.7.8 Responses towards the advertisement that catches attention the most

Interpretation:

- Advertisements displayed on right hand side of page catches the attention the most of the respondents as it has been ranked 1st

- Horizontal band running at the top and the bottom ranks 2nd and 4th by the respondents.

- Advertisements displayed on left hand side is ranked 3rd by respondents.

7.9. The type of advertisements that attracts the attention of respondents the most.

Options	Responses				
	Very attractive	**Attractive**	**Neutral**	**Unattractive**	**Very unattractive**
Animated ads	31	29	10	5	2
Banner ads	8	48	18	2	1
Special offers and discounts	24	24	18	6	5
Colour scheme	18	32	19	5	3

Table7.9.Advertisements that attracts the attention of respondents the most
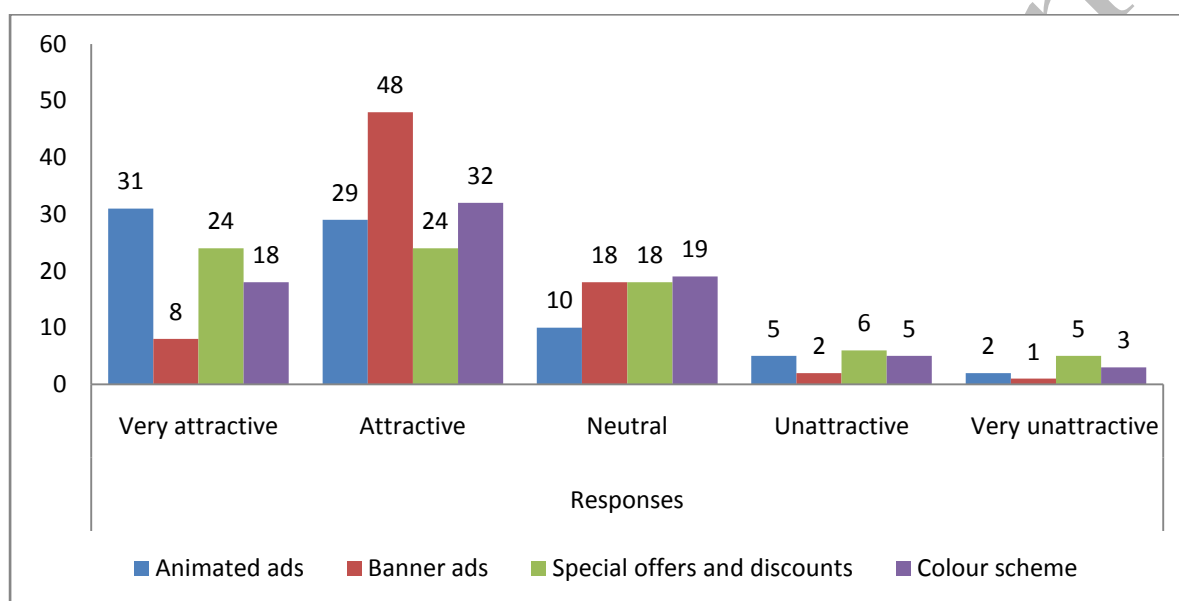

Fig 7.9.advertisements that attracts the attention of respondents the most

Interpretation:

- As far as aesthetic appeal of advertisements are concerned , 31 respondents find animated ads quiet very attractive followed by 29 find it attractive ,10 are neutral towards it followed by 5 at unattractive and 3 at very unattractive.

- Banner ads are marked very attractive by 8 respondents followed by 48 find it attractive, 18 are neutral towards it followed by 2 at unattractive and 1 at very unattractive

- As response towards special discounts and offers are concerned 24 find it very attractive and attractive, 18 are neutral towards it followed by 6 at unattractive and 5 at very unattractive.

- 18 respondents find the colour scheme to be quiet attractive followed by 32 finds it attractive, 19 are neutral towards it followed by 5 at unattractive and 3 at very unattractive

7.10. The most attractive feature the respondents find in the last advertisement they saw.

Options	Responses	Percentage
Product itself	36	46.7%
Display	21	27.2%
Brand ambassador	13	16.8%
Punch line	7	9%
Total	77	100%

Table 7.10. Response towards the most attractive feature of last watched advertisement
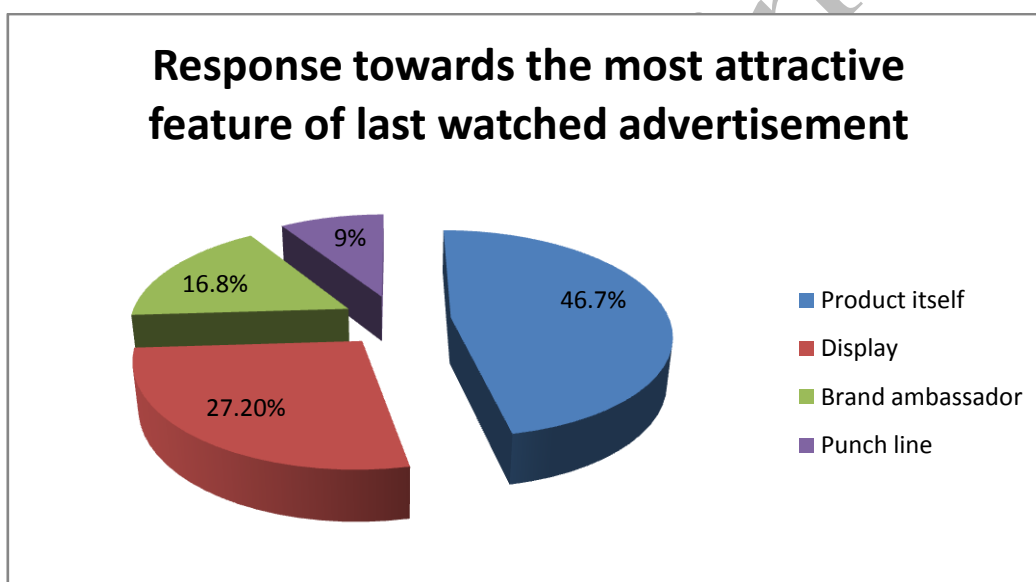

Fig 7.10. Response towards the most attractive feature of last watched advertisement

Interpretation:

- The last advertisement they remember on their social networking site is asked and the most attractive feature they noticed in that advertisement is asked 46.7% of respondents like the product
- 21.7 % of respondents remember because of its display
- 16.7% are attracted towards brand ambassador.
- 9% find punch line to be the most attractive feature in that very advertisement.

7.11. Factors that influence the respondents to purchase the product after viewing advertisement on social networking sites.

Options	Responses
I will purchase the product if it is only my trusted brand.	1.8
I rely on advertisement as it is displayed on social networking site	0.9
The ad is offering me good bargain	1.7
My favourite celebrity promotes that product.	1.2

Table 7.11 Level of agreement towards the statement

7.11.1. I will purchase the product if it is only my trusted brand.
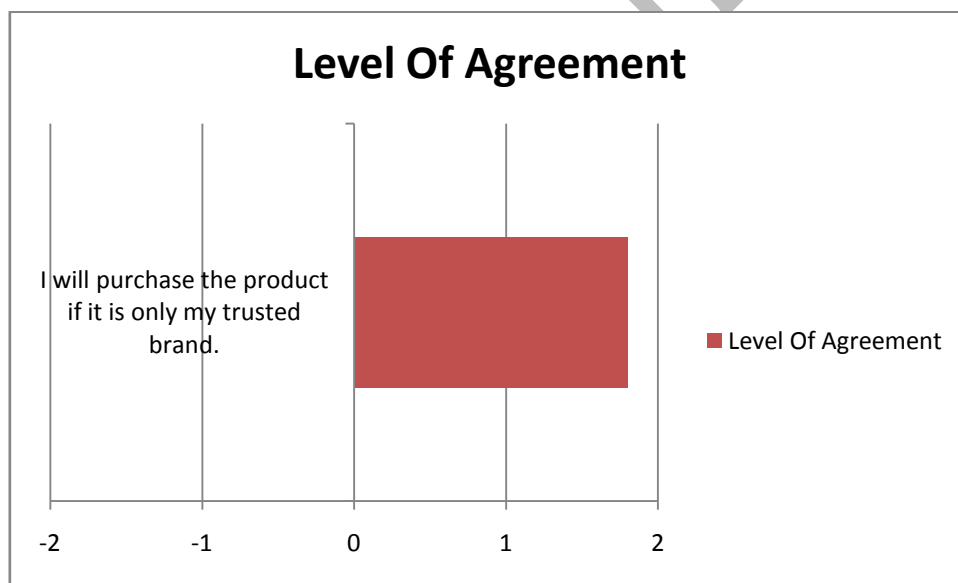

Fig **7.11.1. I will purchase the product if it is only my trusted brand**

Interpretation:

The respondents are strongly agreeing with the statement that they will purchase the product if it is their trusted brand. The total aggregate of the statement is 1.8 that lies very near to the value 2 that corresponds to the strong agreement.

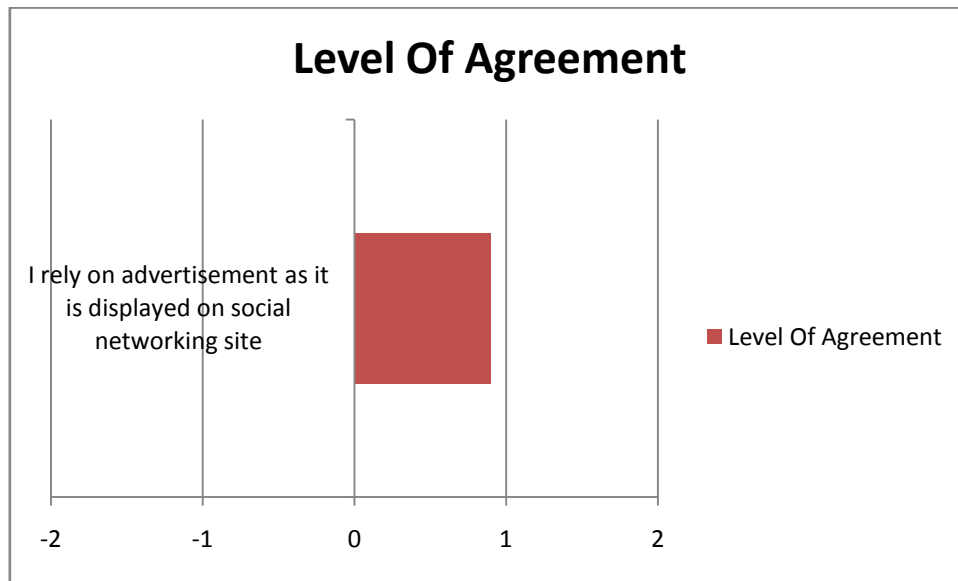**7.11.2. I rely on advertisement as it is displayed on social networking site**

Fig 5.11.2. I rely on advertisement as it is displayed on social networking site

Interpretation:

The respondents agree towards the statement that I rely on advertisement as it is displayed on social networking site. The total aggregate of the statement is 0.9 that lies very near to the value 1 that corresponds to the agreement.
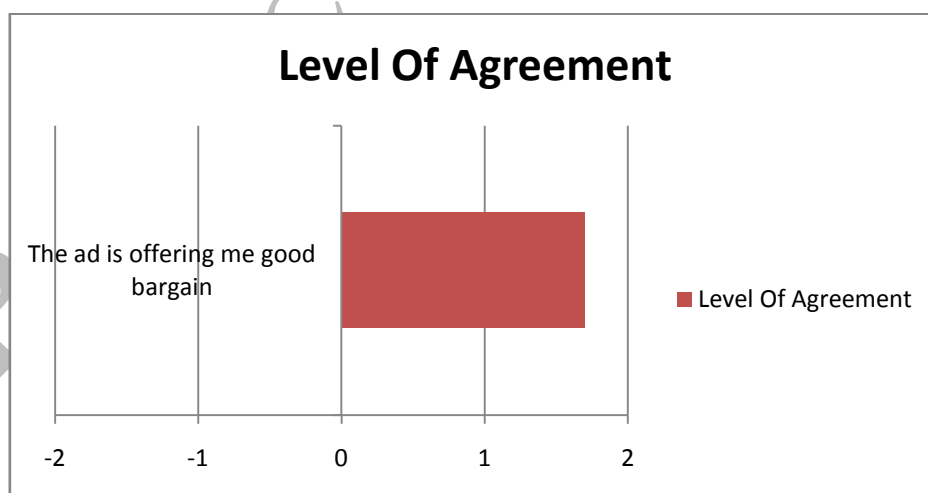
7.11.3. The ad is offering me good bargain

Fig 5.11.3. The ad is offering me good bargain

Interpretation

The respondents are strongly agreeing with the statement that the ad is offering me good bargain. The total aggregate of the statement is 1.7 that lies very near to the value 2 that corresponds to the strong agreement

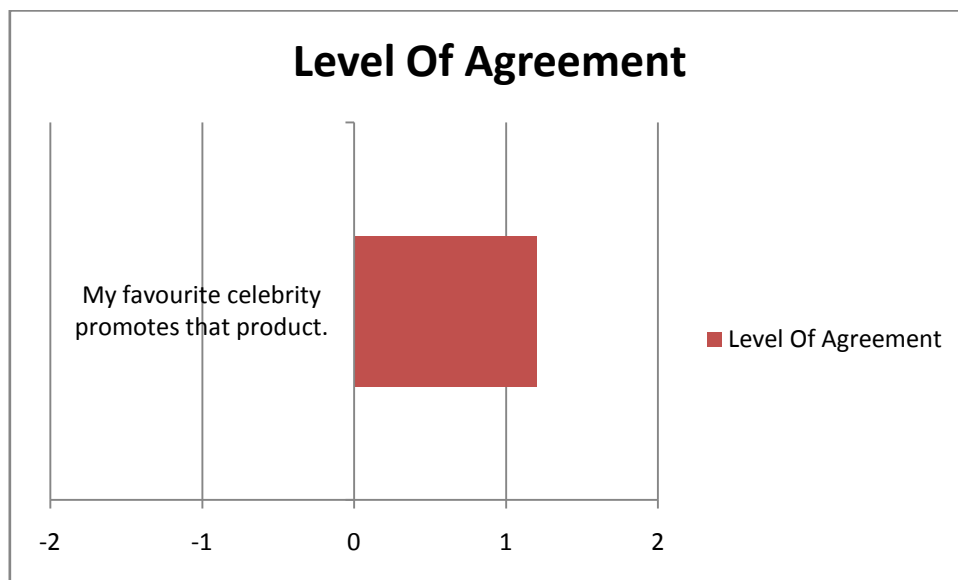### 7.11.4. My favourite celebrity promotes that product.

Fig 5.11.4. My favourite celebrity promotes that product.

Interpretation

The respondents are agreeing with the statement that my favourite celebrity promotes the product but there is not strong agreement. The total aggregate of the statement is 1.2 that lies very near to the value 1 that corresponds to agreement.

7.12. The possible reasons of not viewing advertisements on social networking sites.

Options	Responses	Percentage
I don't like ads on SNS as it is to promote social networks	3	15.7%
Ads irritate me .They spoil the look of website	3	15.7%
I am here to spend time with my friends and I don't want to waste my time on ads	8	42.1%
My attention is distracted from my friends	5	26.3%
Total	19	100%

Table 7.12.Reasons of not viewing ads on SNS
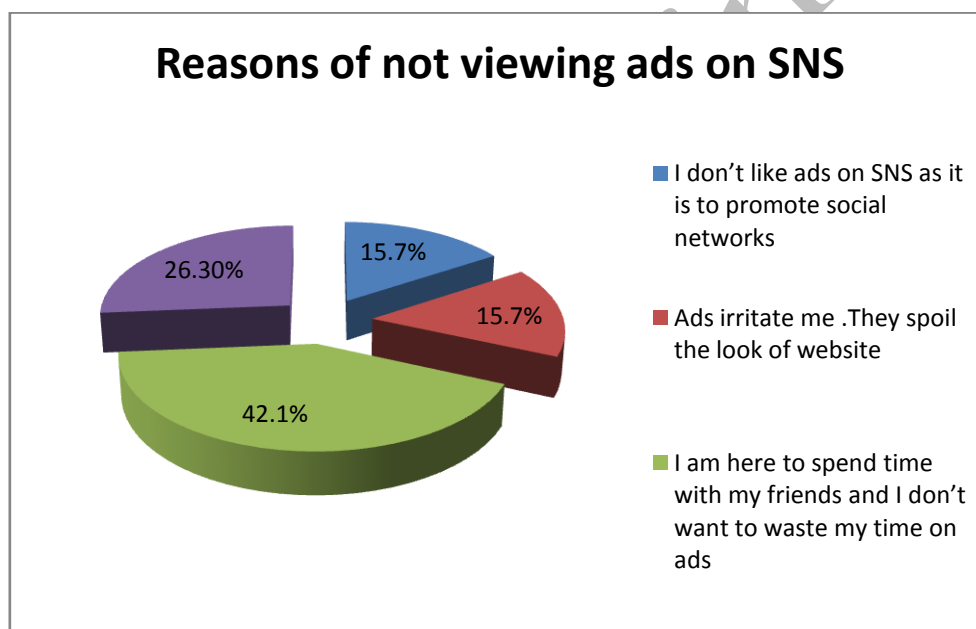
Fig 7.12.Reasons of not viewing ads on SNS

Interpretation:

- This questions is filled by those 19 respondents that don't pay any attention towards advertisement.15.75 don't like to view advertisement on their social networking site as they feel SNS is to promote social networking not advertising .The advertisements also spoils the aesthetic appeal of website

- 42.1 % says they are here to spend their time with friends and moreover they don't want to waste time on advertisements.

- 26.3% of respondents say their attention is distracted due to advertisements.

CHAPTER -8

FINDINGS OF THE STUDY

- The demographic profile of users have been collected .The sample size of 100 respondents is taken out of which 44 are males and 56 are females. Their professional data is also collected that showed that 48 respondents are students, 47 are professionals and 5 are housewives

- There is growing popularity of social networking sites as 100 respondents are contacted and 96% of respondents of the study are its users .Only 4% are non users of social networking sites.

- The study also reveals that Facebook is the most popular site among the users as it has been ranked first .Then there is Orkut at rank second followed by Twitter at rank three. LinkedIn and Hi5 at fourth rank and which is followed by Zoropia at fifth and Bebo at sixth rank

- The average time that user spend on their respective site is studied and it shows that 19.7% of users stay less than 30 mins on the social networking site .28.3% of respondents stay for 30-60 mins on site and that are the medium users of social networking sites. 25% users spend more than one hour and 27% respondents spend more than 2 hrs on their social networking site the both categories corresponds to the heavy usage patterns..

- The purpose of usage of social networking sites by various respondents is studied and it reveals that the basic motive of users of social networking sites is to stay up to date with their friends as it is ranked 1st. The second reason of usage of social

networking site is explore about the world of social networking as it has been ranked 2nd by the respondents. The product and services are also researched by users as it has been ranked third by respondents. Promote my business and fetch new deals and discounts stand at rank 4th and 5th respectively by respondents.

- The response of users towards the ads or promotions of companies seen the most by the respondents of social networking sites is studied reveals that profile page is ranked 1st as far as visibility of advertisements is concern followed by event page that stands at rank 2nd. Photo albums and events at rank 3rd, followed by messaged at ranked 4th.

- The reaction of respondents after viewing advertisement on social networking sites is studied and it shows that 19.7% of respondents never pay attention to advertisement. 28.3 % of respondents take overview of the product after viewing advertisement. 25% of respondents visit website and gather information about the product. 27% of respondents take steps to purchase the product if the later is as per requirements of the respondent.

- The user behaviour towards the type of ads they generally click on shows that they like to view product related advertisement followed by the job search. The next hot favourite category is matrimonial advertisements followed by tour and travel & finance advertisement. Event related advertisement are least clicked by respondents.

- The survey also highlighted the position of advertisements that catches the attentions of the respondents the most on social networking sites. Advertisements displayed on right hand side of page catches the attention the most of the respondents as it has been ranked 1st .Horizontal band running at the top and the bottom ranked 2nd and 4th by the respondents. Advertisements displayed on left hand side is ranked 3rd by respondents.

- To understand the user attraction towards the aesthetic appeal of advertisements the study showed that , 31 respondents find animated ads quiet very attractive followed by 29 find it attractive 10 are neutral towards it followed by 5 at unattractive and 3 at very unattractive. Banner ads are marked very attractive by 8 respondents followed by 48 find it attractive, 18 are neutral towards it followed by 2 at unattractive and 1 at very unattractive As response towards special discounts and offers are concerned 24 find it very attractive and attractive, 18 are neutral towards it followed by 6 at unattractive and 5 at very unattractive. 18 respondents find the colour scheme to be quiet attractive followed by 32 finds it attractive, 19 are neutral towards it followed by 5 at unattractive and 3 at very unattractive

- The last advertisement that they remember of their social networking site are of Bharat matrimony ,Vodafone mobile ad, Pepsi advertisement, Naukri .com, Mobile ads ,HP laptop advertisement ,Levis apparels ad.

- The most attractive feature that respondents noticed in the last advertisement they saw highlighted the facts that 46.7% of respondents like the product. 21.7 % of respondents remember because of its display. 16.7% are attracted towards brand ambassador. 9% find punch line to be the most attractive feature in that very advertisement.

- Factors that influence the respondents to purchase the product after viewing advertisement on social networking sites is asked and the results are

  ➢ The respondents are strongly agreeing with the statement that they will purchase the product if it is their trusted brand.

  ➢ The respondents agree towards the statement that I rely on advertisement as it is displayed on social networking site

  ➢ The respondents are strongly agreeing with the statement that the ad is offering me good bargain.

  ➢ The respondents are agreeing with the statement that the ad is offering me good bargain

- The last purchase that respondents have made is of laptop, mobile, few register themselves with the matrimonial services. Only 25 respondents answer to that question that implies that not much of the respondents make purchases after viewing advertisements on their SNS.

- **The facts regarding the possible reasons of not viewing advertisements on social networking sites are**

  ➢ 15.75 don't like to view advertisement on their social networking site as they feel SNS is to promote social networking not advertising .The advertisements also spoils the aesthetic appeal of website

  ➢ 42.1 % says they are here to spend their time with friends and moreover they don't want to waste time on advertisements.

  ➢ 26.3% of respondents says their attention is distracted due to advertisements

CHAPTER-9

RECOMMENDATIONS AND CONCLUSION

- Majority of users of social networking sites are youngsters and the middle aged professional so there is huge opportunity for the various job companies and placement agencies to advertise.

- The products are not purchased by the users after viewing advertisement so campaigns should be made innovative to allure the users. Moreover customize advertisements should be placed by indentifying right target social network group.

- The more and more advertisements should be placed on right hand side of the webpage with constant changing of advertisement as this place catches the maximum eyeball.

- The social networking sites should be used by the companies to interact with their existing and past customers to improve relationships .The constant feedbacks should be taken to make improvement in their product. The posts should be interesting and consistent to gain more followers and enhance brand image of their products.

Conclusion

The aim of the study is to find out the effectiveness of social networking sites as a tool of advertising. The reason for the choice of social networking sites is that it is the favourite spot of youngsters and middle aged professionals to hang for couple of hours with their friends. There is growing popularity of social networking sites among Indians. The

finding reveals that the users show fair degree of interest towards displayed advertisement on their websites. The users show positive response towards the advertisement as they have good recall rate to the ads. The study highlighted the fact that most of the users are heavy users of their site. The companies have great opportunities to market their products on social networking sites. The potential of SNS advertisement should be fully explored by the companies to make above average returns as it is cheaper source of advertisement than any other source. There is scope of building positive relationship between the customers and the organization by taking the help of social networks and enhancing the brand visibility.

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5. <u>QUESTIONNAIRE</u>

Dear Respondents,

I am **……………,** a student of **MBA,** as a part of my curriculum; I am to take a research Project on **"EFFECTIVENESS OF SOCIAL NETWORKING AS A TOOL OF ADVERTISING."** To enable to undertake above mentioned study, I request you to give your fair views. Your insights and perspective are important and valuable for my research.

<u>Policy on Confidentiality:</u> Please feel free to give your honest responses. The confidentiality of the information provided by the respondent is completely assured.

1. Do you use any social networking sites?

Yes ☐   No ☐

  If yes, continue. Otherwise terminate.

2. Kindly name the Social networking sites that are currently used by you as per your frequency of usage. (No 1 –site you use most, No-4 site you use least)

1. ────────────   2. ────────────

3. ────────────   4. ────────────

3. On average how much time you spend on social networking site in a day?

Less than 30 mins ☐   30-60 mins ☐

More than 60 mins ☐   Above 2 hrs ☐

4. Do you feel that social networking site really a help for as an effective tool of advertising?

Yes ☐ No ☐

5. What do you use SNS site for? (Rank 1= Highest)

Particulars	Rank
Stay upto date with friends	☐
Promote my business	☐
To fetch new deals and discounts	☐
Research product and services	☐
To explore what Social networking site is all about	☐

6. Where do you see ads or promotions of various companies the most on your social networking sites? Kindly rank (Rank 1 = Highest)

Particular	Rank
Profile Page	☐
Photo albums	☐
Events	☐
Messages	☐
Applications	☐

7. What is your reaction on viewing the advertisement? (IF OPTION 1 THEN MOVE TO QUESTION NO 14)

☐

I never pay attention to the advertisement

☐

On seeing ad I just take the overview of the information

☐

If ad attracts me I visit the website and gather information about the information

☐

I always pay attention to all ads and try to update my information

I pay attention to ad & take steps to purchase the product if it suits me.

8. If you pay attention to ad then what kind of ads do you generally click on? (You can choose multiple options)

Matrimonial ☐   Tour and travel ☐

Job Search ☐   Finance ☐

Event related (Eg IPL) ☐   Product Related ☐

Others Please specify————————————

9. What position of ad catches you attention generally? Kindly rank (1= Highest Attention Catching)

Particulars	Rank
Horizontal band running on top of page	☐
Horizontal band running on bottom	☐
Ads display on right hand side of page	☐
Ads displayed on left hand side of the profile	☐

10. What type of ads attracts your attention the most? (Tick the appropriate option)

Particulars	Very attractive	Attractive	Neutral	Unattractive	Very unattractive
Animated ads	____	____	____	____	____
Banner ads	____	____	____	____	____
Special offers and discounts	____	____	____	____	____

Colours
scheme
_____   _____   _____   _____   _____

11. What was the last advertisement you remember that you saw on your most visited site?

_____

12. What was the most attractive feature according to you in that advertisement?

Product itself ⬜   Display ⬜

Brand ambassador ⬜   Punch line ⬜

Others please specify _____

13 Kindly refer the last information that or if have been made by you after viewing ad on social networking site

_____

14. What are the possible reasons of not viewing ad on SNS?

I don't like advertisement on SNS as it is to promote social networks ⬜

Ads irritate me. They spoil the look of website. ⬜

I am here to spend my time with friends and I don't want to waste time on ads ⬜

My attention is distracted from my friends ⬜

************************Thank you*******************************