

MARKET RESEARCH ON THE IMPACT OF SOCIAL MEDIA ON CONSUMER BEHAVIOUR

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ABSTRACT

The goal of this paper is to research empirically the role of social media in consumers' decision-making processes. A quantitative survey investigates up to what degree experiences are altered by the use of social media. Customer sentiments on items and administrations are currently progressively overwhelmed by outsiders in advanced spaces, which thusly impact conclusions in the disconnected space. Web-based social networking has engaged purchasers, as advertisers have no control over the substance, timing, or recurrence of online discussions among shoppers. Results show that social media usage influences consumer satisfaction in the stages of information search and alternative evaluation, with satisfaction getting amplified as the consumer moves along the process towards the final purchase decision and post-purchase evaluation.

Consumers

Any individual who purchases products or services for his/her personal use and not for manufacturing or resale is called

a consumer. A consumer is the one who decides whether or not to buy an item at the store or someone who is influenced

by advertisement and marketing. They are the end-users in the distribution chain of goods and services.

Buyers are the people who buy the product or service and might or might not use it. The person who ultimately uses the product or service is the consumer. A consumer is the one for whom the services or products are ultimately designed for.

Consumer Decision Process

Consumers are individuals that purchase or consume products and services that are offered to them. The consumer buying behaviour can be mysterious and complex at times. The openness and straightforwardness of data have significantly impacted the dynamic procedure, along these lines, it is critical to at what are the obstacles and fiction focus that hold possibilities turning out to be buyers or keep buyers dithering from repurchasing. Hence, the consumer decision-making process shows the critical aspects of individual consumption behaviour. (Sternthal and Craig 1982)

Consumer behaviour can be classified into five stages –

1. Problem recognition
2. Search of information
3. Evaluation of alternatives,
4. Final decision
5. Post purchase decisions.



INTRODUCTION PROFILE

A study based on the decision process of consumers for purchases widely influenced by social media. Internet-based life has involved a significant situation as a specialized device. Individuals over the globe utilize online life to interface with others or associations. Individuals have a great deal of associations via web-based networking media, in this manner data is devoured by numerous individuals. This data turns into a wellspring effect on shoppers and their purchasing conduct. From all around the world people begun to utilize online networking, for example, Facebook,

Twitter, Instagram, and LinkedIn to share their encounters. As clients, individuals share item audits, data about a help, exhortation on food or wellbeing, admonitions about items, tips on utilizing certain items, and substantially more. In the course of the most recent decade, the World Wide Web has seen a multiplication of client-driven web advancements,

for example, web journals, informal communities, and media sharing stages. By and large, called web-based life, these innovations have empowered the development of client created content, a worldwide network, and the distribution of shopper feelings

Traditional advertising via mass media is on decline; Sergio Zyman (1999), former Chief Marketing Officer, Coca Cola, believes, “The era of marketing as we have known it is over, dead, kaput and most marketers don’t realize it...”

he further clarifies that technology has given people many more options than they had in the past and has created a consumer democracy in which people around the world constantly use social-media platforms to seek and share information from discussing consumer products to organizing political movements (see Chui and Manyika 2012).

2.2 Consumer Decision Process Inevitably, businesses encounter bottlenecks where the message is not reaching their consumers and prospects, with the fact that, at times, consumers and prospects are facing significant blocks in their decision process. If not, each of them should be fully committed, loyal, enthusiastic, repeated consumers; however, this is not the case. Today the accessibility and transparency

of information has profoundly influenced the decision making process; therefore, it is important to examine what are the hurdles and friction points that hold prospects becoming consumers, or keeps consumers hesitating from repurchasing. (Silverman 2001.) Figure 1. The 5-Stage Decision Making

Model (Silverman 2001.) Engel, Kollat, and Blackwell (EKB) have presents a comprehensive model dealing with

ultimate consumer's behaviour

in 1978, which attempts to capture



1. Problem recognition

Problem recognition takes place whenever a consumer recognizes a significant difference between the desired and the actual state of affairs, which is insufficient magnitude to arouse and activate the decision process (Solomon, Bamossy and Askegaard 2002).

At the point when an individual is activated remotely, for example, an individual may see a TV notice for a get-away, the upgrades triggers musings or thoughts regarding the chance of making. Once consumers recognize a want, they need to gather information to understand how they can fulfil that want, which leads to step 2.

2. Search of Information

The last buy choice won't be made without a moment's delay, in any event, when people recognize, perceive their issues, and focus on the accessible items; similarly, when possibilities have a certain enthusiasm for an item or administration, they will in general experience the accompanying strides before

completing any activity – recognizing accessible choices, considering data of those alternatives, and in the end judging which of these choices can no doubt convey the best result. While inquiring about their choices, purchasers again depend on inside and outside elements,

just as past associations with an item or brand, both positive and negative. In the search of information, they may peruse through alternatives at a physical area or counsel online assets, for example, Google or client audits. Search of Information The final purchase decision

will not be made at once

, even when individuals knowledge, recognize their problems, and pay attention to the available products; likewise, when prospects have a certain interest in a product or service, they tend to go through the following steps before carrying out any action

identifying available options, studying information of selected options, and eventually judging which of these options can most likely deliver the best outcome (Silverman 2001)

3. Evaluation of alternatives

When data has been gathered, the customer utilizes it to assess and survey the elective item decisions to show up at a

buy choice. The elective assessment and data search stages, however, introduced independently, are unpredictably

interlaced during dynamic, and shoppers frequently move to and from between the two. Elective assessment includes the determination of decision options and evaluative measures. When decided, the exhibition of the considered decisions is thought about along the notable rules, lastly, choice standards are applied to limit the choices to make the last determination. This stage prompts the arrangement of convictions, perspectives, and goals, prompting the resulting phase of the procurement. The alternative that is simpler to use or arrange, or what is preference of the majority or various other reviews and experiences matters in the evaluation.

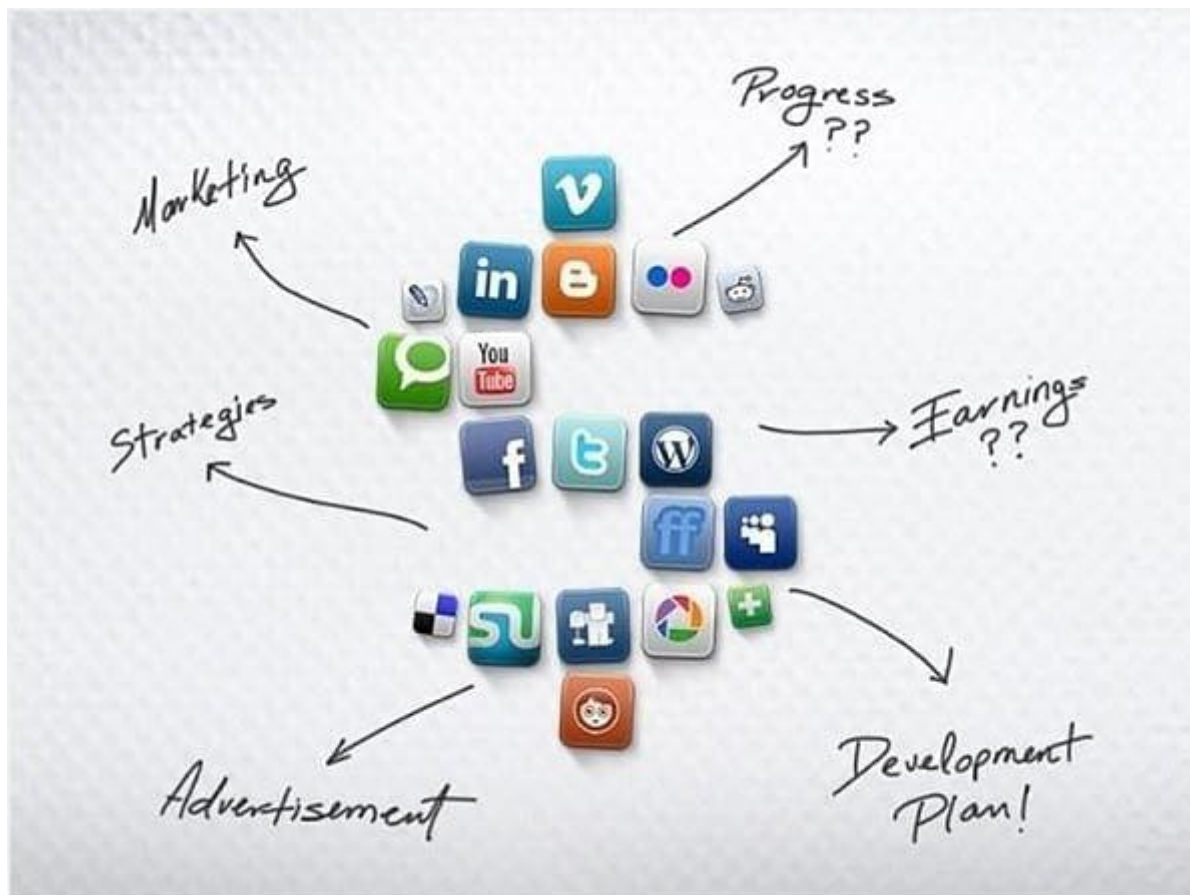
4. Final decision

Purchase choice alludes to the last decision or choice made with respect to which item to purchase. The act of purchase

is the last major stage, with the consumer deciding on what to buy, where to buy, and how to pay. Purchase is a function

of intentions, environmental influences and individual situations. Some of the influences that can affect the purchase action include the time available for decision making, information availability, and the retail environment. The attitude of family and friends, and unanticipated circumstances such as product availability (size, colour) and stock-outs may also force a re-evaluation (Kotler and Armstrong, 2014).

What makes social media marketing special?



Small and medium sized companies with small budgets can take full advantage of social media marketing when they have insufficient funds to use the traditional way of marketing. Even though social media marketing is an evolving concept, the basic idea of marketing remains the same which is to target the section of the population, communicating with prospects, building loyalty and so on. A single post share can exponentially increase brand exposure. Improved customer satisfaction. Organizations don't just market to customers on social media, they also interact with them. This can improve customer service and create one-to-one relationships.



OBJECTIVE OF THE RESEARCH:

Social media has become a crucial instrument for online consumers in this day and age. It's no surprise that all kinds

of businesses have turned to social media to find and connect with their target market. There's a 73% more chance of

users buying a product when it is referred to them through social media. The generation born in 2000s is considered as the generation that spends most of their time on social media websites/apps, more than 52% of their purchases are influenced by social media. Social media websites/apps are the foremost platforms for executing successful digital marketing campaigns. Changes in consumer behaviour due to social media are one of the most fascinating aspects in modern marketing. The objective of this research is to explain why, when, and how social media has impacted the consumer decision process. The study has been conducted by collecting primary data through questionnaires in Delhi during the month of May. Consumers and businesses around the globe have been more connected than ever before with the presence of Internet. An average Internet user has 669 social ties (Hampton et al. 2011); Facebook has more than 600 million daily active users, with over 1.5 million business pages (Facebook 2013), and 30 billion pieces of content shared on a monthly basis (McKinsey 2011)

Approximately 500 million Tweets sent per day, at about 600 Tweets per second (Tweeter 2012). LinkedIn has more than 225 million professionals worldwide, including all Fortune 500 companies

(LinkedIn 2013). The global average time spent per person on social networking sites is 6.9 hours per month (Delaney and Salminen 2012). Changes in consumer behaviour due to social media are one of the most intriguing aspects in the contemporary marketing. Acknowledging that consumer behaviour is a relatively general and broad topic, which it would be challenging for the researcher to gather, inspect and conclude all the necessary data and findings into one research; thus, the researcher has narrowed down the focus in association with the decision making process, which associates with marketing through social media. The objective of there search is to explain

why, when, and how

social media has impacted on consumer decision making process. Besides, perhaps, with this particular perspective the research holds, it can help to identity what are the opportunities and pitfalls companies are facing with this impact

on consumers' decision

making in order to seize and embrace the possibilities in the new marketing era.

Research Questions:

1. How do consumers gather and process the information before a purchase?
2. How does social media affect consumers in different stages of their decision making?

1.2 Scope and limitation of the research With regard to the objectives, conducting the research from the perspective of consumers would be a considerably suitable approach. The researcher realizes that there are many available reports and studies which rather aims to help businesses to gain a better understanding in social media marketing but not to help consumers to identify reasons that social media has changed their decision making process. Since the purpose of marketing is, in sum, about consumer; therefore, by having the starting point from the perception of consumer, and by collecting data from consumers' point of view, fresh insights can be gathered.

The research also aims to serve as an indicator to potential readers(companies) of how they can tab into the decision making process via social media sites. Factors, such as technology, infrastructure, cultural values, norms, and so fourth, across continentals are different, the implication of this research mayvary in countries accordingly; therefore, the research targets at a geographical area, Finland, where individuals share a similar background within standardized infrastructure. The research focuses on the behaviour of end consumers (individuals) and particularly within the retailing industry, for instance clothing, food and beverage, consumer electronics, and so on. More over, in order to provide a more comprehensive perspective concerning the decision making process, the researcher has discussed

the five-stages buying model and the information processing theory, because the former theory explains the stages in decision making process clearly whereas the latter one denotes the psychological factors during the process- they are closely linked with one another based on their objectives. Social media marketing is no longer a new aspect, and yet it is still considerably developing and evolving topic in the field. With a quick literature scan on the related topic, indeed there are vast amount of journals and articles, but with few scientific/academic research and classical literatures about social media marketing associating with changes of consumer behaviour. Thus, this would be another limitation of the research that the discussion on the topic is rather in general manner

RESEARCH METHODOLOGY

Research Design

A Research Design defines how the researcher will ask the research questions. It sets out a logical arrangement of the measurement procedures, sampling strategy, frame of analysis and time frame. There are three types of research designs:

1. Exploratory research design: This kind of research design is used when the problem is vague, its main objective is to explore and obtain clarity about the problem situation. It mostly involves a qualitative investigation.
2. Descriptive research design: This Design is used when a comprehensive and detailed explanation is required for the problem of the study. It can be done in the following ways
 - A. Longitudinal Study
 - B. Cross sectional study
3. Causal research design: This type of research design is used when a researcher manipulates one or more causal variables to assess its effect on its dependent variable. This cause effect relationship tends to be probabilistic in nature. The research design used for this paper is Exploratory since we are trying to gain insight on the Impact of social media on consumer buying behaviour through surveys and published papers with relevant information.

Data Collection Method

The data collection method used is primary as well as secondary. We collected the primary data through surveys using the platform of Google forms, which is a free surveying web-based application. For secondary data we talked to some people about their buying decisions and went through other research papers having similar topics. Exploratory research is characterized as an examination used to examine a difficult which isn't plainly characterized. It is led to have a superior comprehension of the current issue, however won't give convincing outcomes. Such an examination is generally done when the issue is at a primer stage.

Sampling Design

Sample Universe: The sample universe includes the people of New Delhi region.

Sample Size: The sample size of the participants was of 136 people.

Questionnaire Design

The types of questions used in our Questionnaire are structured as multiple choice questions. This is done so that the researcher is able to find the impact of social media on consumer buying behaviour.

Scope of the research

Taking the objectives of the research into account, conducting the study from the viewpoint of the consumer would be the ideal approach. The researcher conducts this study to help consumers identify reasons regarding how social media changed their buying decisions. The main purpose of marketing is about analysing the needs of the consumer therefore the data collected through the questionnaire is from the consumer's point of view so that new insights can be determined. The research also aims to help potential readers understand the importance of social media websites/apps in the consumer decision-making process. The research focuses on the behaviour of end consumers.



1.3 Research Structure The first chapter introduces and highlights the research background, the motivation of the researcher, as well as the research questions. In order to answer all three questions, literature review is covered by three chapters

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consumers, social media, as well as consumers and social media .Decision making process is discussed elaborately so as to provide the components involved in the process before an actual purchase taken place, and how consumers can be affected during the course of the information processing before a purchase. With the purpose of identifying what are the core values that social media has offered to both marketers and consumers, as well as how marketers are utilizing social media in marketing, clarifications in terms of social media, types of social media sites, as well as discussions in relating to social media marketing are covered in Chapter 3. In the last chapter of the theoretical framework, the relation between social media and consumer decision making process is discussed. As for the empirical part, reasons of selected approach and the data collection process are explained in details in order to provide the reliability and validity of the research. Findings form the collected data are analzed in associating with the discussed theories in the theoretical framework in Chapter 5. Last but not least, conclusions are drawn for the research questions, and suggestions are made for any further research in future

DATA ANALYSIS

1. BACKGROUND

The following section presents analysis made on the data collected from the questionnaire. The set of questions

were sent to individuals who are currently living in New Delhi, India. Since the survey was sent to 150 individuals, and the number of participants was 137, therefore the total percentage of responses was 91.34(%).

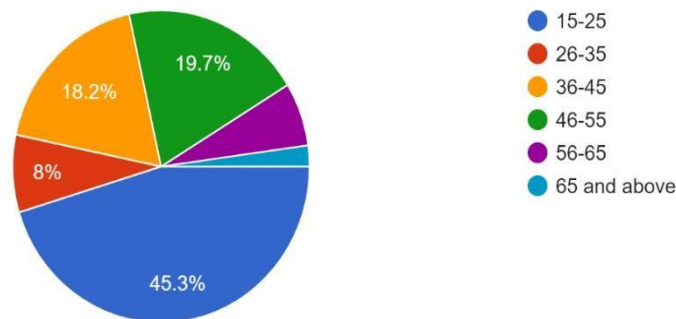
In total the questionnaire contains 12 questions.

In the upcoming sections analysis and findings are presented.

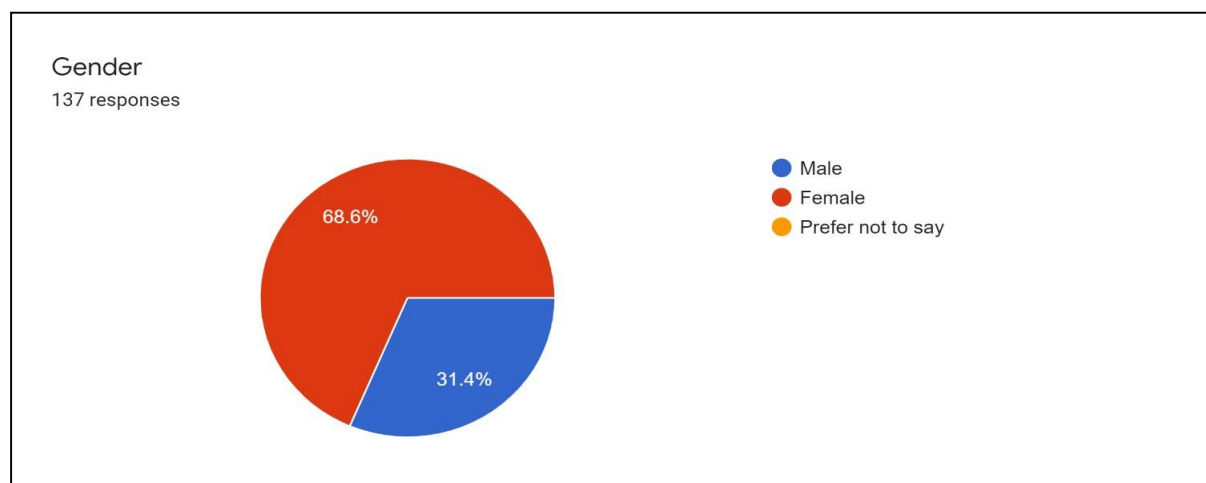
1.1 Age Distribution

The following pie chart shows the age distribution of people into 6 different age groups who filled out questionnaire.

Age Group
137 responses



1.2 Gender: The following pie chart shows the gender distribution of the respondents.



By asking these two general questions we are able identify the diversity of the responses, which will help us give a more generalized analysis.

Six different age groups are covered by collected data, they are 15 - 25 years old 45.3(%), 26 – 35 years old 8(%), 37

– 45 years old 18.2(%), 46 – 55 years old 19.7(%), 56 – 65 years old 6.6(%), 65 and above 2.2(%).

From the received responses, 31.5(%) of the respondents were female, and 68.7(%) were male. Since the collected data

covers people from different age groups, preferences and gender, therefore the following analysis is carried out in

assessing the general consumer behaviour in New Delhi

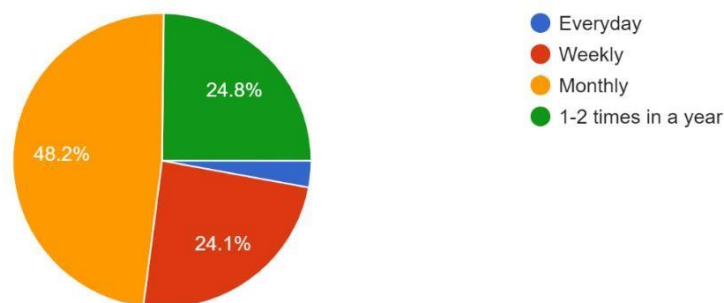
1.3 Frequency of online shopping done by people

2 The above pie chart shows the frequency of online shopping done by people. It shows that 48.3(%) of the people did

3 online shopping on a monthly basis, 24.2(%) of the people did online shopping on a weekly basis, 2.8(%) of the people

4 did online shopping every day and 24.7(%) people did online shopping 1 or 2 times a year

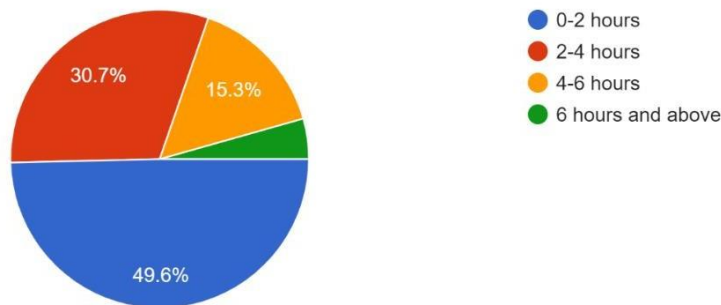
How often do you do online shopping?
137 responses



1.4 Time spent on Social Media Websites on a typical day

On a typical day, about how much time do you spend using social networking websites?

137 responses



The fourth question of our survey was to find out about the number of hours spent by people on social media per day.

Through this we got to know that major chunk of population spent 0 - 2 hours of their time on social media i.e. 49.7(%)

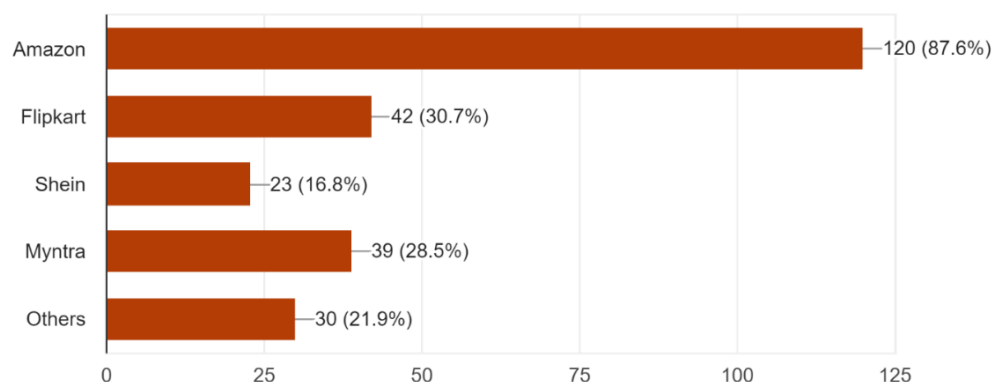
of people. Furthermore, 30.7(%) of population spent 2 - 4 hours on social media, 15.4(%) of people spent 4 - 6 hours

on social media, with the least number i.e. 4.5(%) spending 6 hours or more on social media. The emergence and popularity of social media have made it easy for an individual to communicate in real time with different people. So one can extend their hover of online companions to any degree with the utilization of internet-based life.

1.5 Apps and Websites used most for buying products online:

Which apps/websites do you use most often when buying products online?

137 responses

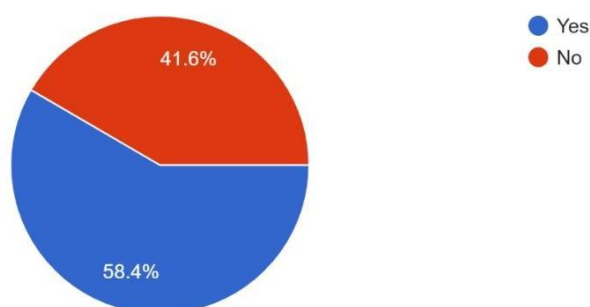


According to the survey Amazon is the most preferred platform to do online shopping with 87.7(%) of the votes. The comes Flipkart 30.8(%), Myntra 28.6(%), Others 21.8(%), She in 16.7(%). Amazon is to be considered as a leader of online networking sites these days as stated by the majority of our respondents.

1.6 Do people follow brands on social media?

Do you follow brands on different social media sites?

137 responses

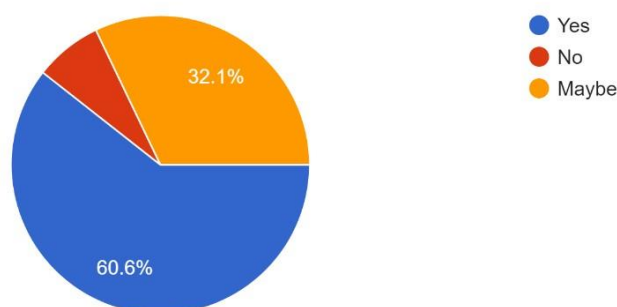


Information about various brands, promotions, discounts and offers are posted on social media sites, social media and website is a very good way to receive information about everything without great amount of efforts, thereby, majority i.e. 58.5% of people tend to follow various brands on social media.

1.7. Do you take social media as electronic word-of-mouth?

Do you take Social media to be the electronic word-of-mouth (as a means of transmitting information)?

137 responses

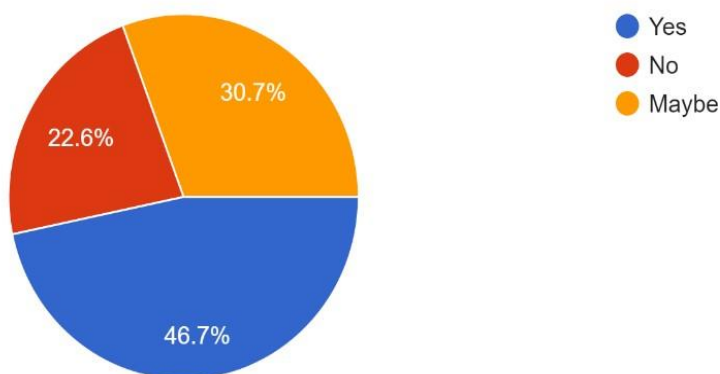


The impact of Electronic Word of Mouth (eWOM) on customers' buy goals has been known for quite a while. Be that as it may, Electronic Word of Mouth (eWOM) has increased another measurement with the appearance of web based life. Electronic Word of Mouth effect purchase decisions. 60.7% of the total population said that social media acts as an electronic word of mouth and does effects the various decisions of consumers. Apart from that there are 32.2% of people who don't want to state extreme sides they chose 'maybe' as their answer. Whereas 7.3% of people stated that social media should not be considered as electronic word of mouth.

1.8 Does social media affect your vision of the brand?

Does the social media page/website affect your vision of the brand?

137 responses



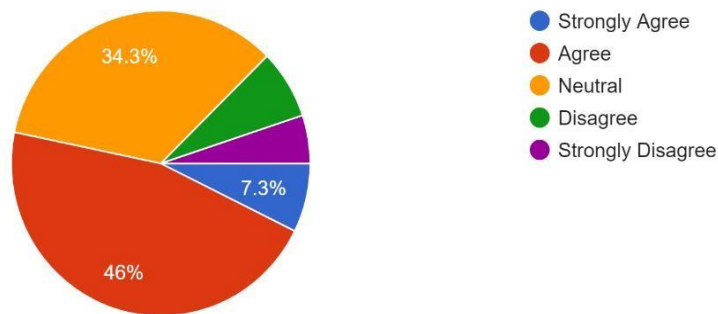
Social media is like megaphone to generate information about the brands to the customers, brands can shine and create an advantage through this medium by generating positive information about their products and services. 46.8% of the total respondents stated that social media does affect the vision of the brand in the minds of the customers. This can have a negative impact for the brand in a case where there are few bad reviews about the brand on social media, the target audience might consider it to be the trust and not buy the product or service from that brand. Whereas, the minority of people ie 30.8% said that

social media does not affect the perception of the brand, they believe mostly in trying the product and service and then judging it instead of looking at its promotion on various websites.

1.9 Do you feel that your purchase is influenced by social media?

Do you feel that your purchase is influenced by Social Media?

137 responses

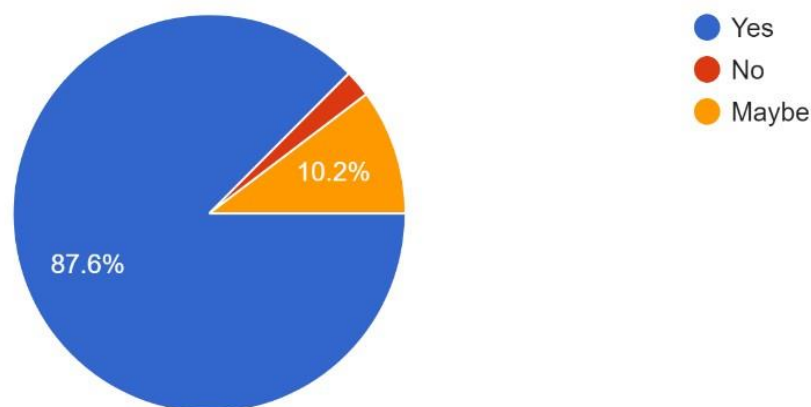


All kinds of businesses have turned to social media to find and connect with their target market. Consumer buying decision is affected by the social media promotions. 47% people agree that social media does influence the purchase, whereas 34.4% people are neutral in this and a very few people disagree to this fact.

1.10 Do you think social media plays an important role in promoting a brand?

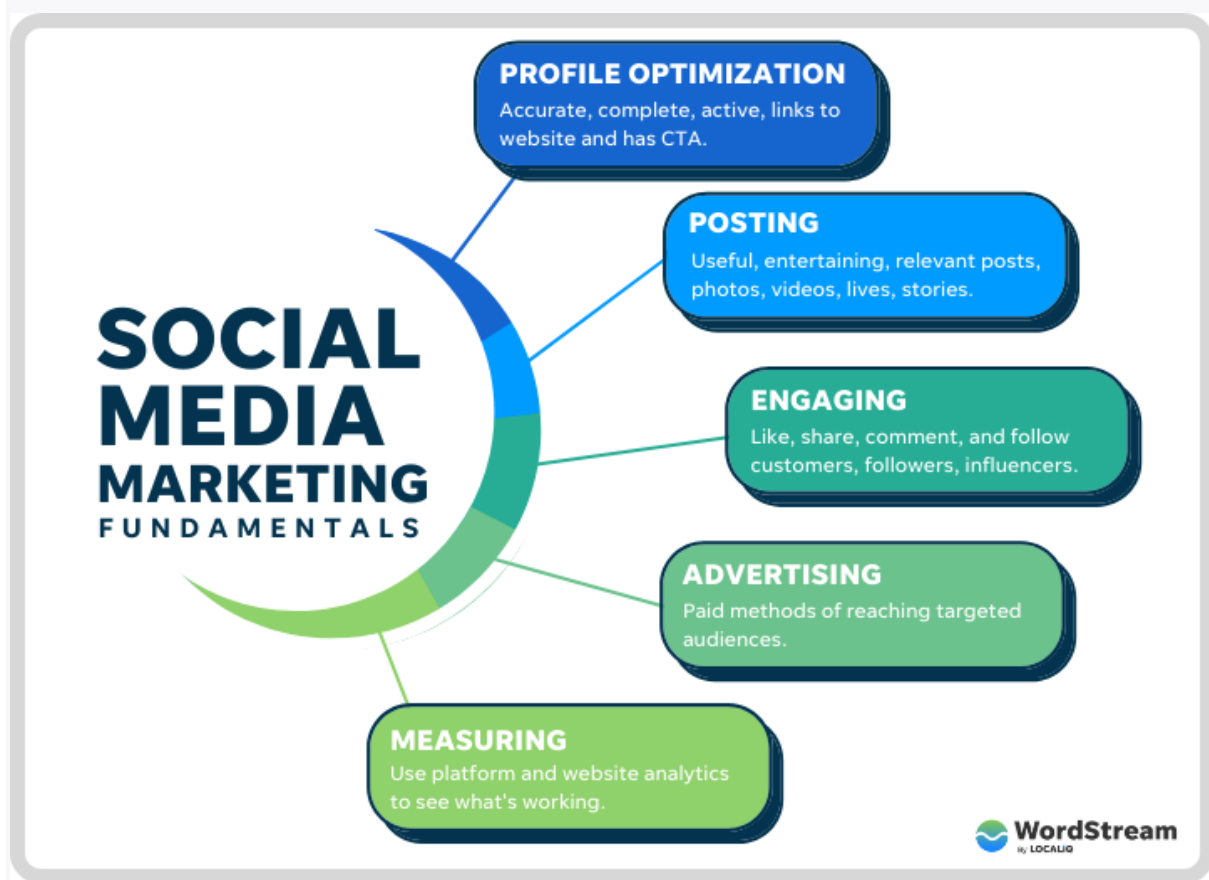
Do you think social media plays an important role in promoting a brand?

137 responses



Social media marketing helps to spread the word about the products and mission of a brand. Through promotions, influencers or celebrity marketing brand awareness is increased, majority of our respondents i.e. 87.7% of people said that social media plays a very important role in brand promotion, whereas, a minority of 10.3% were neutral to this aspect.

SOCIAL MEDIA FUNDAMENTAL



SOCIAL MEDIA AND CONSUMER

Social media as a mean of giving consumers a voice Having explained the possible components involved in the consumer decision process, the nature and the essence of social media, as well as having a brief discussion of the prominent features in different social media outlets, there search believes that social media is an essential touch point in today's

consumer decision process, from stage quo to the stage of post purchase; likewise, companies are engaging with the purpose of creating brand awareness, engaging their existing customers, driving traffic to other marketing properties and growing channel number (Zarrella 2010; Weber 2009; Weinberg2009; Smith and Zook 2011). The following section discusses on how consumers are affected by social media, and identify which would be the considerate phase of the purchase process that marketers should tap into. Regarding the information processing theory of consumer choice, it is mentioned that there are vast amount of advertisements competing with each

other in order to grasp individuals' attention (Fennis and Stroebe 2011) and the fact that human beings have an obvious limited brain capacity in processing information; therefore, it is a challenge for each discrete message to get heard above the din (extraneous factors that distract or distort the message), even if marketers have the right message (Silverman 2001, 67). Each of the social media platforms plays a role in

giving out, receiving, and exchanging information without any boundary limitations

, and as mentioned previously that social media enables two-way flow of information. Since the flow of communication does not merely impact how companies can access their targeted groups, but also it influences throughout the entire decision process, from interpreting the message, searching for available alternatives, as well as actions carried out in the after the purchase; thus, It is important to denote that message rejection, misinterpretation, and misunderstanding are the possible pitfalls in the flow of communication (Smith and Zook 2011, 120).In relating to social media marketing, the biggest fear of companies and brands is to give up the control over the content, and the frequency of information; however, it is essential for marketers to realize that reviews and discussions, as user-generated contents, serve to demonstrate a company's transparency.When Zagat and Amazon started inviting individuals (such as consumers and users) to give their opinions, there was no stopping the trend (Weber 2007); that is, the communication in present-day has drastically altered into a medium thatis composed of millions of people who can actually contribute or detract from a marketing message. Consequently, comparing to offline traditional marketing channels (such as television, newspaper, magazines, and so on), word-of-

mouth solely relies on social media outlets in this digital age, due to the fact that websites allow users to create their own virtual spaces in which fosters and ignite the word-of-mouth. (Weinberg 2009.) Conversation in traditional media is one-way:

the company spoke, an audience listened. Mass messages are filtered through opinion leaders to the mass audience, in which opinion leader is very hard to be identified since they are not formal experts and do not necessarily provide advice but

have a certain degree of influence on consumers

(Katz and Lazarsfeld 1955). In the notion of communication models theories (Goldenberg, Han and Lehmann 2010), the findings (Katz and Lazarsfeld 1955; Bulte and Wuyts 2007) have provided that opinion leaders are those

initially

exposed to certain media content who interpret the message based on their own opinion, and are more active than others both in seeking information and in conveying it to others. (See Wuyts et al. 2010, 283-300) According to Lazarsfeld and Katz's hypothesis

(1955), the information is channelled to the masses through opinion leaders, who have a more literate understanding of media content, explain and diffuse the content to others. Listeners, in turn, subsequently feed back to the opinion leaders. (Smith and Zook 2011.) "Customer are screaming to be more engaged with the companies that affect their lives," is how Diane Hesson, president and CEO of Communispace, describes the change of social media has brought to consumers. She further

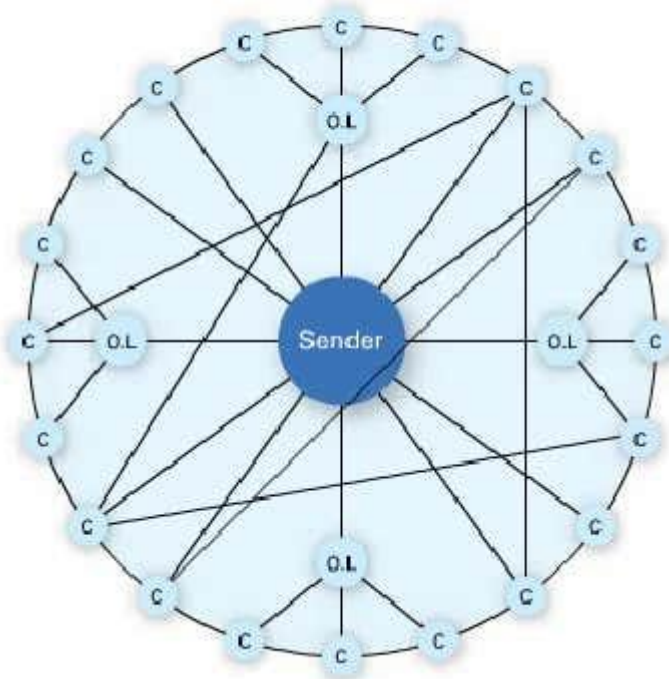
addresses that "Blooming trends like blogging, online communities, flash

mobbing, buzz agents, and My Space show that customers have a lot to say they want to be asked and they want to be involved

." (Communispace 2013.) As it is said, social media has put consumers back to the center by enabling them to engage in conversations, and neither decisions are no longer to be made by few individuals nor the message being sent to the masses by the brand owner. Smith and Zook (2011) have pointed out that customers, first, talk to each other (C2C) with the online platforms came the easier facilitation of customer communities, and secondly back to the company (C2B). According to figure 4, it has put forward that online communities have bridged the communication gap between brands and consumers, and eventually this certain

Figure 4. Web Communication Model (Smith and Zook 2011).

Advanced web communications model

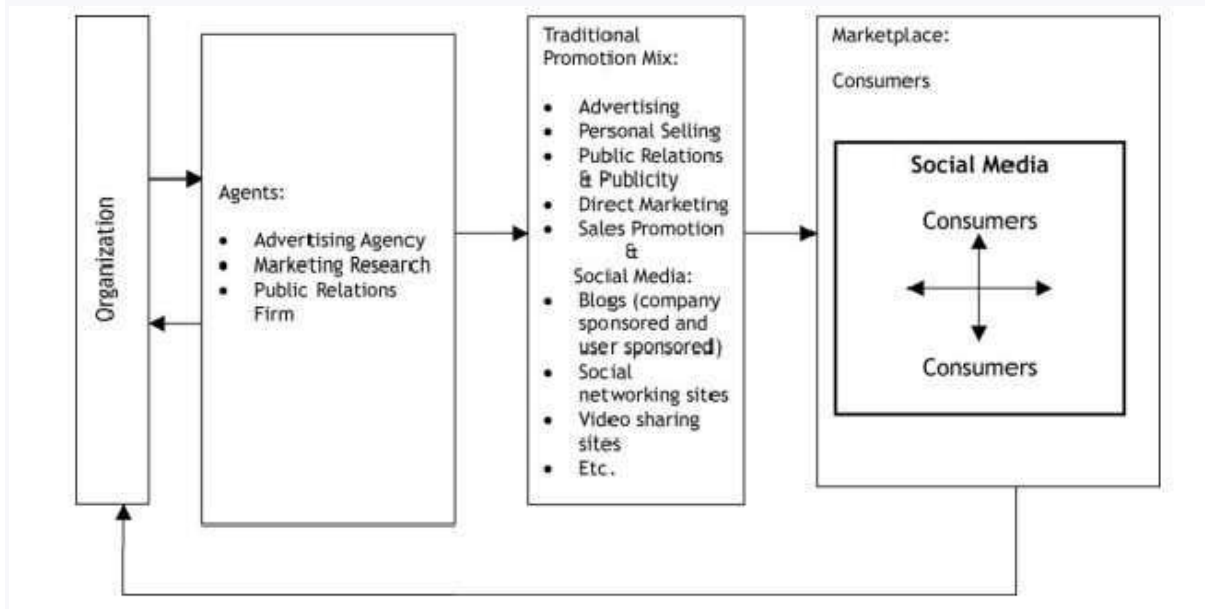


type of communication flow fosters a web communications between customers and opinion leaders in which spins around the brand. (Smith and Zook 2011.) Mangold and Faulds (2009) has presented a new communication paradigm ,figure 5, indicating that the independency of social media platforms has amplified consumers' ability to communicate with one another, in which has profoundly affected consumer behaviour, and has bestowed consumers with power they have not previously experienced in the marketplace. (Mangold and Faulds 2009.) Eventually, information and feedbacks are constantly circulating among the online communities and individuals are able to access to the information easily. Besides, considering that an average Internet user has 669 social ties (Hampton et al. 2011), as a result, word of mouth undoubtedly works much quickly online comparing to offline. Most of the diffusion modelling (describes the process of how new products get adopted in a population) associated with marketing have suggested that the process in which a social system adopts an innovation is largely based on

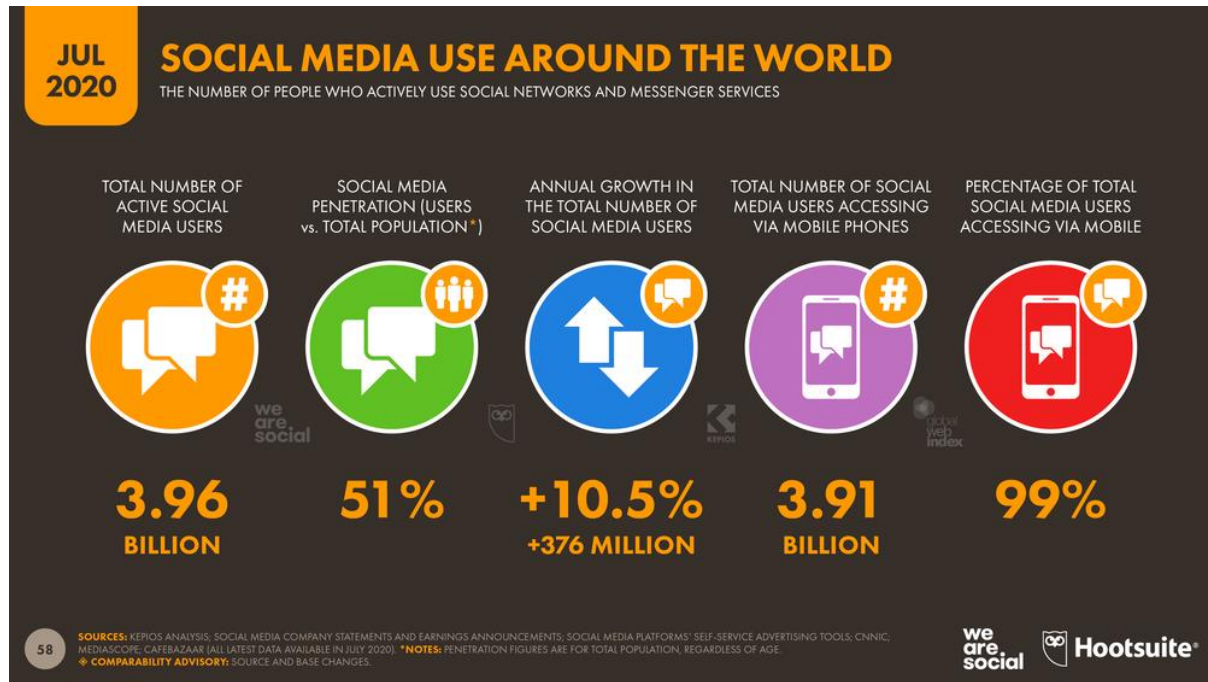
interactions among potential adopters; in this regard, consumer's decision to perform an action may be influenced by the decision of those around them (Hui et al. 2012). During the phase of information acquisition in the decision process, consumers are influenced by external and internal source of information, Glodenberg , Han, and Lehmann (see Wuyts et al 2010, 284) have explicated that internal sources of information are previous adopters of the innovation who can influence potential adopters by

digesting, analyzing, filtering, customizing, and spreading word-of-mouth and functioning as role models in the market

Figure 5. The New Communication Paradigm (Mangold and Faulds 2009).



Social Media Social media is a website or application that allows its users to create and share content while engaging with other users (Hudson 2020). Social media allows its users to share content fast and real-time via smartphones, tablets and computers. It has become a big part of people's everyday lives since smartphones have 3,5 billion users all around the world (Statista 2020). Anyone with internet access can sign up for a social media and create an account. Users can share whatever content they choose to, and the content they share reaches anyone who visits their page or profile. (Hudson 2020) Social media has become a place where people and organizations of all kind can interact with each other and share information for wider audience at once.

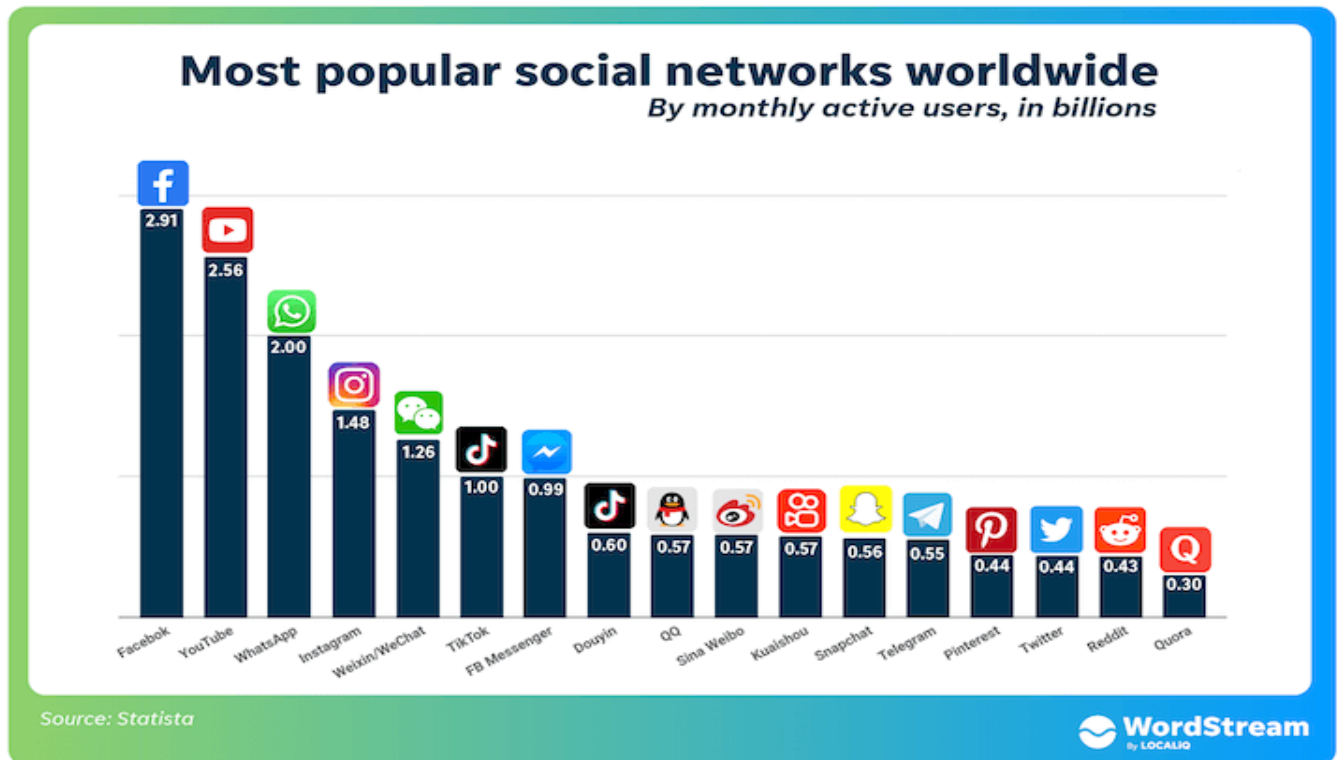


Most popular social media platform 2022:-

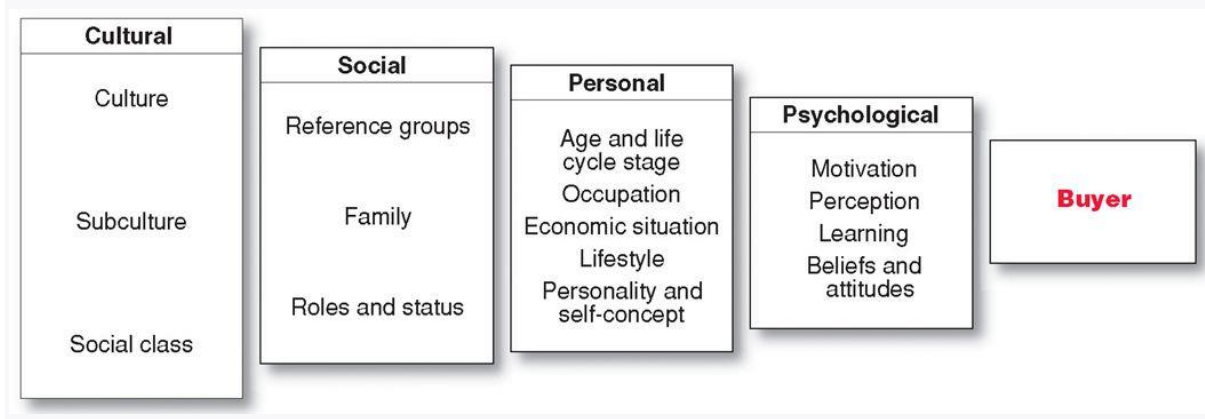
Meta Platforms owns four of the biggest social media platforms, all with over one billion monthly active users each: Facebook (core platform), WhatsApp, Facebook Messenger, and Instagram. In the final quarter of 2022, Facebook reported over 3.7 billion monthly core Family product users

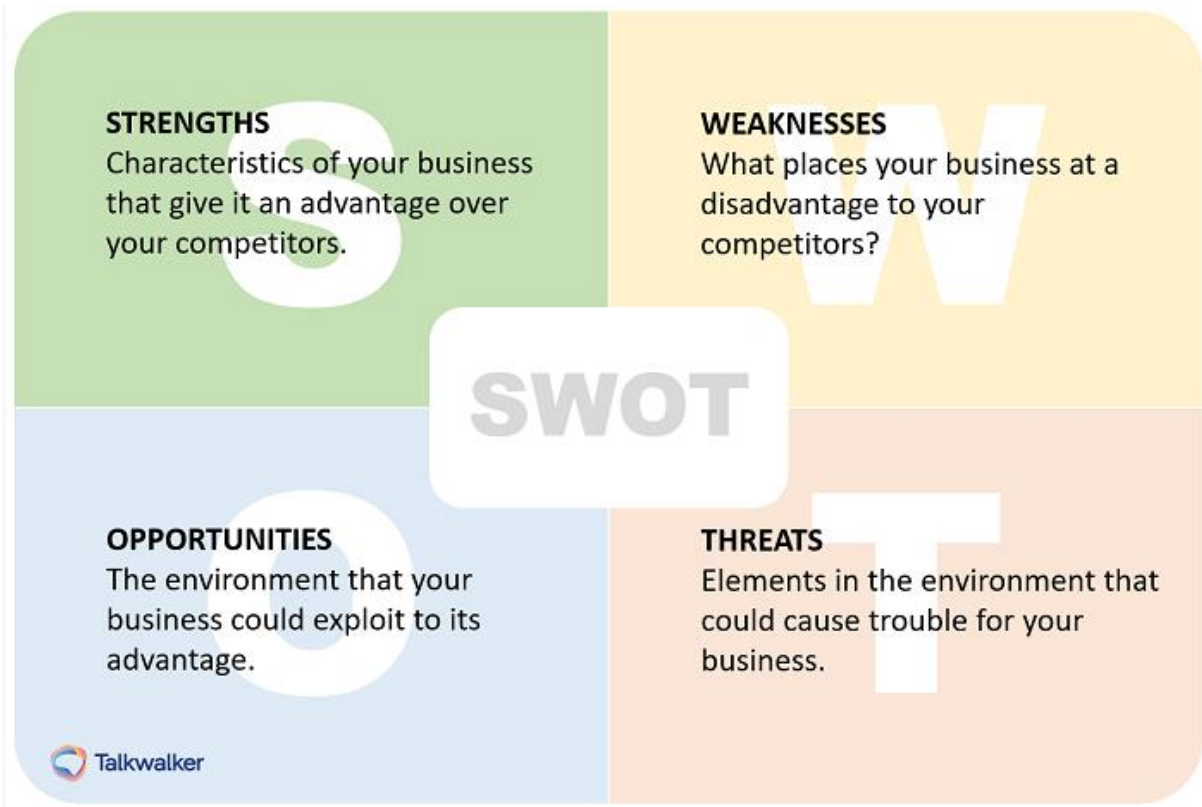


Introducing the Social Consumer



factors that effect on consumers purchasing behaviour.





SWOT ANALYSIS CONSUMER BUYING BEHAVIOUR

How does social media influence consumer behaviour?

4 Ways Social Media Influences Consumer Behavior

Does social media affect consumer behavior? Social media has occupied an important position as a communication tool. People across the globe use social media to connect to other people or organizations.

Globally, people have started to use social media such as Facebook, Twitter, Instagram, and LinkedIn to share their experiences. As customers, people share product reviews, information about a service, advice on food or health, warnings about products, tips on using certain products, and much more.

When [102 CX experts](#) were interviewed to understand the top customer experience challenges brands face in their industries and what actions they need to overcome from that, Pedro Pablo Castro Benítez, Proximity Channel, Procter & Gamble, talked about it - *"How to get customer attention in a world where he has so many interactions? Full focus on Social Media with something similar to "call centers" but dedicated to IG, TikTok, Facebook, and other platforms where the young people spend more time than on TV, radio or even going for a walkout from home."*

People have a lot of ‘connections’ on social media, therefore information is consumed by many people. This information becomes a source of influence on consumers and their buying behavior.

Research studies have shown that many people rely on the information and reviews on social media as a guide for planning their future purchases.

Social media has grown in terms of its reach and impact. Here is a statistic to prove that.

[54% of social browsers use social media to research products](#) (GlobalWebIndex, 2018).



4 Ways Social Media Influences Consumer Behaviour

More buyers are now on social media networks than ever before. Consumers are looking for reviews and recommendations. Therefore, it's essential to have a prominent online presence on various social media platforms.

The latest trend in marketing is the introduction of social media. Social media has the power to influence potential customers from the start until the stage of the purchase and beyond as well.

To start off, consumers need awareness of your brand and its offering. At a later stage, when they start to narrow down their choices, you need a social media influencer to convince their choice. A constant

dialogue between the customer and the brand is essential to keep the relationship strong. Attractive and informative content can glue the customers to your brand.

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Here are 4 ways in which social media influences consumer behavior:

1. Builds product awareness



Social media is a huge influence on consumers when they are attempting to build awareness about a particular product. When people face a problem, they start searching for a solution. But most of the times people do not know which product or service will solve their problems.

How do people get to know about your product? A large section of the audience gets to know your brand through the content that is distributed on social media.

[Top 8 social networks drove more than 31% of overall traffic to sites!](#)

The aim of every business is to influence and understand consumer behavior. Using [customer experience analytics](#) will help to know your customers and their needs from social media conversations.

If you do not have a brand presence on social media, you are missing out on an important opportunity to influence your consumer buying behavior.

2. Social Proof as a greater force of buying decisions



Social media has resulted in the evolution of social proof as a greater force for buying decisions. [Social proof](#) has emerged due to the tendency of people to imitate the behavior of people around them or people imitate people who have influence over them.

Happy customers tend to go about praising the products with likes, shares, reviews, and comments on social media. Marketers are making the social space more transparent by sharing reviews, comments, likes, tweets, and pins of their happy customers to generate brand trust and increase conversion rate. The [beauty and cosmetics industry](#) is one of the top industries that successfully utilize this customer presence in social media.

Sharing testimonials, case studies, pictures, comments, and videos of happy customers will build greater trust and will work well on your landing, page, consulting page and sign-up page as well.

The power of social proof cannot be undermined when social media has become an integral part of buyers and sellers. Social marketers looking to sell their products should have solid social proof in form of case studies, images, videos, podcast interviews, and influencers as part of their selling strategy. All this will eventually increase the conversion rate.

3. Promotions, Discounts and Deals on Social Media



Many social media users have signed up for social media groups/forums that they are interested in. When consumers see promotions, discounts, and deals on social media, it influences their buying behaviour.

64% of online consumers wait to buy things until they go for sale,

Social media is an inexpensive platform that gives brands instant reach to billions of active social media users. Brands should ensure that the [target audience](#) sees your products, likes them, and shares them on social media, which helps to influence consumer behavior.

4. Social Media Influencers



Consumers are more likely to buy when they get recommendations from a person they trust. Celebrities and popular people inspire their audience and influence their buying behaviour.

It is true that 49% of consumers seek guidance from social media influencers before making a buying decision.

For example

an influential gamer would endorse gaming and tech products. Consumers on social media look up to these influencers for recommendations and advice on products. A positive influence will encourage the consumer to buy the product. Influencer marketing can work wonders for your brand by attracting more customers. Many marketers are replacing celebrities with YouTube, Instagram, and Snapchat influencers. These online stars are providing unfiltered feedback on products, and consumers love it.

Social media, which includes the content, visuals, promotions, discounts, and influencers, has the ability to influence the buying behavior of consumers.

The effects of social media on consumer behavior cannot be ignored by brands and businesses.

A [Deloitte report](#) highlighted that consumers who are influenced by social media are 4 times more likely to spend more on purchases. Moreover, the influence can be so high that 29% of consumers are more likely to make a purchase on the same day of using social media.

Types of Social Media

Social media. Consider Facebook and LinkedIn.

Website bookmarking.

Media exchange.

Microblogging.

Forums and comments on blogs.

Sites for social reviews.

Public blog.

Network for the Sharing Economy.

IMPACT OF SOCIAL MEDIA ON PURCHASE



Definition of Operational Terms

- **Consumers:** Consumers are people who buy products and services provided by the producers.
- **Consumer Behaviour:** The study of how, where, when and why people buy, use and get rid of products and services
- **Consumer Buying Behaviour:** The process by which individuals search for, select, purchase, use and dispose of goods and services, in satisfaction of their needs and wants
- **Consumer Decision Making:** The processes, by which consumers identify their needs, collect information, evaluate alternatives and make the purchase decision
- **Social Media:** Internet or cellular phone based applications and tools used to share information among people. It involves blogging and forums and any aspect of an interactive presence which allows individuals the ability to engage in conversations with one another often
- **Economic Factors:** A consideration regarding how a consumer's disposable income and other financial resources tend to impact their buying
- **Socio Cultural Factors:** A set of beliefs, customs, practices and behaviour that exists within a population

Consumer buyer behaviour

There are many ways to model consumer behaviour, depending on the goal of the research, but a useful method is the decision-process approach which studies the events that precede and follow a purchase, and that explains the way decisions are made (Karimi, 2013). Consumer decision-making could be defined as the "behaviour patterns of consumers, that precede, determine and follow on the decision process for the acquisition of need satisfying products, ideas or services" (Du Plessis et al., 1991). Consumer models have ranged in their complexity, with the simplest ones including the economic model (where consumers follow the principle of maximum utility and spend minimum amount for maximum gains), the psychological model (based on Maslow's hierarchy of needs, where individuals are motivated by their strongest needs), the Pavlovian

learning model (behaviour brought about by practice, learning and experience), and sociological model (buying influenced by society or social norms). Towards the end of the 1960s, several complex models were developed.

Impact of the internet on consumer decisions The enhanced variety and amount of information online has improved the ability of consumers to make better consumption choices (Aksoy and Cooil, 2006), and has opened up new opportunities for information search because of low search costs (Jepsen, 2007). Results on search engines are now often dominated by user content and opinions (Smith, 2009). The impact of the internet varies on the various stages of decision-making. Initially, the internet supported only the information search stage (Karimi, 2013), but recent trends in social media, online decision aids and recommender systems have extended the internet's influencing role to all the decision stages. For online decision-making quality, besides time costs and the cognitive costs of acquiring and processing information, other influencing factors include perceived risk, product knowledge and trust. Internet or web skills have also assumed importance: the higher the amount of internet use by consumers, the more likely they will use it for decision-making (Jepsen, 2007). According to Punj (2012), the essential difference in decision quality between offline and online settings can be attributed to the technology available online, including access to the varied sources of information and decision aids, which have the potential to help consumers make better quality decisions.

Gamification and Special Interaction Opportunities

Most social platforms have opened their doors to help marketers pursue the social consumer via gamification and special interactions. Twitter and Facebook play well with consumers who are ready to refer a product or service (today's version of word-of-mouth marketing). Nearly all social platforms have success with campaigns focused on prizes, giveaways, and customer competitions.

A great example of a social media success is Sony's leverage of the Twitter platform to incentivize additional purchases by offering 1,500 Twitter users the opportunity to customize their Vaio laptops. By offering a more personalized shopping experience via social, they managed to increase their sales of that laptop brand by \$1.5 million during the special offer timeframe.

Different Consumables Spur Different Habits

According to a [Deloitte review](#), the percentage of consumers that use social media when shopping varied by the category of the item desired. Interestingly, shoppers seeking out baby and toddler items led the pack by 56%. These shoppers were followed closely by those seeking out home furnishings, electronics, and health and wellness. In addition, shoppers were 29% more likely to purchase on the same day that they used social media to assist them in their shopping endeavors. And those who used social media during the shopping process were four times more likely to spend more money on their purchases.

Psychology Plays a Part

As humans, we tend to let emotion fuel our purchases. Social media caters to the right side of our brains, so it makes sense that it plays a part in our purchasing decisions. According to an article by [Social Media Today](#), 41% of people who purchase a product say they weren't planning on buying an item before they stumbled upon it online.

Social media helps instill trust in a purchaser through fellow reviews and experiences. Consumers also tend to compare, contrast, and keep up with the purchases of their friends and family.

With [75% of consumers](#) not accepting advertisements as truth, marketers have quite a bit of ground to cover to reach their target audiences and convince them to purchase a product. Referrals, reviews, and recommendations from trusted sources can help quell suspicions and form the confidence a buyer needs to pull the trigger and make a purchase.

Social media is a strong influencer in the world of e-commerce. Shares and recommendations of products or services help increase brand recognition, improve buyer trust, and drive sales. According to Hubspot, 71% of consumers are more likely to make a purchase based on a social media reference. As shoppers become more socially inclined and begin to base their opinions less on advertisements and more on consumer-to-consumer interaction, the role of social media is sure to steadily increase its influence on customer purchasing decisions.

FINDINGS AND CONCLUSION

FINDINGS

1. The maximum number of the respondents were from the age group of 15-25 as this is the age group which

spends maximum number of hours on Social Media.

2. Data from survey shows that nearly half of the people tend to do online shopping once or twice in a month.

This may suggest that they belong to working class which do not have a lot of free time and they tend to buy in large quantities but less frequently from Online platforms.

3. The data from the survey shows that almost half of the people spend 0-2 hours every day on Social Media

Platforms. Social Media plays a crucial role in connecting people and developing relationships which enables us to grow in our careers and have more opportunities.

4. The data from the survey shows almost 60% of the respondents follow brands on Social Media. People

follow brands on Social Media as they want to know about sales, new products etc.

5. The data from the survey shows that almost 61% take Social Media as the Electronic word of mouth as

many people make purchase related decisions according to Social Media referrals.

6. The data from the survey suggests that almost 47% of the respondents believe that Social Media

page/website affected their vision of the brand. As most of the consumers who shop online read reviews about the brands of the products, they are buying which might affect their vision of that particular brand.

7. The data from the survey shows that 46% of the respondents believe that their decision was influenced by

Social Media. It is because many people tend to see online reviews and comments about that particular product to choose the perfect brand and price.

8. The data from the survey shows that almost 88% of the respondents believes Social Media plays an important role in promoting a brand as it helps increase the amount of exposure which enables the brand to generate leads and increase sales.

CONCLUSION

It can be concluded from this research that consumers in New Delhi, India are actively utilizing social word of mouth by majority of the respondents. Reviews and preferences by the past consumers on Social media platforms affect the decision process of potential customers. Social media users found decision-making to be easier and enjoyed the process more, when compared to those who used other information sources. Those who perceived the information on social media to be of higher quality and greater quantity than expectations were more satisfied overall. The results overall show that Social Media has a strong impact on the consumer decision-making process.

LIMITATIONS

- Social media marketing is not a new aspect and it is always changing and evolving. There are many journals/articles on this topic but very few link social media with changes in consumer behaviour. The study is presented in a general manner.
- Data sample was quite small that shows limited generalizability of the study conducted. Sample size should be increased as it would cover more people in the society and help create a better and accurate set of results.
- The people who participated in the survey were mainly from Delhi, but the study can be conducted on a broader scale by collecting data from different parts of the world to get a better picture of the impact social media is having on consumer buying process.
- As cultures and values change from country to country, consumer's buying behaviour may also vary. A study involving many countries should be conducted on this topic for more accurate and generalized results.

- As the study was limited to a specific time period, i.e. May 2020. Thus, it cannot be used to analyse behaviour over a period of time as the timing is not guaranteed to be representative.
- In order to increase the level of focus of the study objectives have been narrowed down and the research only contains information on what needs to be studied considering the objectives.
- Data was collected from the members of the population who were conveniently available and able to participate in study. This may lead to a bias error and also may be an untrue representation of the population.

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Stages of consumer behaviour

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