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ANALYZING THE IMPACT OF SOCIAL MEDIA FOLLOWERS ON SALES: THE CASE OF “FUTURE INSTITUTE”

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ABSTRACT

Marketing establishes the relationships between the consumers and the organizations. In this modern environment, there are a lot of creativity and innovation, and the consumers have diverse products to select. All industries are facing competition and it is the duty of the marketers who are selling the products to seek measures they will use to enhance the sales of their products. In most of the cases new firms are saturating the markets with similar commodities and to increase their sales they use the price entry strategy whereby they sell the products at low cost. The current market has been applying the online marketing to reach more customers. The objective of this study is to determine the relationship of social media networking and the amount of sales generated. The study used a descriptive survey design to investigate the objectives. The study used the questionnaire to collect the data. The study found that there is positive relationship between the total sales and number of online customers. The study further found that there was relationship between the total sales and

the number of online followers. The study concluded that there is need to increase the advertisement through the online platforms. The study also concluded that there is need to increase the number of online advertisement platforms.

1 INTRODUCTION

Marketing is a very important element in business. The services businesses have to show their quality and specifically the education businesses need to show their professional lecturers to make the customers trust them [1]. In the past, the education companies were using television, magazines and people mouth to market their services. The words and the sentences that were said in the advertisements to convince the audience were strong and showed their certification and talk about their studies [2]. In magazines, they wrote a speech in a specific place on the magazine and tried to talk about their education. However, nowadays there is an easier way, which is using the social media. They have many ways to find and communicate with customers, such as Twitter, Instagram, YouTube and others [3].

In most of the cases new firms are saturating the markets with similar commodities and to increase their sales they use the price entry strategy whereby they sell the products at low cost. It is a costly procedure because it increases the expenses for the firms, but most are willing to take extreme measures to ensure they sell their products [1]. It is worthwhile to mention that the consumers are the most important to the organizations. They purchase the products and the revenues they contribute after the business deducts the expenditure incurred they get the profits that aid in the expansion and the growth of the enterprise [4]. If the profits are substantial, the firms can use the amount for research and development to come up either new product or improve the quality of the existing hence remain favorable in the market.

According to Glorius [5], the online businesses accounts can provide posts of pictures and talks about their levels, quality, offers and conduct competitions to their followers and put short clips, showing something that will make users trust them, learn from them and love to watch everything they put. They will use all that aims to increase their number of followers. When the users love the business account and what they provide in their online account, they will trust them, and need to sign in with them. According to Dani, and Pabalkar, [6], one of the most distinctive methods of social media is the speed of communication with the followers, where customers have directly answered the questions and have provide all the answers and solutions that they need, which makes the customer feel satisfied.

Access to the most by a substantial number of consumers can build a social base with consumers and can thus increase communication in a straightforward way that allows the businesses and consumers to have a direct communication, which facilitates understanding of the consumers' needs [7]. It is very simple to market and sell the products by using the social media, because the products' companies can

show their products' quality, specifications, colours and everything the customers need to know about the products. However, the companies or the organizations of education, tourism, telecommunications are the companies of services, have to deliver their quality of services for the customers, and it is not easy to make the customers trust the business.

According to Asur and Huberman [8], review of the digital boom reflected by the social networking sites has become a dominant feature in all areas of life. Some of the features provided by these sites contributed to their success and spread, such as the spread of the Facebook network. These features have been nominated to live up to Social development media and should guide its users towards the optimal use and how to activate it.

According to Alageel [9], social networking sites are no longer just for acquaintance but have become a potent and useful marketing tool for business owners because they are low cost, easy to connect inside and outside the workplace, and easy to join and subscribe. As well as the ability to design and develop and the classification of subscribers by age, gender, interests, hobbies, ease of linking business to customers and also connecting employers and job seekers and the spread of information and investment.

The network marketing experience increases communication with consumers and competencies and has become one of the means to search for jobs, opportunities for career development and exchange experiences and skills [3]. Through the presentation of the most critical factors that drive individuals to the significant demand for participation in social networks, we find that there are those who use the motivation of learning and expanding knowledge and skills of personal and life.

The customers today are much influenced by the information released about the products. The objective of this study is to determine the influence of social media on customer decisions on the purchases that take in Saudi Arabia. This study will use the regression analysis to determine the relationship between the impact of social media and the customer's decisions on the purchases they make. The study will also look at whether there is correlation between the social media and the customer's decision making.

2 METHODOLOGY

This study is a descriptive research design which used quantitative method to determine the inference of the research objectives. This study collects the data from the social network on the number of usage of the social networks on advertisement of the products.

2.1 Sample size

This study will use purposive sampling technique to select the universities to be studied. Purposive sampling is a sampling technique that allows a researcher to use cases that have the required information with respect to researcher's objectives [10]. The study will considered each two out of the eight public and private universities hence have a sample of four universities to be studied. To select the sample size from the postgraduate students in these universities, simple random sampling technique is adopted. According to Babbie and Mouton [10], simple random sampling is the same as systematic sampling where every item has equal chance of being selected. The study will use the following formulae by Yamane [11].

$$n = \frac{N}{(1 + N_e^2)}$$

Where n is the sample size, N is the population under study and e is the margin error (0.05). The study will use a sample of 25 respondents from Jeddah city of Saudi Arabia.

2.2 Data analysis

The data will be analyzed using the Microsoft Excel Data Analysis Toolpak to determine the relationship between the number of social media network and the total sales. The analysis will also include scatter plot and simple regression to determine the relation.

2.3 Selection of Data

The relationship between the social media followers and the sales of the company "Future institute for women" in Jeddah is considered. It is a high-quality education-training institute in Saudi Arabia for women and has established links with a number of distinguished colleges in Britain. The Institute has got specialization courses in other institutions such as, Graphic designs, interior design, Jewelry designs, Fashion design Marketing and management, English language, and photography.

The company used online and offline marketing through the organization of events, offers for customers and giving gifts for visitors. This study obtained the data based on the social media used by the company such as Twitter, Facebook, YouTube and Instagram. The considered criteria are the number of followers, followed their followers, the received message volume, total engagement, total impressions and their company sales per month. Table 1 tabulates the percentage of total followers, message received, total impressions, total engagement and number of customers of the social media accounts of "Future Institute".

Table 1: Percentage of total followers, message received, total impressions, total engagement and number of customers

Year	Months	Total followers (%)	Message received volume (%)	Total impressions (%)	Total engagement (%)	Number of customers
2016	August	↑ 4.00	↑ 525.00	↑ 10557.20	↑ 9100.00	40.00
	September	↑ 208.40	↓ 10.00	↑ 28.60	↑ 199.40	37.00
	October	↑ 219.40	↑ 24.40	↑ 65.50	↑ 785.20	48.00
	November	↓ 74.60	↑ 1.00	↓ 9.80	↑ 9.60	20.00
	December	↑ 725.50	↑ 29.10	↑ 43.40	↓ 37.70	56.00
2017	January	↑ 25.90	↓ 16.00	↓ 33.20	↑ 70.00	49.00
	February	↑ 6.20	↓ 24.10	↓ 2.90	↑ 61.10	30.00
	March	↑ 2.20	↑ 5.50	↑ 18.30	↓ 32.90	32.00
	April	↑ 12.50	↓ 20.40	↓ 39.50	↓ 45.00	35.00
	May	↑ 7.50	↓ 26.50	↑ 21.20	↓ 35.60	27.00
	June	↓ 73.90	↓ 22.40	↓ 33.50	↓ 25.90	8.00
	July	↑ 281.50	↑ 75.60	↑ 91.00	↑ 46.40	20.00
	August	↓ 5.70	↑ 193.40	↓ 35.30	↑ 18.90	23.00
	September	↑ 7.10	↓ 63.30	↓ 27.80	↑ 25.30	34.00
	October	↓ 0.40	↑ 6.80	↑ 112.10	↑ 1.90	30.00
	November	↓ 0.10	↓ 35.30	↓ 54.90	↓ 45.10	50.00
	December	0.00	↓ 32.10	↓ 20.00	↓ 14.50	40.00
2018	January	↓ 0.10	↓ 9.20	↑ 138.90	↑ 32.20	10.00

3 RESULT AND DISCUSSION

This study used regression tool to identify the relationship between the followers of the company's online social media accounts (Twitter, Facebook, YouTube and Instagram) and the number of sales.

The scatter plot shown in Figure 1 demonstrates that there is positive relationship between the number of customers and the percentage of sales gained. From the simple regression line, it can be observed that the sales increase with increase in the number of social network customers. This clearly indicates that the sales have a positive relationship with the number of customers.

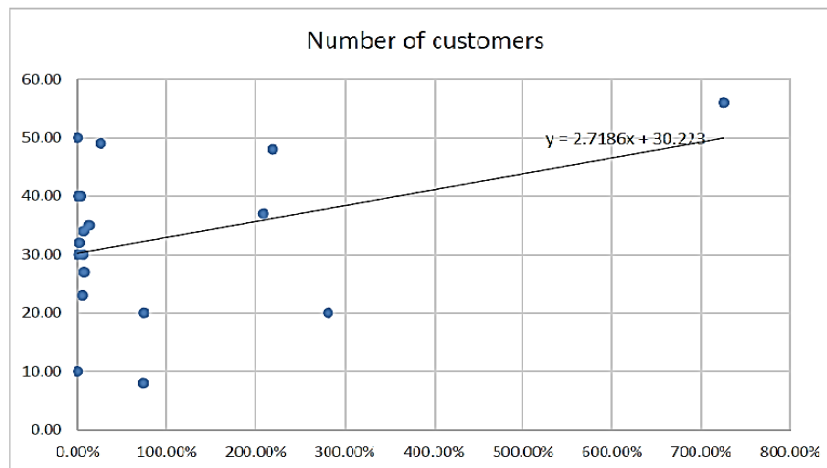


Figure 1: Scatter plot of the number of customers

3.1 The relationship between the sales and number of customers

Table 2 demonstrates that the relationship between the number of customers and the total sales. Based on Table 2, it can be observed that the $F(1, 16) = 33.5$, p -value = 0.004 which was less than 0.05 level of significant. This means that there is sufficient evidence to conclude that the total sales and number of customers have a positive relationship.

Table 2: Relationship between the sales and number of customers (ANOVA test)

	df	SS	MS	F	Significance F	
Regression	1	4317368	4317368	33.5	0.004	
Residual	16	2.06E+09	1.29E+08			
Total	17	2.07E+09				

	Coeff.	Std. Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	21638.28	7225.167	2.994848	0.008571	6321.608	36954.95
Number of Customers	37.5399	205.1029	18.303	0.004	542.338	397.2588

3.2 The relationship between the total sales and the number of followers

Table 3 demonstrates that the relationship between the number of followers and the total sales. Based on Table 3, it can be observed that the number of followers and the total sales have positive relationship. The study indicates that the $F(1, 16) = 83.95$, $p\text{-value} = 0.032$ which was less than 0.05 level of significant. From the analysis the study can conclude that there is positive relationship between the total sales and the number of followers.

Table 3: Relationship between the total sales and the number of followers (ANOVA test)

	df	SS	MS	F	Significance F	
Regression	1	1083669	1083669	83.95	0.032	
Residual	16	2.07E+09	1.29E+08			
Total	17	2.07E+09				

	Coeff.	Std. Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	20593.8	3346.64	6.153576	1.39E-05	13499.24	27688.36
Number of Customers	0.19323	2.108911	9.163	0.032	-4.66392	4.277459

3.3 Demographic characteristics

This study has more than 88% of respondents ranged in age from 22 to 32 years and only approximately 28% of the study sample was under the age of 24 years. This reflects that majority of the study sample members are young and are able to use and evaluate the effectiveness of the company's use of social networks and their role in acquiring customers' knowledge and acquiring customers as well as maintaining them.

In this study the percentage of the sample was 2240 (females) and 9.45% were males. This result is unexpected but it is consistent with the nature of the company's work as the Jordanian woman started to enter E-business markets and e-commerce. This result is fully consistent with the increase in females 'college's numbers of Commerce and Information Technology and Colleges in most Jordanian Universities. This indicates that the competition is done locally and that there is a shift in the e-commerce market and a new area for female entry in the international sphere.

The results showed that 9.96% of the respondents were university bachelor degree holders and a similar percentage of those who hold a diploma in a community college

and those who hold a public secondary school or less (1%) and (2%) respectively, while no members of the study sample hold postgraduate studies diplomas. This result indicates that members of the sample have a high level of education that qualifies them to work in the field of trade and social commerce through the poor use of social networking networks on the behavior of existing and potential customers.

The obtained results showed that the sample members of the population gave results about the number of years of experience as follows: 8.88% have less than 2 years' experience, and only 2.11% have between 6 and 18 years' experience. This indicates that e-commerce and the use of social networks for commercial purposes are still in place. It is expected that many traditional companies will become electronic in the next few years, especially as "Black" is the biggest customer on the net.

4 CONCLUSION

The study concluded that their total sales are influenced by the total number of customers in every social media network. The study also concluded that the number of followers of social media influences the total sales. The influence of new followers and customers are no limit to certain social media user such as Twitter, Instagram, Facebook and YouTube. The social media influencers also play a significant role to attract the customer where they demonstrate the benefits in order to gain trust.

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