

Impact of Social Media on Consumer Purchasing Decision Making

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ABSTRACT

Social media has played a significant role as a communication tool. People all over the world use social networking sites to communicate with other people or organisations. Social networking site usage is growing, particularly while developing nations such as India, giving advertisers a new channel to reach consumers. Reviews and opinions posted on social media today have started to affect how consumers decide what to buy. Customers can make suggestions and compare products on social media by receiving status updates. It enables the satisfied Customer will enthusiastically suggest the goods to other potential customers. Based on social media, industries are aiming to capitalise on expanding consumer trends for their purchases. The purpose of this article is to investigate the social media's influence on customer purchase decisions. The primary goal of this study is to identify the component that results in consumer purchase decisions on social media, as well as to analyse the impact of respondents' demographic variables on purchasing decisions via social media. Descriptive research with 100 respondents was done in three sectors in Chennai. Convenience sampling was employed. The ease of use and eWord of Mouth are two variables that influence social networking sites .The results show that social media significantly affects how consumers make purchases. Customers are at the centre of the company universe thanks to social media marketing, which gives businesses new tools for engaging with customers and

merging them into brand identities in novel ways. Marketers must first understand how social media has affected consumers' buying habits. Social media marketing, as opposed to traditional media, is the contemporary aesthetic of marketing, emphasising increased opportunities for marketing companies to sell a good or service. Businesses are using social media techniques as a result.

Studies show that businesses use social media advertising to reach their customers. As a fresh approach to communicating with customers and influencing their purchasing decisions, social media advertising was chosen. People utilise social media to communicate their thoughts on virtually any issue that their "connection" or friends find interesting, as well as opinions, assessments, facts, advice, cautions, and suggestions. Social media is a tool used by marketers to advertise their goods.

Keywords: Consumer Buying decisions ,Social media marketing ,consumer income level ,

1.INTRODUCTION

A growing number of people are already buying goods through various social media platforms. The widespread use of the internet and the surge in social media usage have forced marketers to look for new ways to interact with customers.

People may now provide feedback and discuss their views and ideas on the use of such items and services more easily and quickly thanks to social networking sites. It also allows the user to encourage internet transactions and provide a different comparison of goods and services. These marketing methods have varied effects on the purchase behaviour of women. According to numerous research, social networking significantly affects how people decide which products to buy. This study focuses on issues from earlier research, including

- Do customers' purchasing decisions change as a result of social media?
- How may ease of use and electronic word of mouth (e-WOM) affect women's purchasing decisions?

The social media revolution has altered the marketing environment and strengthened marketing communication. The customer has more authority than ever before to begin, drive, and influence the entire purchasing process. This low-cost method has not only helped firms enhance brand awareness, but it has also significantly improved brand loyalty and consumer happiness by allowing them to acquire superior market insights. As consumers spend more time on social media, an increasing portion of communication takes place within these social network contexts. This means that brand-related interaction and marketing campaign exposure are increasingly taking place on social media. The evolving communication setup has thus converted consumers from passive marketing players to active makers and influencers (Kozinets et al., 2008). According to a social media marketing industry research, the social media arena is

more than a passing fad to which marketers are increasingly drawn; 83% of them place a high value on social media for their organisations (Stelzner, 2012). Consumer purchasing attitudes are not only influenced by traditional channels, but social media also plays an essential role in the consumer purchasing behaviour process, which is now heavily influenced by peer evaluations, social networks, blogs, and so on.

2.LITERATURE REVIEW

Murray & Fodness, 1977

Dynamic techniques involving various quantities and types of information sources have been utilised because individuals cannot try out travel-related goods and services before buying them. Many travellers used social media as a tool for vacation planning, according to numerous studies. Reviews of destinations, accommodations, modes of transportation, food, or restaurants can significantly influence travellers' choices. Travel agencies and businesses have used social media to interact with their customers by posting travel-related information, photos, alerts, and advice, as well as reviews left by actual travellers. These factors may affect future travel plans and even opinions of a destination. These factors may affect future travel plans and even opinions of a destination. 58% of US web tourists used reviews to find out about their trips: 49% merely glanced

Venkatesh, Speir, and Morris (2002)

revealed how the proposition of social influence affects people's opinions. People who use social media Conditioning are generally held in communities and appear to be socially impacted by community

members. According to Venkatesh, Speir, and Morris (2002), social influence is the extent to which a person believes another person will engage in a particular behaviour. According to social proposition, social media has come an important influence on a person's decision-making process., they need confirmation on what they decide is stylish.

Krishnamurthy & Dou, 2008s

Based on consumers' internet behaviour, social media activities of users have been discovered. Consumers today use the internet as a tool to accomplish their goals. When making decisions, they could be motivated by old friends, their profession, or reviews. Because consumers want to get the most for their money, they turn to reviews on social media as second-hand tools to support their decisions. Reviews on social media influence not only pricey things but also cheap items. Reviews on cosmetics, novels, automobiles, hotels, and even nail polishes are available for public viewing. These testimonials might encourage purchases or aid consumers in making decisions by making it seem more sensible to spend the money on it.

Simpler, 2012

Social media helps in other academic or professional domains, such as politics or jury impartiality and fair trials, in addition to influencing consumer purchase decisions for goods and services. Due to the Internet's accessibility in the setting of the legal system, jurors are now able to use an online social media source to improve their decision-making and discussions. Jurors can express their opinions about current court proceedings on social media. Jurors understand the value of information or evidence that can back up their judgement

and help them come to a judgement. The most important platform for disseminating recent news and information is Twitter. Although the accuracy of this material cannot be confirmed, it will at least give the jury decides

Lehmann, Ruitter, & Kok, 2013

The results of this study indicate that social media and news media use different tones when communicating. While social media is more critical of Internet users' behaviour and may affect the success of vaccination efforts and medical advice, news media coverage has a tendency to be more objective and non judgmental. Another study used the dissemination of health information on news and social media to examine the impact of social media on decisionmaking. The study examined the coverage of influenza vaccination on Dutch news websites and social media platforms. The promotion of influenza vaccine regimens was carried out by Dutch news organisations and social media platforms throughout the months of February, March, and April of 2012.

But based on this study, eHealth announcements were only getting started. News on social media get more responses media than in conventional news sources. It is seductive, influencing people's choices owing to the Internet, and may be a useful source of health information.

M Shaheen,RN Lodhi-Journal of Business Strategies,2016

In the field of marketing, "social media marketing" has drawn a lot of attention.. Businesses all over the world are rethinking

how they offer their products and services. Many businesses in Pakistan have also embraced this rapid change in marketing. The majority of online time is spent on social networking sites (SNS) like Facebook and Instagram.

According to Rockendorf (2011) As marketers strive to understand consumer purchasing behaviour and gain insight into why customers feel the way they do about specific topics, social media has evolved into a market information hub. This article looks into SMM tools, the impact of online advertising, online communities, and E-word of mouth on consumer brand loyalty and purchase intentions.

Forbes and Vespoli (2013) assert that social media can affect consumers' decisions to buy any kind of service or good. Customer purchase decisions may be influenced by quality, brand, advertising, and cost. The results of this study show that consumers make purchases of either cheap or expensive goods depending on recommendations made by their contacts or acquaintances on social media.

Research gap :-

literature review makes it clear that numerous research studies have been conducted on this subject and on a specific group of people, but there aren't many well-organized studies that look at how consumer purchase decisions are impacted by interactions between SM users and marketers. Therefore, this study was created to close this gap.

3.Objectives:

- Determine whether clients depend on information offered by social media channels.

- To determine which social media marketing strategy is more effective.
- To determine whether specific social media marketing is preferred by age groups.
- To investigate if feedback systems in social media sites influence customer purchasing decisions.

4.Research Methodology :

In this research process, where quantitative data is analysed, a Conclusive Research Design would be used. The goal of the study is to ascertain whether there is a meaningful connection between social media marketing and consumer purchase choices. A survey of social media users would be undertaken as part of our research. It's possible. Also examined was the distribution of surveys to our target clients and subsequent data analysis. The questionnaire has 14 questions that pertain to the many basic characteristics of both the customer and the seller when it comes to social media as a marketing tool that influences their decision. Along with these questions, the questionnaire gathered data on the variables that a marketer must consider when using social media as a marketing tool.

Sample Design: Target Population: Our target people are social media platform purchasers, particularly those aged 15 to 45.

Sampling Technique: The technique utilised here will be both probability sampling, where we will use cluster sampling, and non-probability sampling, where we will use convenient sampling.

The sample size will be 105 respondents who will be invited to complete out questionnaires.

Analysis of personal characteristics’ of respondents.

Table-01 personal characteristics of respondents

| SI.no. | Characteristics | Frequency | Percentage |
|-----------|------------------------|-----------|------------|
| Gender | Male | 70 | 73.5 |
| | Female | 35 | 26.5 |
| | Total | 105 | 100 |
| Age | Below 18 years | 5 | 10.8 |
| | 19-25 years | 40 | 26.6 |
| | 26-30 years | 20 | 14.4 |
| | 31-35 years | 25 | 16.6 |
| | Above 35 years | 15 | 11.6 |
| | Total | 105 | 100 |
| Education | Up to Higher secondary | 20 | 20.75 |
| | Graduate | 30 | 27.5 |
| | Post graduate | 40 | 37.5 |
| | Professional | 15 | 14.25 |
| | Total | 105 | 100 |

From Table number 01 the researcher was interested to establish the personal characteristics of respondents for the use of SM out of 105 respondents 35 (26.5 percent) were female and 70 (73.5 percent) were males. Concerning age, 19 to 25 years were 40 (26.6 percent) 26 to 30 years were

20 (14.4 percent), 31- 35 years aged were 25(16.6 percent), and 35 and above aged were 15 (11.6 percent), and 5(10.8 percent) respondent belonged to less than 18 years old. The education level of respondents out of 105 respondents, 40 (37.5 percent) were postgraduates, 30(27.5 percent) were graduates, 20 (20.75 percent) were up to higher secondary holders, and the rest of 15 (14.25 percent) were for professionals.

Information search Table number -02 information searches

| | Mean | Standard deviation |
|---|------|--------------------|
| Searching information about goods through SM is easier | 4.11 | .871 |
| yes I searched information through SM before purchase of goods | 3.97 | .843 |
| SM helps to try new brands through reviews of friends | 4.05 | .740 |
| SM helps to collect opinion about new and existing brands/ products | 4.03 | .709 |

The study examined how SM impact on information search stage of Pre-purchase decisions making the process of consumers in table number -05 in that most of the respondents agreed that searching for information is easy (mean of 4.11), SM helps to try new brands by reviews in SM (mean of 4.05), and SM helps to collect opinion about new and existing products, and user searched information in SM before the purchase of goods both are equally influenced.

Evaluation of Alternatives**Table number - 03. Evaluation of Alternatives**

| | Mean | Standard deviation |
|--|------|--------------------|
| Mean Standard deviation SM provide information about competing brand | 3.76 | .783 |
| SM provide credible information than traditional media on goods | 3.51 | 1.01 |
| SM provide reliable information about goods if you are in uncertainty regarding purchase | 3.49 | .800 |
| SM change the initial choice after obtaining relevant information. | 3.59 | .787 |
| Interaction through friends, peer helps to verify the goods attributes through SM | 3.73 | .866 |

From the point of alternative evaluation, table number 06 obvious that, SM highly impact on consumers by providing information about competing brands (mean of 3.76), they agreed that interaction through friends, peer helps to verify the goods attributes through SM (mean of 3.73), and also it provides reliable information (mean of 3.49), but their agree on SM provide credible information than traditional media on goods is not

believable because its standard deviation is more.

To know the impact of SM during purchase decisions**Table number - 04 SM creates consumers' attitude at purchase stage**

| | Mean | Standard deviation |
|---|------|--------------------|
| Rating by friends and peer helps to create the good attitude towards the product | 3.81 | .808 |
| SM creates negative or positive attitude towards goods through ratings reviews and information obtained about it. | 3.90 | .910 |
| Shopping through SM is easy | 4.00 | .897 |
| Shopping through SM is useful | 3.75 | .867 |
| Purchasing on SM is enjoyable | 3.32 | 1.15 |
| Purchasing through SM is interesting | 3.56 | .966 |
| Using cards for shopping in SM is safe | 2.88 | 1.141 |

Table number 07 depicts SM create an attitude with SM user in purchase decision of consumers most of the customers agreed that shopping through the SM is easy (mean of 4), reviews and ratings in SM creates positive or negative attitude towards goods (mean of 3.9), rating by friends and Peer helps to create a good attitude towards the product (mean of 3.81) and followed by shopping through SM is useful (mean of 3.75), and other

variables are numeral about creation of attitude with highest standard deviation.

Findings

- 73.5% of respondents were male, 26.6% were belongs to 19-25 age groups, 37.5% were postgraduates.
- 20.75% of respondents were up-to higher secondary, 14.25% data collected from professionals
- SM advertisement attracts to purchase products and SM stimulates to recognize the need for something about products.
- searching for information using SM is easier. It helps to try new brands with the help of friends' reviews and also it helps to collect the opinion about new and existing brands or products
- SM provide information about competing brands, interaction through friends, peer helps to verify the goods attributes through SM and SM change initial choice after obtaining information about the purchase of goods
- purchasing through SM is easy and interesting. SM creates a negative or positive attitude by ratings, reviews, and information obtained about products.

Suggestion

- its standard deviation is higher and it has a negative and negligible link with other variables, SM plays an essential role in generating need awareness, so the marketer provides information about what,

where, and why to acquire the products.

- Marketers strive to deliver more credible information on product features, guarantees, warranties, and so on. Because it has a high standard deviation in alternative appraisal and the least link with modification of initial choice after learning relevant information about the purchase of products.
- Due to its large standard deviation, SM might foster a negative attitude, so marketers must ensure the security of using cards to make purchases.
- Since the majority of respondents understand brands based on updated information, it is preferable to provide updated information on social media.
- Social media feedback influences future purchases, therefore marketers must quickly address customer issues in order to build a positive reputation.

Conclusion

We can draw the following conclusions about the research based on the analysis and results shown above: Assessing the effect of SM on the pre-purchase stage is the research's primary goal. The conclusion is based on the findings. The effects of SM on need recognition are strongly correlated with Information search and alternative assessment. Implies SM advertising entices consumers to buy the goods. It encourages buying the thing. SM makes it simple to find information compared to other forms of mass media. Reviews and ratings are useful for

gathering information. Social media (SM) works as a source of information as well as a resource for information about competing brands and helps to verify product attributes through interactions with friends.

Examining the effect of SM at the purchasing stage is the study's second goal. The discussion above has demonstrated the important role that social media plays in influencing customer attitudes, motivation, and perception. It was claimed that using social media to make purchases was simple, fun, and that user reviews of products affected how consumers felt about them

Scope for the further study

Basic information about the effect of SM on consumers' decision-making processes is provided by this study. Since SM cannot be used to purchase all things, the study can be expanded to include certain products. Due to the fact that it also influences how people use social media, it can be examined among specific demographic groups.

Some of the items in this case had higher standard deviation and little or no association. Therefore they may be examined while comparing the individual consumer traits, making more precise recommendations than possible.

Limitations of the study :-

Because it is based only on an online survey, those who are illiterate may find it challenging to respond. Online surveys make it feasible for respondents to complete the form without carefully reading the questions; this can be prevented by using a direct survey.

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