

“Influence Of Social Media On Consumer Behaviour”

Submitted to: -

Mrs. Shilpa Bahl

Greater Noida, Galgotias University.

Submitted By:

Akarshit Bajpai

BBA- 6th semester

Galgotias University

Plot No. 2, Yamuna Expressway, opposite Buddha International Circuit, Sector 17A, Greater Noida, Uttar Pradesh 203201

INTRODUCTION

An investigation on how social media affects customers' decision-making when shopping. The internet as a platform for daily living has necessitated the use of specialised devices. People worldwide use the internet to connect with friends, family, and organisations. As a result of the countless connections people have made through various forms of online social media, a tremendous amount of information is absorbed by numerous individuals. This information drives the formulation of consumer preferences and habits. People everywhere have started sharing their lives on social media sites like Facebook, Twitter, Instagram, and LinkedIn. Customers provide feedback on various products and services, including reviews, information, diet and health advice, product warnings, and how-to guides. Over the past decade, client-driven web innovations such as online journals, forums, and media-sharing websites have proliferated. In general, these advancements are called web-based living. They have made it possible for user-generated content to expand, for a worldwide network to form, and for consumer opinion to spread.

ABSTRACT

The objective of this study is to conduct empirical research on the impact of social media on the decision-making processes of consumers. The present study employs a quantitative survey methodology to explore the extent to which individuals' experiences are modified by their engagement with social media. The opinions of customers regarding products and services are increasingly being influenced by third-party entities in digital platforms. Consequently, these opinions have an impact on offline perceptions. The advent of web-based social networking has effectively captivated consumers, as marketers lack the ability to regulate the content, timing, or frequency of online dialogues among customers. The findings indicate that the utilisation of social media has

CHAPTER 2

CONSUMER AND SOCIAL MEDIA

The use of social media to give consumers a voice. As previously discussed (Zarella, 2010; Weber, 2009; Weinberg, 2009; Smith and Zook, 2011), companies actively increase their channel count, brand recognition, consumer engagement, and traffic to other marketing properties. As was noted before, social media allows for a two-way flow of information, and each platform plays a part in disseminating, receiving, and exchanging information beyond national boundaries. The flow of communication affects not only how businesses can reach their target audiences but also throughout the entire decision-making process, from interpreting the message to looking for available alternatives to actions taken after the purchase (Smith and Zook 2011, 120). For this reason, it is important to note that rejection, misinterpretation, and misunderstanding are the potential pitfalls in the communication flow. The internet adds a new dimension of opportunity and challenges to the world of public relations (PR) and global businesses. It redefines the term "network" and the ways in which consumers and businesses interact with one another. Before the advent of social media, consumers had few options for taking their complaints beyond contacting customer service or word of mouth. This shifted due to the rise of online social networking. Customers may now instantly publish unfiltered reviews of businesses. Additionally, the once-simple notion of the noble purchase behaviour process—according to which customers' purchasing attitudes are impacted by sources other than merely traditional channels—has been upended by the growth of internet social networks. Online customers' purchase decisions and behaviour are influenced by information from peer evaluations, referrals, websites, interpersonal organisations, and different client-produced materials, yet online advertisements have no control over this information.

Facebook, Twitter, and YouTube are dynamic technologies that let people connect with one another online (Golden, 2011). It is a cheap kind of advertising that puts businesses in touch with their customers directly (Kaplan and Haenlein, 2010). Brands and customers increasingly have an economic influence on an organisation's strategy due to the increased variety of options available to them and the pervasiveness of social media marketing (Lindermann, 2004; Mayfield, 2008). Brands influence products and services. Consumers have an impact on other consumers. These cascading effects impact buybacks, which in turn affect future profits and the long-term viability of an organisation (Oliveira & Sullivan, 2003). Peer communication through online social networks is another kind of shopper socialisation, and it has an impact on the evolution of marketing practices. The buyer socialisation hypothesis postulates that shoppers' minds are swayed by their interactions with one another on a psychological, emotional, and behavioural level.

OBJECTIVE OF RESEARCH

- Investigate how social media impacts consumers' decision-making processes
- Determine the extent to which social media alters consumer experiences
- Explore the influence of social media on customer sentiments about products and services
- Determine how social media affects consumer satisfaction in the information search, alternative evaluation, and post-purchase evaluation stages.

CHAPTER 3

REVIEW OF LITERATURE

Consumers' shopping habits, brand interactions, and product assessments are just a few areas where social media has impacted the 21st century. The proliferation of social media sites like Twitter and Facebook has had far-reaching effects on both commercial and academic endeavours. Many scholarly works have investigated the impact of social media on the business world, especially on marketing and brand awareness. With more and more people making purchases online because of the convenience of researching products and services beforehand, businesses have made customer knowledge a top priority to boost profits. Instead of primarily depending on traditional distribution methods, businesses increasingly turn to social networks to interact with their target customers. According to studies, customers join social networks for various reasons, including research, support, education, brand loyalty, and interest sharing. Information about products and companies may be found in-depth on social media, and people with a wide range of perspectives can access it.

Several online communities have made it easier to exchange knowledge and ideas. For example, one of the most popular platforms is the free online encyclopaedia Wikipedia, allowing users to share and edit content collaboratively (Chen et al., 2011a). Customers can leave product reviews and ratings on Amazon.com and another review- and rating-generating sites. There is also cooperative interdependence among the members of these platforms (Chriset al., 2008). Social media platform users can provide original information and helpful recommendations to the online community (Füller et al., 2009). As a result of this shift, virtual communities and an electronic network of people have emerged on social networking websites, allowing for rapid, global dissemination of knowledge amongst users (Molly McLure & Samer, 2005). Consumers today often look to online comments and reviews before committing to a purchase. Since more and more purchases are being made online, customer feedback is more important in helping buyers make educated decisions.

A new era of content creation has evolved with the advent of social networks, where users may readily share their experiences and knowledge with others (Chen et al., 2011a). Communities will form the backbone of future Internet firms (Bagozzi & Dholakia, 2002; Ridings & Gefen, 2004). For instance, corporations can strengthen their customer relationship management system by using online communities (Ridings & Gefen, 2004)—analysis of how consumers' use of social media affects their productivity. In addition, members can get to know one another and build trust via familiarity on social media platforms (Lu et al., 2010). This can significantly impact users' intent to purchase (Gefen, 2002). Influencers and celebrities are increasingly important in online brand promotion, to the point where "celebrity is mandatory" is used. Celebrities and other influential persons play a crucial role in modern marketing, especially in the realm of online advertising. In a study, Chen et al.

Social media has given rise to customer reviews, which have become crucial to product and service evaluation. Companies actively encourage consumers to rate and review their offerings online, creating electronic word of mouth. Such word of mouth generated through social media helps consumers make informed purchasing decisions. Studies suggest that social media has influenced consumers' buying behaviour, with a majority of respondents using Facebook and Twitter to receive product recommendations. Social media has a significant impact on advertising and brand attitudes, which in turn affect the purchasing intentions of consumers. A positive brand image on social media can positively influence consumer decision-making. At the same time, marketers employ bad press for rival companies to devalue them in the market and draw consumers to their own. The relationship between social media and consumer decision-making is complex, with social media mediating between advertising and brand attitudes and purchase intentions. Marketers need to focus on building a good brand image on social media to influence consumer behaviour positively.

Understanding why people use social media can help us better serve them. Consumers use the Internet for three primary reasons: information, entertainment, and social interaction (Heinonen, 2011). Reasons like spreading information and advocating for a cause fall under the category of "rational" motivations, whereas feelings like "social connection" and "self-expression" fall under the category of "emotional" motivations (Krishnamurthy & Dou, 2008). Consumers' online behaviour in "real life" has been uncovered thanks to online purchases. These days, the Internet is a shopper's go-to tool for realising their dreams. Their motivation may come from conversations with long-lost friends, successful business deals, or insightful surveys. Since buyers require a motivational impetus from their dollar, audits conducted through online networking media become recyclable assets to strengthen buyer dynamics. The results of online surveys affect not just expensive items but also cheap ones. Reviews of cosmetics, literature, transportation, hotels, and even nail polish shine are all available to the public. Those polls can either stimulate purchases or strengthen the purchasing decision by making the purchase more rational.

Social media's impact extends beyond marketing and sales to areas where objectivity and fairness are essential, such as in politics and the selection of jurors. Due to the Internet's widespread availability, today's jurors can look to social media for information to help them make up their minds and deliberate (Simpler, 2012). Using online communities to distribute content and raise brand awareness is efficient and inexpensive digital marketing.

Dynamic procedures with varying amounts and types of information sources have been utilised since consumers can only trial travel-related items and services after purchasing them (Fodness & Murray, 1977). Multiple studies have indicated that tourists rely heavily on social media for trip planning. Reviews of destinations, lodging options, modes of transportation, cuisine, and dining establishments may significantly impact tourists' final choices. Businesses and organisations in the tourism industry have taken to social media to reach their target audience by disseminating travel-related content such as articles, blog posts, images, videos, and user reviews. All of these factors can play a role in deciding where to go on vacation and even shaping consumer opinion of the area for future visits. In the United States, 58% of online travellers relied on reviews to help them make decisions: About half of them looked at testimonials and suggestions: Eighteen percent relied on digital images and social media: Blogs were read by 13%, while videos were watched by 5% (eMarketer, 2007). People who spend much time on social media appear to be influenced socially by their peers in these groups. According to research by Venkatesh, Speir, and Morris (2002), social influence can be defined as the extent to which another persuades one individual to engage in a specific behaviour. The use of online life in travel arrangements has resulted in more people sharing their travel experiences with others. The reverse is also true: people who have had a positive online life experience are likelier to share their travel stories on social media. These results demonstrated the favourable impacts of internet involvement on sharing trip experiences via web-based networking media and the correlation between internet involvement levels and apparent happiness.

Social media has ushered in a 'participatory culture' in which users network with like-minded individuals to share information, monitor updates, and request opinions and evaluations on all types of products, services, and activities (Ashman et al., 2015). According to Zhou et al. (2013) and Zhang et al. (2014), the perceived informativeness and persuasiveness of online product reviews and the perceived quantity of reviews significantly positively affect consumers' purchase intentions. People are likelier to trust and believe online content than corporate communications and advertisements. Each client interaction on a company's Internet-based life accounts is an opportunity to demonstrate empathy for clients openly. Whether a person has a question or a complaint, web-based life enables a user to address the issue through relational discourse. A brand prioritising consumer loyalty over creating individual messages will be viewed favourably regardless of whether it responds to a client objection.

Consumers are frequently exposed to commercials that try to grab their attention, claims Alsubagh (2015). Search engines are now utilised to study pre-purchase product information, such as pricing, design, and reviews, according to Kumar (2004–2005). Most consumers routinely get their information from the Internet, and social networks let users rate items, offer recommendations, and change their status. With other online peers, customers may easily share their thoughts, views, and experiences (Nolcheska, 2017). A platform for system administration and communication is the internet. At every level, an organization's acculturation has to be heard. Customers like the assurance that when they leave comments on a corporate page, they will get a human response rather than an automatic one. The opportunity to respond to every remark displays that the business is aware of its customers' needs and strives to comprehend them as completely as possible.

CHAPTER-4

RESEARCH METHODOLOGY

RESEARCH DESIGN

In order to conduct a research study, a Research Design needs to be established. This design outlines the methods that the researcher will use to gather and analyse data, including the questions that will be asked, the measurement techniques, the sampling strategy, the frame of analysis, and the time frame for the study. The present study utilises an Exploratory Research Design, as the objective is to gather insights into the influence of social media on consumer buying behaviour through surveys and existing literature.

METHODS OF DATA COLLECTION

The research data was collected using both primary and secondary methods. The primary data was collected through surveys through Google Forms, a free web-based application. The secondary data was gathered by discussing buying decisions with people and reviewing research papers on similar topics.

The research design used for this study is exploratory, which involves examining an unclear problem. It aims to better understand the issue at hand but may not provide conclusive results. This type of research is typically conducted when the problem is in its initial stages.

Sampling Design

Sample Universe: The sample universe includes the residents of Delhi NCR region.

Sample Size: The sample size of the participants was 36 people.

Questionnaire Design

The categories of questions used in our Questionnaire are structured as multiple choice questions. This is done so that the researcher can determine how social media affects consumer purchasing behaviour.

Scope of research

Considering the research objectives, the optimal approach would be to undertake the study from the consumer's perspective. This study is conducted to assist consumers in identifying the reasons why social media altered their purchasing decisions. Since the main goal of marketing is to examine customer needs, the data acquired through the questionnaire is from the consumer's perspective, allowing for the discovery of fresh insights. The study also aims to help readers understand the value of social media platforms and applications in influencing consumer choices. The behaviour of end customers is the study's main emphasis.

CHAPTER – 5

DATA ANALYSIS

BACKGROUND

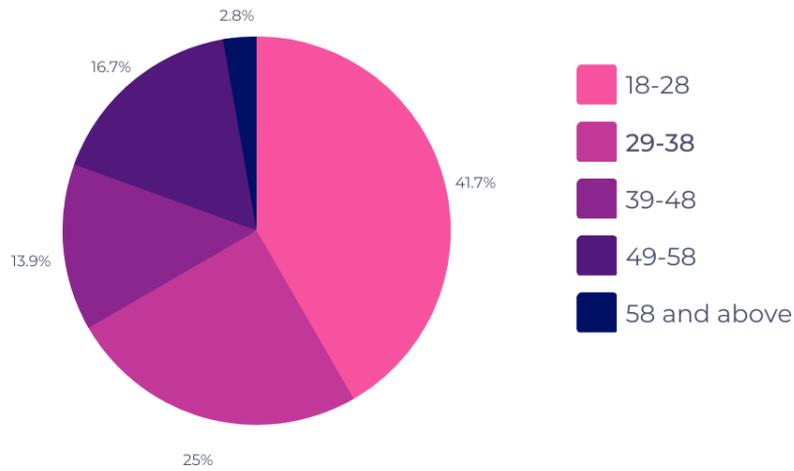
The following section provides an analysis of the questionnaire data acquired. The questionnaire was sent to individuals currently residing in Delhi NCR, India. Since the survey was sent to 50 people and there were 36 respondents, the total response rate is 72 percent. In total the questionnaire contains 12 questions.

In the upcoming sections analysis and findings are presented.

Age distribution

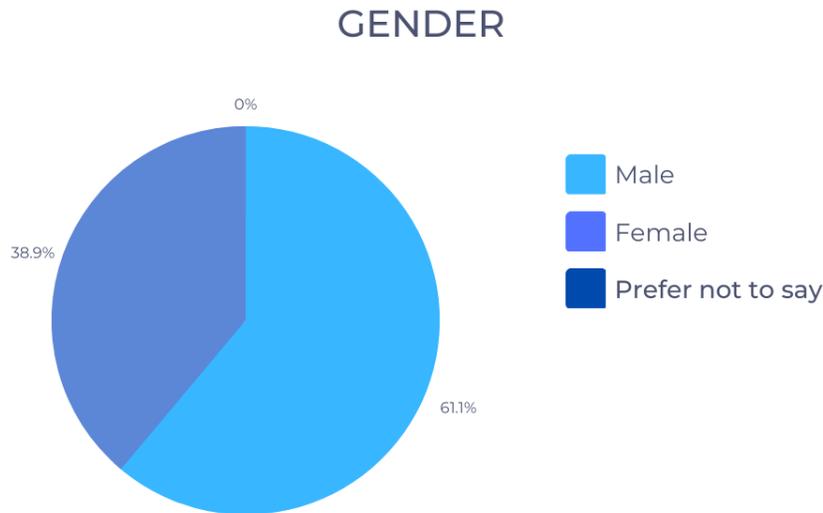
The following pie chart depicts the age distribution of questionnaire respondents across six distinct age categories.

AGE GROUP



Gender

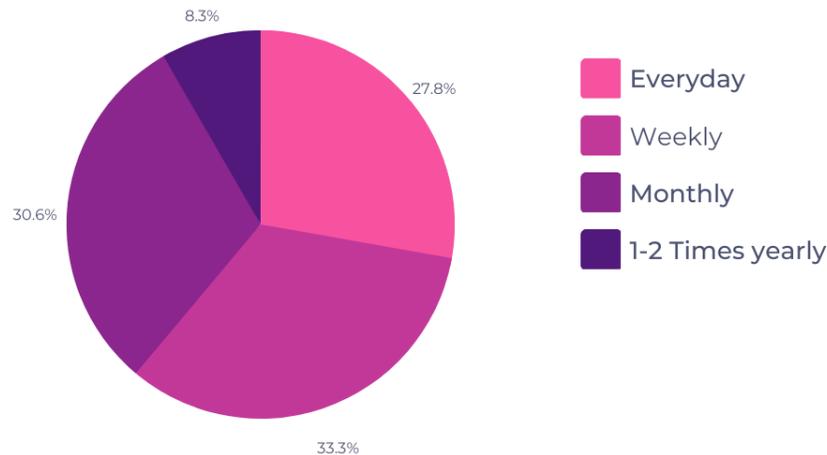
The following pie chart depicts the gender of questionnaire respondents.



38.9(%) of the responses received were from female respondents, while 61.1(%) were from male respondents. Due to the fact that the collected data includes individuals from various age groups, preferences, and genders, the following analysis is conducted to assess the general consumer behaviour in Delhi NCR.

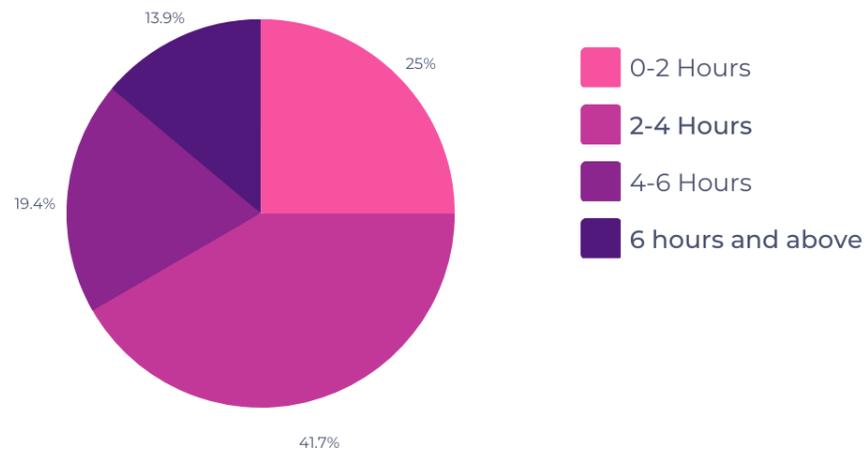
Online shopping frequency

ONLINE SHOPPING FREQUENCY



This pie chart illustrates the frequency with which individuals engage in online purchasing. It indicates that 30.6 percent of people shopped online monthly, 33.3 percent weekly, 27.8% daily, and 8.3 percent once or twice a year.

DAILY SOCIAL MEDIA USAGE



Daily social media usage

The fourth question of our survey asked respondents how many hours per day they spend on social media. This revealed that the majority of the population, or 41.7 percent, spent between 2 and 4 hours per day on social media. In addition, 25% of the population spent between 0 and 2 hours on social media, 19.4% spent between four and six hours, and 13.9% spent six hours or more on social media. The emergence and prevalence of social

media has facilitated real-time communication between various individuals. With the aid of Internet-based life, one can increase their network of online friends to any extent.

Online shopping apps/websites used

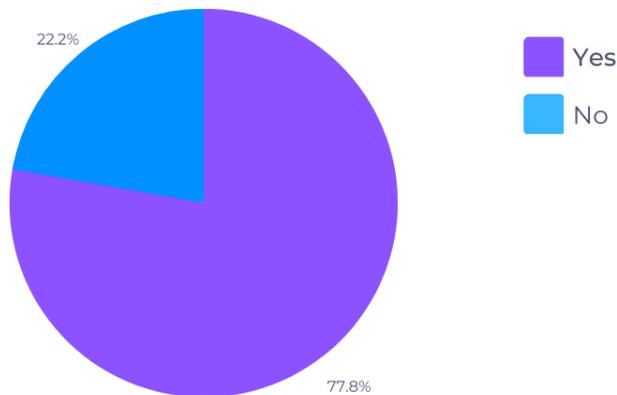
ONLINE SHOPPING APPS/WEBSITES USED



Amazon/flipkart was chosen by most of respondents for online purchasing. Most of our responders believe Amazon leads internet networking platforms.

Do consumers follow brands on social media?

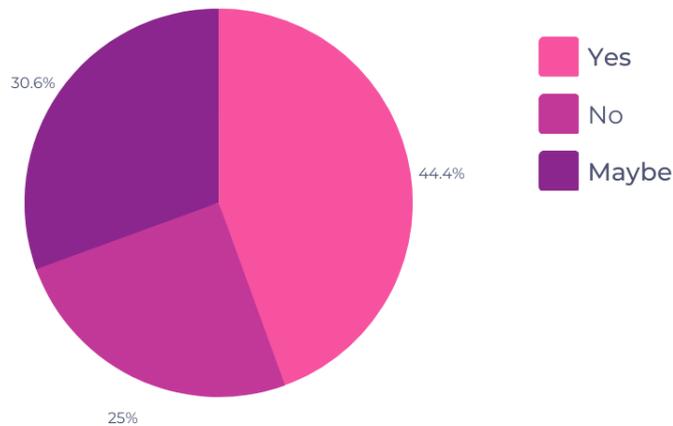
DO CONSUMERS FOLLOW BRANDS ON SOCIAL MEDIA?



The majority, or 77.8% of people, tend to follow various brands on social media. This is due to the fact that information about various brands, promotions, discounts, and offers are posted on social media sites and social media and websites are a very good way to receive information about everything without exerting a great deal of effort.

Do you consider social media to be electronic word of mouth?

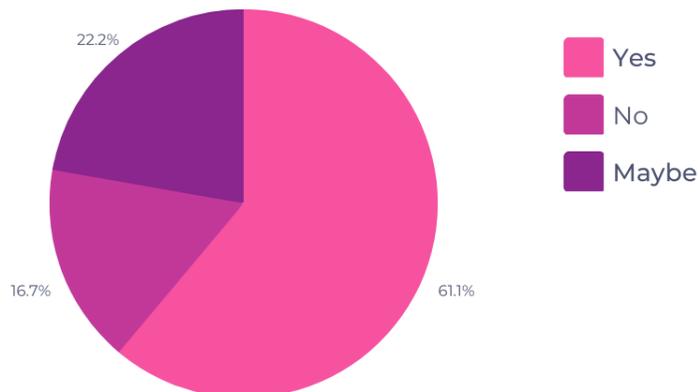
DO YOU CONSIDER SOCIAL MEDIA TO BE ELECTRONIC WORD OF MOUTH?



Electronic Word of Mouth (eWOM) has long been known to have an impact on client purchase goals. Regardless, the appearance of web-based living has boosted another measurement of Electronic Word of Mouth (eWOM). Purchase decisions are influenced by electronic word of mouth. 44.4% of the entire population believes that social media operates as an electronic word of mouth and influences consumer decisions. Aside from that, 30.6% of people chose 'maybe' as their answer since they do not want to express their strong views. In comparison, 25% of people believe that social media should not be considered electronic word of mouth.

Does Social media affect brand perception?

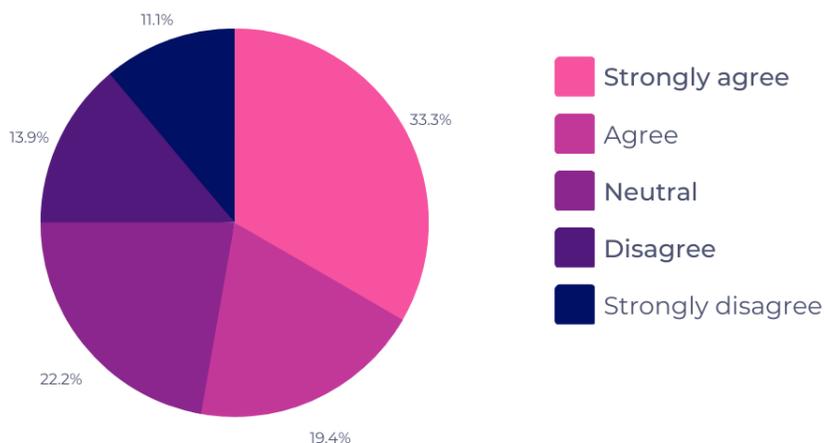
DOES SOCIAL MEDIA AFFECT BRAND PERCEPTION?



Social media acts as a loudhailer to broadcast information about brands to consumers; by distributing positive information about their products and services, brands can flourish and gain an advantage through this medium. The perception of the brand in the minds of consumers is influenced by social media, according to 61.1% of respondents. A few negative evaluations about the brand on social media can harm the brand, as the target audience may not purchase the product or service from that brand. Whereas a minority of respondents, 22.2%, stated that social media does not affect the brand's perception, most respondents believe that the best way to evaluate a product or service is to test it first instead of looking at its promotion on various websites.

Do you believe social media influences your purchasing decisions?

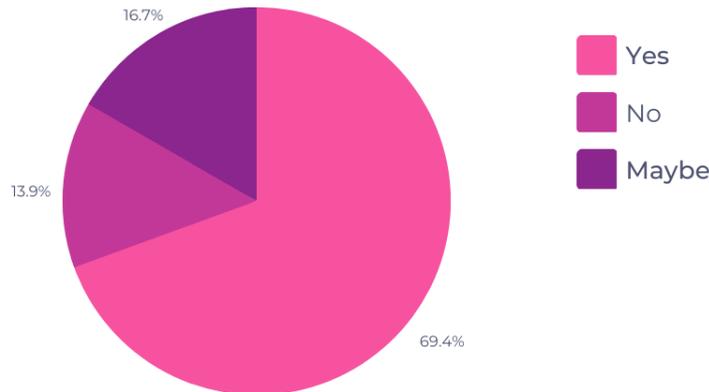
DO YOU BELIEVE SOCIAL MEDIA INFLUENCES YOUR PURCHASING DECISIONS?



All types of businesses utilise social media to locate and communicate with their target audience. The purchasing decisions of consumers are influenced by social media promotions.

Do you believe social media plays a significant part in brand promotion?

DO YOU BELIEVE SOCIAL MEDIA PLAYS A SIGNIFICANT PART IN BRAND PROMOTION?



Social media marketing aids in the dissemination of a brand's products and mission. Brand awareness is increased through promotions, influencers, or celebrity marketing. The majority of our respondents, 69.4%, said that social media plays a very essential role in brand promotion, while 16.7% were neutral on this point.

CHAPTER 6 FINDINGS

- Most survey participants were between the ages of 18 and 28, the demographic that spends the most time on social media.
- According to survey data, 31% of the respondents shop online once or twice per month, indicating that they are working-class members with limited leisure time to make large but infrequent purchases on online platforms.
- According to the survey results, more than half of the respondents spend up to 4 hours per day on social media, which is an important instrument for connecting people and establishing professional relationships that offer career advancement and more opportunities.
- In order to stay apprised of sales, new products, and other updates, approximately 78% of respondents follow brands on social media, according to the survey results.

- According to the survey results, nearly 45% consider social media to be electronic word of mouth, as many people base their purchasing decisions on social media recommendations.
- According to the survey results, nearly 61% of respondents believe that the brand's Social Media page or website has affected their perception of the brand. As most online shoppers read reviews of the brands and their products, their perception of that brand may be affected.
- According to the survey results, more than 50% of respondents believe social media influenced their decision. This is because many people read online reviews and comments about a product before deciding which brand and price to purchase.
- According to the survey results, nearly 70% of respondents believe that social media plays an essential role in promoting a brand because it helps increase exposure, enabling the brand to generate leads and boost sales.

CHAPTER 7

LIMITATIONS OF THE STUDY

- Even though social media marketing has been thoroughly examined, more study is still required to link it to modifications in customer behaviour. Moreover, the available studies are presented in a general manner, without specific insights or practical implications.
- One limitation of the current study is the small data sample size, which limits the ability to generalise the findings to a broader population. Increasing the sample size could enhance the validity and reliability of the results and provide more nuanced insights into the impact of social media on consumer behaviour.
- Another limitation is the narrow geographic scope of the study, as it mainly focused on consumers in Delhi NCR. To obtain a more comprehensive understanding of how social media affects consumer behaviour, data should be collected from diverse regions and cultures worldwide. This could reveal the nuances and variations of consumer behaviour across different contexts, which could be useful for marketers and businesses.
- Culture and values are known to influence consumer behaviour. Therefore, a cross-cultural study would be necessary to capture the full extent of the impact of social media on consumer behaviour. This could help identify commonalities and differences in consumer behaviour across cultures and provide insights into how businesses can adapt their marketing strategies accordingly.

- The current study only examined consumer behaviour during a specific period (March-April 2023), limiting the generalizability of the findings over a longer time frame. Longitudinal studies could be conducted to track changes and trends in consumer behaviour to gain a more accurate and representative understanding of how social media affects consumer behaviour over time.
- To increase the focus and specificity of the study objectives, the research narrowed down the scope of the investigation. However, this also means that certain aspects of social media marketing and consumer behaviour may have been excluded from the analysis, which could limit the insights and practical implications of the study.
- Lastly, the data collected from the study may be representative of only some of the population, as it was based on convenience sampling. This means that the sample may be biased and not fully reflective of the broader population's views and attitudes towards social media and consumer behaviour. A more representative and diverse sample should address this limitation in future studies.

CHAPTER-8

CONCLUSION

This study's findings suggest that consumers in Delhi NCR, India, increasingly rely on social media to support their purchasing decisions. Most respondents consider social media equivalent to "digital word of mouth." Reviews and preferences of previous customers on social media platforms influence potential customers' decision-making.

People who used social media to collect information said they felt less stress and greater happiness during the decision-making process. Those who found the content on social media to be of higher quality and more plentiful than expected reported higher levels of satisfaction. The data demonstrates that social media has a significant bearing on consumers' buying decisions.

CHAPTER-9

RECOMMENDATIONS

In order to enhance comprehension of the purchasing patterns of the target population, future research may be undertaken to perform a socio-economic evaluation of the survey respondents who engage in online shopping monthly, specifically one or two times. The present analysis aims to identify the factors that influence consumers' purchase decisions and offer valuable insights into their shopping behaviour.

A potential opportunity for future research is to investigate the efficacy of various social media platforms and content in facilitating professional networking and career advancement among individuals aged 18-28. The present study has the potential to identify optimal tactics for utilising social media platforms to establish connections with prospective employers and enhance one's professional trajectory.

The analysis of the influence of social media on brand reputation and brand loyalty, with a particular focus on online reviews and comments, is a crucial domain for forthcoming academic research. The present study investigates the variables that impact brand perception through social media content and its consequent impact on brand loyalty.

In order to efficiently enhance brand promotion and lead generation, it is imperative for expected research to ascertain the optimal social media tactics that cater to the intended audience. The process involves identifying the optimal content formats, channels, and promotional techniques for enhancing brand visibility and lead generation.

Comprehending the correlation between the frequency of social media utilisation and consumer purchasing behaviour, as well as the determinants that impact the decision-making mechanism, is paramount for enterprises that aim to appeal to this particular demographic. Further investigation is warranted to explore this correlation to obtain valuable insights regarding the influence of social media on consumer buying patterns.

Finally, it is suggested that future studies be conducted to compare the perception of a brand as influenced by its social media and website content to identify any notable disparities and their potential effects on consumer purchasing behaviour. The present study has the potential to facilitate businesses in comprehending the influence of social media and website content on brand image and its consequent impact on consumer buying patterns.

Ultimately, it is recommended that future research prioritise comprehending the impact of social media on consumer buying patterns and brand cognition among individuals. By adhering to the recommendations mentioned earlier, enterprises can devise efficacious social media tactics aimed at this particular demographic to enhance brand recognition, generate leads, and augment sales.

CHAPTER-10

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