

The Impact of Social Media on Consumer Purchasing Behaviour: An Empirical Study of Urban Consumers in India

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Abstract:

With an emphasis on doing an empirical study on social media, this research paper examines the impact of social media and its influence on Consumer Purchasing Behaviour. A new trend of purchasing behaviour is emerging in social media. Social media has become an important in influencing how consumers see the world, make decisions, and express their preferences. The goal of the study is to present a thorough knowledge of how social media affects consumer purchasing decisions by delving into subtleties that may emerge from user interactions and platform-specific features.

The study has utilised both surveys and interview method to collect data from a customers on usage of social networking sites for purchasing factor such as Flipkart, Amazon, Purple and so on. While qualitative insights will provide a deeper knowledge of the motives behind consumer activities on certain social media platforms, quantitative data will be analyzed to discover factors using the samples, sampling procedures, and statistical analysis.

The main aim of this study is to provide a comprehensive knowledge of the distinct ways in which various social media influence consumer purchasing behaviour. In addition, the study aims to offer marketers useful takeaways that will enable them to customize tactics to certain platforms in light of the trends and preferences found, therefore increasing the efficacy of social media marketing initiatives. This study offers a contemporary investigation into the complex relationship between social media and consumer purchasing behavior, which is relevant given the ongoing evolution of social media. It provides insightful information for academics and business experts alike.

Keywords: Social media, Consumer, World Wide Web, online platforms, Purchasing behaviour.

Background of the study:

The rapid advancement of internet technologies and digital communication has fundamentally transformed the way businesses interact with consumers and conduct marketing activities. The widespread adoption of internet-enabled technologies has accelerated the growth of electronic commerce (e-commerce), enabling organizations to reach broader markets and engage customers through digital platforms (Ghannam et al., 2018). As a result, consumers have evolved from passive recipients of marketing messages to active participants who seek information, compare alternatives, share experiences, and influence the purchasing decisions of others through online interactions. Social media has become a powerful marketing platform that facilitates electronic word-of-mouth (eWOM), peer-to-peer communication, and user-generated content, thereby significantly influencing consumer decision-making processes (Hennig-Thurau et al., 2004; Kozinets, 1999, 2002). Unlike traditional advertising, social media platforms such as Facebook, Instagram, WhatsApp, YouTube, LinkedIn, and X (formerly Twitter) enable consumers to access authentic product reviews, recommendations, and brand interactions, reducing perceived purchase risk while enhancing trust and customer engagement. Consequently, organizations increasingly utilize social media marketing to strengthen brand awareness, improve customer relationships, and foster long-term customer loyalty.

The rapid growth of smartphone adoption, affordable internet connectivity, and digital payment systems has further accelerated social media usage, particularly in emerging economies such as India, which has become one of the world's largest digital markets. This digital transformation has encouraged businesses to integrate social media into their marketing strategies by leveraging influencer marketing, personalized advertising, and

interactive content to influence consumer purchase intentions (Kapoor et al., 2022; Dwivedi et al., 2023). Consumer purchasing behaviour is influenced by a combination of demographic, psychological, social, and technological factors, including income, age, education, brand reputation, perceived quality, and online engagement. Recent studies indicate that authentic online reviews, influencer endorsements, and electronic word-of-mouth significantly shape consumer attitudes by enhancing trust, reducing uncertainty, and encouraging purchase intentions (Appel et al., 2023; Li et al., 2023; Ismagilova et al., 2024). Despite the growing importance of social media in influencing purchasing behaviour, limited empirical research has examined the combined effects of social media communication, consumer preferences, and electronic word-of-mouth within the Indian context. Therefore, this study investigates the impact of these social media dimensions on consumer purchasing behaviour, providing both theoretical contributions to the digital marketing literature and practical insights for organizations seeking to develop effective social media marketing strategies in an increasingly competitive digital environment.

Review of Literature

Social media has fundamentally transformed consumer purchasing behaviour by creating interactive digital environments where consumers actively seek, evaluate, and share product-related information before making purchase decisions. Unlike traditional marketing channels, social media platforms facilitate two-way communication through electronic word-of-mouth (eWOM), user-generated content (UGC), online reviews, and influencer marketing, thereby reducing information asymmetry and enhancing consumer confidence (Hennig-Thurau et al., 2004; Kozinets, 2002). Earlier studies established that consumers frequently rely on recommendations from peers and online communities when purchasing both high- and low-involvement products, while brand communication on social media significantly shapes consumers' perceptions and purchase intentions (Vespoli & Forbes, 2013; Shin, 2008). In addition, demographic characteristics such as age, education, income, and internet usage patterns have been identified as significant determinants of online purchasing behaviour (Varghese & Nandhini, 2020). Social media also strengthens customer engagement by fostering continuous interaction among users with shared interests, enabling consumers to access authentic product experiences and evaluations before making purchasing decisions (Ndurura, 2020; Yin et al., 2019). Consequently, positive social media interactions contribute to stronger customer loyalty and purchase intentions, whereas negative online experiences and adverse electronic word-of-mouth increase the likelihood of brand switching and damage brand reputation (Al-Qasa et al., 2013; Zeithaml et al., 1996).

Recent research suggests that the influence of social media has evolved considerably with the emergence of artificial intelligence, personalized advertising, social commerce, and influencer-driven marketing strategies. Contemporary studies indicate that consumer engagement, content authenticity, influencer credibility, and user-generated content have become critical determinants of purchasing behaviour, often exerting a stronger influence than conventional advertising (Kapoor et al., 2022; Dwivedi et al., 2023; Appel et al., 2023). Likewise, electronic word-of-mouth and influencer endorsements have been found to reduce perceived risk, enhance trust, and significantly increase consumers' purchase intentions, particularly among digitally connected younger consumers (Li et al., 2023; Ismagilova et al., 2024). Despite the substantial body of literature, existing studies have largely examined these determinants in isolation or within developed economies, with limited empirical evidence investigating the combined effects of social media communication, consumer preferences, and electronic word-of-mouth on consumer purchasing behaviour in emerging markets such as India. Furthermore, the rapid evolution of social media platforms and digital marketing technologies has created new consumer decision-making patterns that remain underexplored. Addressing these gaps, the present study empirically investigates the integrated influence of social media communication, consumer preferences, and electronic word-of-mouth on consumer purchasing behaviour, thereby contributing to the growing body of digital marketing literature and offering practical implications for marketers operating in an increasingly competitive social commerce environment.

Objectives of the Study

- To research how social media affects consumers' decision-making while making purchases.
- To determine the type of customer that makes online product purchases.
- To ascertain the motivations behind customers' online goods purchases

Research Methodology

An explanatory research design was used for the investigation. This type of study design measures the causal link between the independent and dependent variables. The explanatory element of the research design provided an explanation for the causal association between social media and consumer purchasing behavior. To investigate the causal link between social media traits and customer purchase intention, four criteria were employed. The target audience for the study included every social media user. using a 95% confidence interval and a 5% margin of error, according to the sample size extract from Morgan (1993). To supply the primary data, two hundred respondents were selected by an appropriate sampling process. To collect the data, structured questionnaires were employed. Therefore, the objective is to look at how social media influences consumers' decisions to buy.

Research Hypotheses:

H1: There is a significant impact on social media and consumer purchasing behaviour.

H2: There is a significant impact on preferences and consumer purchasing behaviour.

H3: There is a significant impact on word of mouth and consumer purchasing behaviour.

Pilot Test

In this study, a pilot test was conducted to make sure respondents could comprehend the questions on the questionnaires. A pilot test, according to Jacob and Furgerson (2012), may be used to identify whether the prepared questions are unpleasant for the respondents and whether they should be changed. This test also makes sure that the questionnaire items fulfill the research criteria. In addition to helping the study reach its goals, this test confirms the reliability alpha for each instrument employed. The pilot research was carried out prior to the main investigation. To ensure that the real responders could comprehend the questions, 30 people took the exam.

Data Analysis

Frequency Analysis

However, frequency analysis, a descriptive statistical technique used in this study, shows how frequently each option that the respondents selected occurs. The mean, median, and mode are calculated using the SPSS program to assist researchers in interpreting the data and drawing conclusions.

Descriptive Analysis

The study employed descriptive analysis to examine the data collected from participants. In order to guarantee that readers have a better knowledge of the issue, this study uses the mean analysis to describe the information about the original data (Glass & Hopkins, 1984).

Table 1: Summary of Frequency Analysis Result

Variables	Items	F	%
Gender	Male	72	36
	Female	128	64
Age	Less than 20 Yrs	11	5.5
	21 Yrs -30 Yrs	110	55
	31 Yrs - 40 Yrs	49	24.5
	41 Yrs – 50 Yrs	18	9
	Above 51 Yrs	12	6
Occupation	Student	125	62.5
	Sel- Employed	23	11.5
	Employed	33	16.5
	Part- time student	10	5
	Housewife	9	4.5
Marital Status	Single	152	76
	Married	48	24
	School	15	7.5

Educational Background	Diploma	42	21
	Undergraduate	88	44
	Postgraduate	55	27.5
Monthly Income	Less than Rs.5000	12	6
	Rs. 5000 – Rs.10000	41	20.5
	Rs.10000 – Rs. 15000	54	27
	Rs. 15000 – Rs. 20000	67	33.5
	Rs.20000 above	26	13

Reliability of the Instrument

A number of questionnaires were used to measure the four study categories in the social media conceptual framework: social media communication, preferences, word-of-mouth, and purchase intention. It was established how statistically related these questions were to the variable they were assessing using the Cronbach Alpha test statistic in SPSS. The results are shown in Table 2.

Table 2: Validity & Reliability

Items	Cronbach Alpha	No. of items
Social Media communication	0.823	5
Preferences	0.758	5
Word of Mouth	0.883	5
Purchase Intention	0.805	5

According to Table 2's Cronbach Alpha test statistic, every variable has a Cronbach Coefficient of 0.75 or above. This demonstrates that every research question tested a variable that was statistically connected to purchase intention using SPSS's Stepwise Regression test statistic.

Table 3. Social media model summary

Model Summary									
Model	R	R square	Adjusted R Square	Std. Error of the estimate	Change Statistics				
					R Square Change	F	df1	df2	Sig
1	.320	.116	.103	.5681	.132	41.672	1	214	.000
2	.567	.432	.441	.5234	.321	176.545	1	345	.000
3	.666	.433	.456	.5101	.032	11.542	1	312	.000

The overview of the regression models is shown in Table 3. Three models with different r-squared values are shown. Word-of-mouth, social media communication, and preferences make up Model 3, which comprises three independent variables and accounts for 43% of the variance in purchase intention, was chosen for study (adjusted $r^2 = 0.433$).

The coefficients of social media factors on consumer purchasing behavior are displayed in Table 4. Each social media variable's level of significance is displayed in the same table.

With P-values of 0.00, Table 4 demonstrates social media variables that were statistically significant.

Table 4 Co efficient of the social media model

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.462	.109		33.08	.000
Word of mouth	.304	.044	.465	6.890	.000
Social Media communication	.467	.025	.702	12.345	.000
Preferences	.345	.056	.242	3.512	.000

Dependent Variable : Purchase Intention

Findings

- As social media is the best approach to draw clients toward products and services, it is advised that businesses recognize the critical role that social media plays in marketing and promoting their goods.
- The marketing strategies must to be planned to appeal to a range of consumer demographics, including age and class.
- Customers' choice to buy is positively influenced by social media influencers.
- Social media-influenced consumers spend four times as much as they would normally, and they are so drawn to the items that they use social media to make the purchase the same day.
- Social networking is affordable and efficient.
- Social media allows for direct communication with clients.
- Using social media to increase leads and sales is a good strategy.

Recommendations

- Businesses ought to prioritize social media more. In addition to increasing their brand value and exposure on social media, their social media presence may help boost customer loyalty and customer lifetime value.
- Through social media, businesses may establish stronger connections with their consumers by communicating with them on a regular basis and offering guidance or assistance in making smarter purchasing decisions.
- Businesses may utilize social media more often to grab customers' attention and increase brand recognition.
- Brands may communicate with consumers more directly and get more customer insights, evaluations, and feedback to give them a sense of belonging.
- Companies can provide more positive customer experiences from those who have previously used the product, allowing prospects and those who are already planning to buy to relate to each other better.
- Brands should strive to make their products go viral on social media and demonstrate their increased influence.
- It's important to choose social media influencers carefully; they should be able to relate to clients' requirements and wants.

Conclusions

The main finding of the study is that social media affects consumers' intentions to make purchases. Enhancing the social media strategy with the right social media elements is necessary to grab clients' attention. The study's conclusions indicate that word-of-mouth on social media is the most fascinating social media factor. Social

media viral communications spread more quickly and are believed more than corporately produced content. Actually, the study finds that customer intention is adversely affected by company-generated material. Thus, it is advised that businesses in the mobile phone sector minimize the amount of posts they publish and instead encourage user-generated content and sponsored word-of-mouth advertising. The study also finds that planned purchasing behavior is not driven by social media sites alone. As a result, businesses may use any social media platform for their social media efforts.

After a successful test in this work, we advise future researchers to test the model in more settings to improve its resilience. Future studies may also take into account how gender and age mediate effects on purchase behavior and social media marketing. In light of the findings, certain recommendations are made to social media marketers in order to enhance their offerings. Prior to trying to advertise on the different networks, consider social media as a long-term strategy that will drive traffic for marketers. They don't want to take the possibility of losing visitors and potential customers, therefore they have a very stringent social media plan that they follow at all times.

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