

“AN EMPIRICAL STUDY ON THE INFLUNCE OF SOCIAL MEDIA ON CONSUMER MOBILE PURCHASING BEHAVIOUR”

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ABSTRACT:

This paper studies about how the consumer’s purchasing behaviour is influenced by social media. Telecommunications and Mobile phone industries are the most profitable and growing sectors in India. Internet now a days become the mandatory requirement for every individual, every decision regarding the purchase of any product is made through internet support. Consumer is having the power to investigate, label and criticize the products in equal measures only because of technology. That is why many companies these days have pages on social media networks to admire the information about products by feedback of consumers and tend to relate to a company more after reading various reviews. As this paper is related in measuring the influence of social media on mobile consumer purchasing behaviour. The sample counted 100 respondents and those are smartphone users, they have been interviewed directly and asked questions that will analyse whether they are influenced or not, if yes how?

KEY WORDS: Social Media, Influence, Consumer Purchasing Behaviour.

INTRODUCTION:

There has been a gradual increase of smartphone usage and internet in last 5 years, Out of 1.3 billion indian population 50% of population are using smartphones and by 2020 it is expected to reach 60%.

Social media is providing a new channel to acquire product information through peer communication. Many smartphone companies with many innovative features successfully entered and gained Indian market.

Public has been habituated of using internet and smartphones for getting aware of each and every information very easily, which is directly and indirectly influencing their purchasing behaviour. People will search for best option in their affordable price range, choose from them, compare, select and purchase. All these actions are supported by social media.

There are many applications that collectively refer to social media, some of them are Google Chrome, Facebook, Youtube, Instagram, Flipkart, Amazon and Snapchat etc. Though these social media applications started out as a platform for individuals to share their photos of them, friends and family. It has evolved to become much more impactful, especially for business. It is now a key component of organizations' marketing strategies and for good reason. 75% of shoppers make their buying decision based on social media (As per SPROUT SOCIAL).

LITERATURE REVIEW:

Internet and virtual communities have transformed consumers, societies, and corporations with wide spread access to information, better social networking and enhanced communication abilities (Kucuk and Krishnamurthy, 2007). Therefore social networks are defined to be websites which link millions of users all over the world with same views, interests and hobbies. YouTube, Blogs, Google, Facebook and Instagram are examples of social media that are popular and regularly used among all levels of consumers. (Sin, et al., 2012) Users are using many online formats to communicate, to share ideas about a given brand, product, service and contact other consumers, (Kozinets, 2002) The unique aspects of social media and its immense popularity have revolutionized marketing practices such as promotion and advertising (Hanna, Rohn and Crittenden, 2011) Social media also influenced consumer behavior from information acquisition to post-purchase behavior such as dissatisfaction statements or negative behaviors about a product or a company. (Mangold and Faulds, 2009) In the last few years it can be noticed a great influence of companies on online networks. Social media websites provide an opportunity for businesses to interact and engage with potential consumers, encourage an increased sense of intimacy with consumers, and build all important relationships with potential consumers. (Mersey, et al., 2010) Organizations need to differentiate by the company name or brand image through which to communicate distinctive advantages and positioning of the product. Many marketers believe that the organizations should aggressively promote only one advantage in the market

concerned (Moise, 2011) and social networks in the online environment allows them to appear more attractive to consumers. The much higher level of efficiency of social media compared to other traditional communication channels prompted industry leaders to state that companies must participate in Facebook, Twitter, Instagram, and others, in order to succeed in online environments (Kaplan and Haenlein, 2010). Thus, more managing others' strategy or follow others' directions (Williams and Williams, 2008) Corporate presence in social networks and granting likes by users or inclusion in circles, lead posting a variable number of both positive and negative messages. A study made in 2009 shows that large majorities of the top 100 companies according to Internet Retailer had a profile on Facebook (79%), Twitter (69%) or both (59%). USA revealed that 62% of US consumers read consumer generated online reviews and 98% of them find these reviews reliable enough; 80% of these consumers said that those reviews has affected their buying intentions (Industry statistics). (Pookulangaran, et al., 2011) Communication of brand / company and users help create a favorable or less favorable image of other users who read information posted and consider them in the information or purchase. Interactivity with target brand in social media is perceived differently by consumers depending on the message they convey (Shin, 2008). The perceived risk of purchasing and how much money they are willing to pay for a product will also determines the user to think more about the quality and the utility of the product. (Ioanas, 2012) According to the previous researches small amount of negative information from a few postings can great impacts on consumer attitudes and purchasing behaviours (Schlosser, 2005). Palmer (1996) stated that individuals have an underlying need of an emotional bond with high involvement products that they will buy. Brand development and relationship development are complementary and substitutable strategies toward this bonding. The relationship between the brand and the consumer is very important for the company and strengthening that relationship leads to loyalty. Consumers use social networks in daily life for many different reasons. Most of them want to maintain relationships with colleagues/friends and relatives. Online groups exert a noticeable influence on the implicity, consumer buying intent and behaviour on the purchase decision. Shopping has always been a social experience and social networking allows consumers to interact with individuals many are likely strangers in online. Cultural aspects have an influence on consumers' usage of social networks and a great impact over the online purchase intentions. (Pookulangaran et al., 2011) Currently, ecommerce can be done through social media, and it enables to reach to more potential buyers. Due to the advantages of social media in connecting businesses directly to end consumers in a timely manner, at a low cost and (Kaplan and Haenlein, 2010), has been seen a great influence on customer perceptions and behaviors (Williams and Cothrell, 2000), has been brought in the center of the attention.

OBJECTIVES:

To study whether the social media is influencing the mobile consumers in their purchasing decision.

To study the reasons of how people get influenced through social media.

To study the factors involved in consumer purchasing behaviour.

RESEARCH PROBLEM:

The research problem of the current paper is to study about the social media influence on mobile buying consumers in their purchasing decision.

PURPOSE OF THE RESARCH:

The purpose of this research is to know whether the mobile buying customers are influenced by social media or not, factors that influence them and results (positive / negative).

RESEARCH METHODOLOGY:

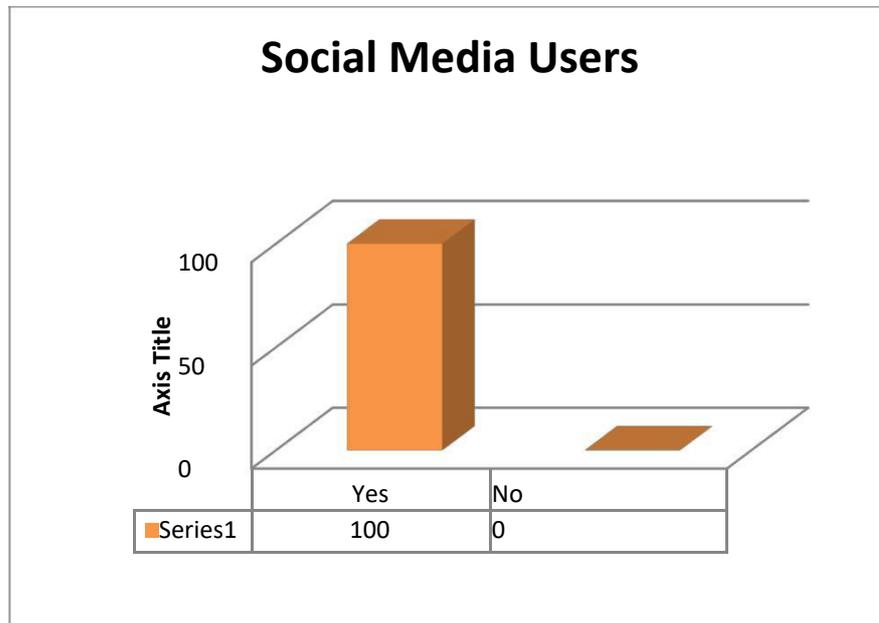
Research conducted was primary and also secondary. Primary research involved 100 respondents and method of sampling was Purposive. Primary data is collected through direct interview of respondents and Secondary sources of information were various books, articles and research papers.

Purposive Sampling:

The purposive sample is a non-probability sample that is selected based on characteristics of a population and the objective of the study.

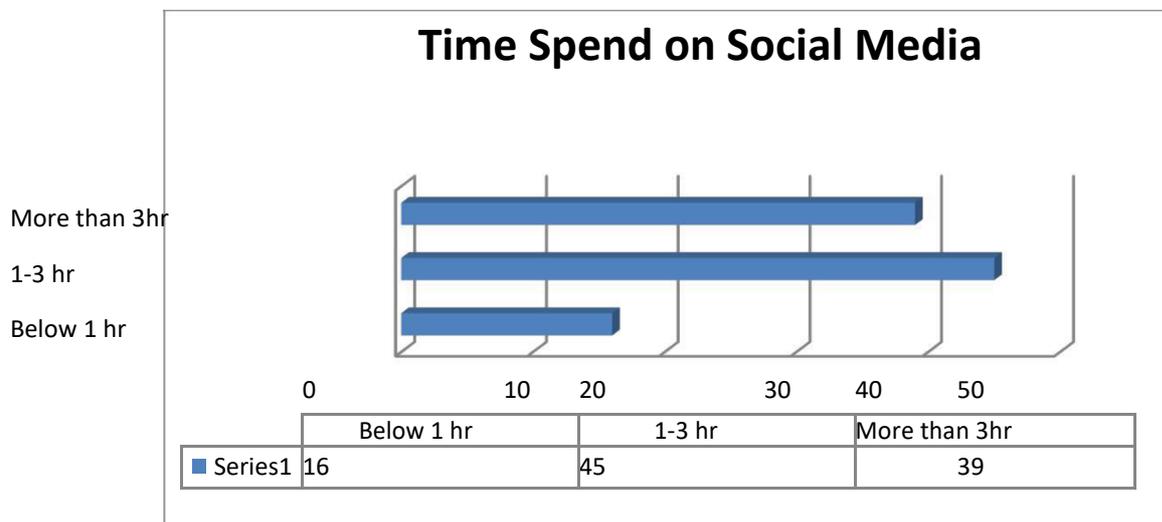
The purposive sampling method will suit for the current research as the respondents are only the users of smartphones.

DATA ANALYSIS AND INTERPRETATION: 1.)



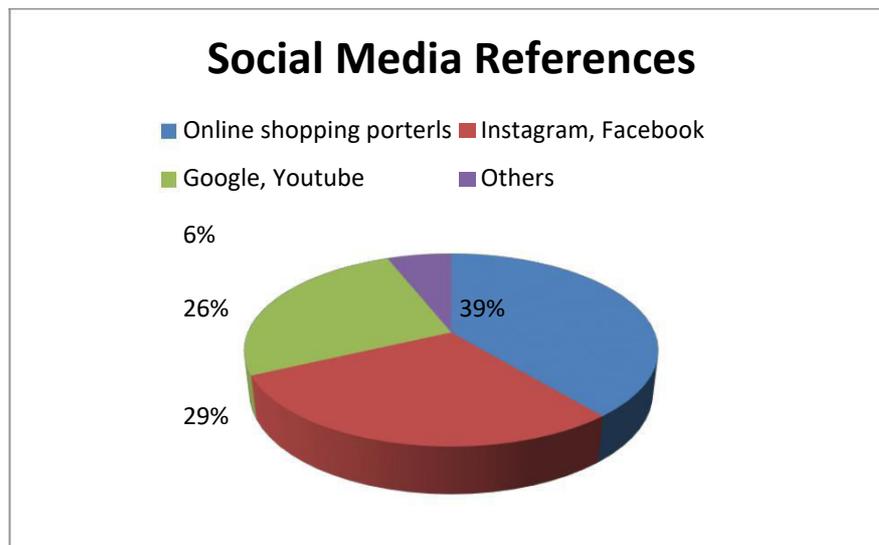
The above table represents the respondents who are social media users. out of 100 respondents all are the users of social media.

2.)



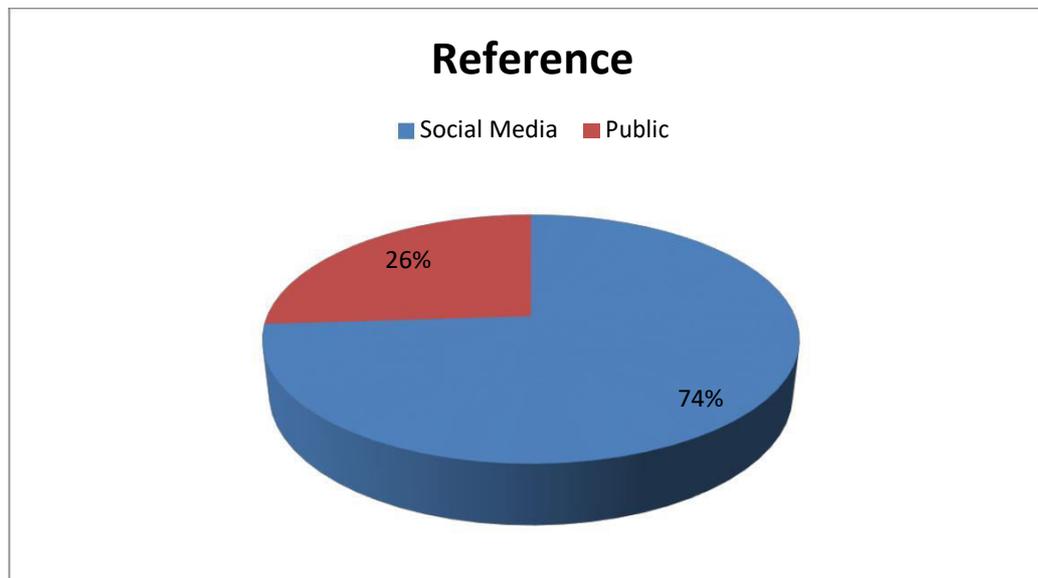
The above table represents the time that respondents are spending on social media daily. out of that 16 respondents are using social media below 1hour, 45 respondents lies in between 1-3 hours and 39 respondents spends more than 3 hours on social media.

3.)



The above table represents the social media application that helped the researcher’s respondents in their purchasing decision out of that 100 respondents who got their reference through social media are categorized as, 39% of respondents have got referred through online shopping portals, 29% of respondents referred through Instagram and facebook applications, 26% of respondents referred through Google and Youtube applications and finally the rest 6% respondents are referred through other sources of social media.

4.)



The above data represents about the reference the consumer got to buy a smartphone. Out of 100 respondents selected for this research 74 (74%) of respondents are influenced by social media and has taken the support of social media for buying their mobile phone. And the rest 26 (26%) of respondents are referred by the public

(family, media and friends). This clearly shows that majority of respondents are influenced by social media in their purchasing decision.

LIMITATIONS:

The research respondents are only the smartphone users.

The research is only restricted to Pune.

CONCLUSION:

Soon after the completion of the report we came to know that the social media is directly and indirectly influencing the customers in their purchasing decision. The purchasing decision will be followed by these steps they are need recognition, information search, alternative evaluation, purchase decision and post purchase behaviour. Social media will involve and support in all these steps for better results. The first step “need recognition” involves in selecting the product which we want to buy, the second step is “information search” that involves in gathering the all relevant information about the product for example if an individual want to buy a smartphone, he will search in social networks which will shows several alternatives in that product segment. The third step is “alternate evaluation” in this step the alternatives that we got in previous step will be evaluated , compare those alternatives among given options and select. And the next step is “purchase decision” where in the previous steps prouct got selected and in this step the purchase decision will be taken. And in the last step “post purchase behaviour” this is the main step where social media will influence the individual, as the social media has given platform to every individual to write and post a review which is majorly impacting the customers, these reviews will make the individual to change his decision, majority of purchase decisions now a days are taken through these reviews. The findings indicated that individuals pursue an active role in information search on social media comparing to mass media, yet information exposure is selective and subjective during the course of information search. They can compare the prices and gets the complete information of each and every product and many people now a days taking social media as a platform are making own videos of reviews , when comes to the smartphone, each and every mobile will be having reviews from many different individuals. Social media is assisting each and every individual in taking every decision and information, in other words we can say that all individuals are depedent on social networks for their regular activities.

Hence the current study proves that the social media will influence the consumers in their purchasing behaviour

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