

Impact of Social Media on Purchase Decision Making of Customers

Aryan Singh

School of Business, Galgotias University

Abstract

Social media has completely changed how people share information and interests. Marketers now have a new channel through which to reach consumers thanks to the social media and social networking industry's explosive expansion, particularly in emerging nations like India. Though Despite the fact that businesses are increasingly using social media, it is challenging to assess the true return on investment. This study examines how individuals behave and how social media influences their purchasing decisions. As is well known, social media is quite popular right now for a number of reasons, among which is the ability to make purchases. also to be aware of how opinions, likes, and dislikes affect purchasing choices. Considering that social media creates both good and negative remarks, how does this impact decision-making?

Introduction:

The way marketers and consumers communicate has altered as a result of social media. It has given users a brand-new forum for exchanging information about products. In the past, social media was used to keep up with friends and family and have casual conversations with coworkers; in essence, it helped to connect people. Yet as time went on, social media evolved from being a platform mostly utilised for socialising. It has altered how individuals, groups, and the government interact today. Social media is now significantly influencing many areas of our life. It helps users in a variety of fields, including business, marketing, education, and advertising.

The rapid expansion of social media, particularly in emerging nations like India, is giving marketers a new channel to reach out to customers. These days, customer buying decisions are being influenced by the thoughts and reviews posted on social media. Using status updates on social media, users may recommend and assess products. This makes it easier for the contented customer to refer the product to other potential customers. Businesses are attempting to profit from the rising trend of customers making purchases through social media. When it comes to purchasing decisions, social media is essentially peer influence. It also helps businesses make their brands, products, and services visible to consumers and raises brand recognition. Learning how to utilise social media platforms in a way that consumers and not businesses want to use them is the hardest task. Consumers are much more frugal with their money these days. Social media is used for more than just product and service promotion and sales. Companies may use it as a platform to develop strong emotional connections with their clients by offering outstanding customer service, engaging in meaningful dialogues, and enhancing the customer experience.

Social media is a useful tool that consumers are using during the purchase process. The material on various social media platforms has to be organised so that users can comprehend what marketers are

attempting to convey and accept the message or product information. When it comes to social media marketing, word of mouth is quite important. Social media creates a virtual environment where users may exchange knowledge. Social media marketing has increased, which has a significant influence on customers' purchasing decisions.

Social Media and Marketing:

Social media marketing is the practise of enabling people to sell their services or goods using various social media platforms in order to reach more consumers who would not have otherwise been available through conventional modes of advertising. Mainstream media advertisements are no longer as effective as they once were. People who have similar interests may join together to exchange knowledge, concepts, and views on the social web. With social media, marketers can reach out to communities, interact with them, get feedback, and promote their goods and services.

What distinguishes social media marketing from other forms of marketing?

When small and medium-sized firms with limited resources don't have enough cash to employ conventional marketing techniques, they resort to social media marketing to their greatest advantage.

Although social media marketing is still a new idea, its fundamental goals—to target a certain group of people, interact with prospects, and build loyalty—remain the same.

Is social media having an impact on consumer behaviour?

Social media now plays a big part in communication. Social media is used by people to communicate with groups and organisations all around the world. With social media sites like Facebook, Twitter, Instagram, and LinkedIn, people have started to share their experiences all over the world. Customers provide a wide range of content, including product evaluations, details about a service, tips for healthy eating or other topics, product warnings, instructions for using certain items, and much more. Content is consumed by many individuals since social media users have so many "connections" to other users. This information has an impact on consumers and their shopping patterns. According to a report, a lot of consumers turn to social media for news and reviews to guide them as they make purchasing decisions in the future.

How does social media influence consumer behavior?

4 Ways Social Media Influences Consumer Behavior:

More consumers than ever are using social media platforms for shopping. Customers are searching for reviews and suggestions. As a consequence, it's crucial to have a strong online presence across several social media platforms.

The most recent development in marketing is the rise of social media. Potential customers can be impacted by social media at any point during the buying process, including after.

Customers must initially be aware of your brand and your products. Once they've narrowed down their alternatives, you'll need a social media influencer to urge them to choose a course of action. The client and the brand need to interact often in order to develop a strong relationship.

Customers will be captivated to your brand if you produce engaging and educational material.

Here are four ways that social media has an impact on consumer behaviour:

1. Improves brand recognition

Social media is important for spreading information about a product to customers. People begin looking for a solution as soon as they are presented with a problem. On the other side, customers usually are unclear which good or service would answer their concerns the best.

What is the most effective approach for customers to discover your product?

A significant section of the audience is introduced to your brand through social media posts.

Every firm seeks to change the behaviour of its customers. You are losing out on a significant opportunity to affect customer purchase behaviour if your business doesn't have a social media presence.

2. The use of social proof in the decision-making process

Social media has increased the importance of social proof as a factor in purchase decisions.

Social proof was created as a result of people's propensity to mimic the actions of others around them, especially those who have authority over them.

Consumers who are happy with their purchases are more inclined to share, like, and say positive things about them on social media.

By publishing reviews, comments, likes, tweets, and pins from satisfied consumers on social media, marketers are able to increase brand confidence and conversion rates.

3. Social media sales, discounts, and promotions:

Many users of social media have registered with groups and forums that interest them. Social media advertisements for sales, discounts, and other incentives influence customers' buying choices. Online buyers wait to make purchases until there is a deal, according to 64% of them.

Marketing professionals may instantly connect with the billions of active social media users thanks to social media's low-cost platform. In order to impact customer behaviour, brands need make sure that their target audience sees, likes, and shares their products on social media.

4. Online social media influencers

A customer is more likely to make a purchase when they receive a suggestion from someone they know and trust.

Shopping decisions made by viewers are influenced by famous persons and celebrities.

It is true that 49% of consumers seek advice from social media influencers before making a purchase.

For instance, a well-known gamer may advertise tech and gaming products.

Literature review:

Due to customers' growing use of internet shopping and easier access to product/service information, Grant (2007) noted that traditional distribution channels have suffered. Businesses create social networks and use a customer-centric strategy to interact with their whole target market. Instead of using the old methods, marketing is now based on interactions. The reasons why consumers join social networks have been found, analysed, and validated by several studies. Customers have been seen utilising social media to learn more about a particular good or service, ask for advice, and increase their abilities in doing so. As Hajli (2014) notes, the accessibility of the internet has made it possible for individuals to interact online through social media platforms like Twitter and Facebook without having to physically meet. Businesses may increase brand recognition, goodwill, revenue, and support by using social media.

According to Nolcheska (2017), these social media platforms have made it possible for information to flow both ways, enabling businesses to affect the purchase decisions of specific groups. The more permeability your business has, the more chances there are for transformation. Each blog entry, picture, clip, or remark has the ability to draw people to the website of your company. Web-based social networking advertising enables your business to create a positive first impression thanks to an adaptation component. Social media, in my opinion, makes it simple to learn about goods and services. Currently, the majority of shoppers prefer to purchase online since they can find products rapidly. Due to the fact that the majority of consumers search for and buy products through social media, companies and services take use of this chance to advertise their goods

Objectives of the study

1. To understand the impact of social media on purchase decision.
2. To study if negative review affects the brand perception.
3. To study the importance of social media to make a purchase decision.

Need for the study:

My research aims to better understand and assess how social media affects consumers' purchase decisions.

- i. To gain a deeper comprehension of consumer shopping habits.
- ii. To assess how social media affects consumer purchase choices.
- iii. To assess social media's influence on online social networking sites.
- iv. The use of social media and online shopping has decreased the distances that customers must travel.

RESEARCH METHODOLOGY:

Research methodology describes the methods or strategies used to gather, choose, process, and analyse data on a subject. This study looked at the impact of social media on Greater Noida consumers'

purchasing decisions. To gather first-hand information, a standardised questionnaire was created. The internet was used to survey a total of 50 people. Respondents were interviewed, and information was gathered through a survey, to get primary data. The sample size for this study is 50 users who make purchases on social media. Using a Google form, the data was collected and the information was analysed.

Research design:

The Research Design specifies how the researcher will approach the study topics.

It logically lays forth the measurement procedures, sample plan, analytical framework, and timeframe.

There are three main research design options available:

Exploratory study:

When an issue is ambiguous, this research methodology is employed. Its main goal is to investigate and define the problem. Almost usually, a qualitative examination is necessary.

Sample size: For the study Lead, we used information from 50 respondents

What Is the Process of Data Analysis?

The data analysis process, or data analysis procedures, involve gathering all the data, analysing it, researching it, and applying it to find patterns and other insights. The steps in the process are: Data Need
The steps in the process are:

Data Need Gathering,

Data collection,

cleaning,

Data collection,

cleaning,

analysis,

interpretation, and visualisation are all steps in the data processing process.

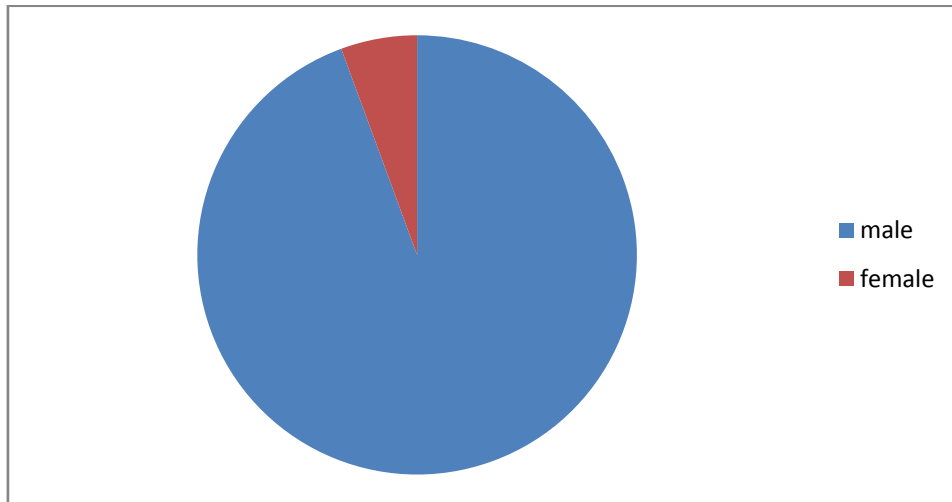
Results and interpretation:

The analysis of the information gathered from the questionnaire is shown in the next section. The collection of questions was distributed by Google Forms email to participants. The total proportion of responses was 100 since the survey was sent to 50 persons, and 50 of those people answered (Percent). Ten total items make up the questionnaire.

The analysis and conclusions will be presented in the sections that follow.

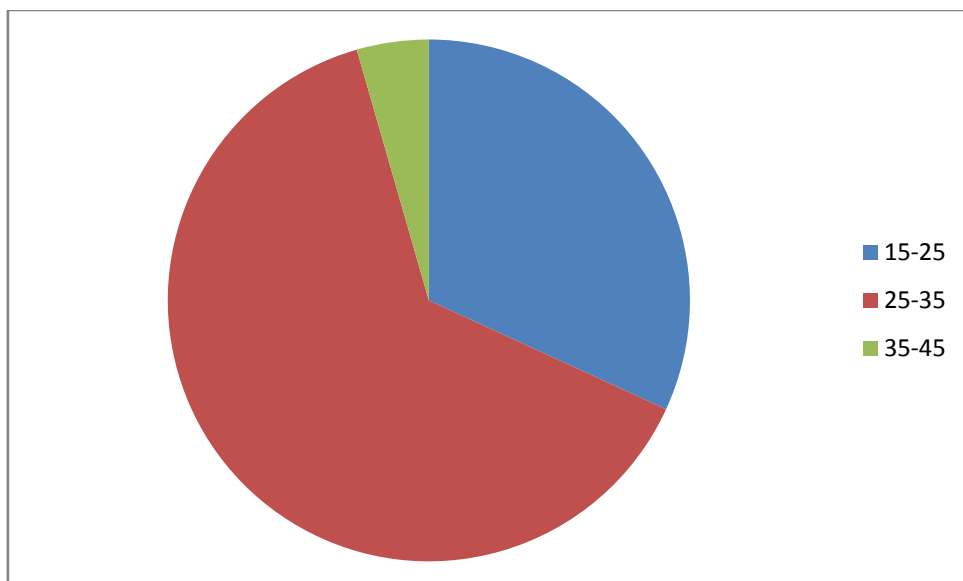
1. Gender of respondents?

Options	percentage
Male	53.8
female	46.2



2. Age Distribution:

options	No of respondents
15-25	10
25-35	20
35-45	22

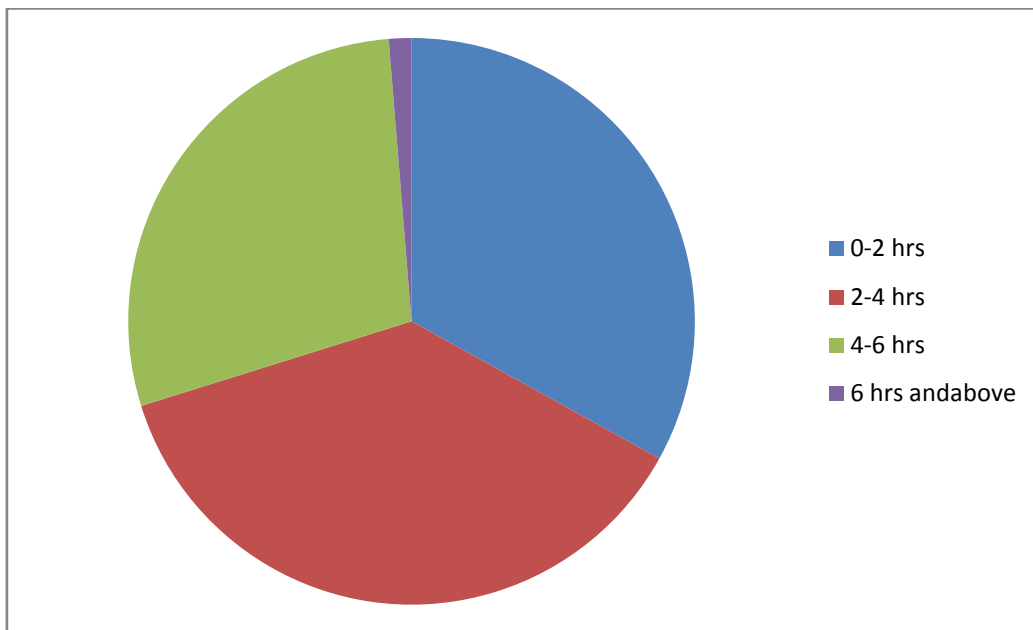


3. Frequency of online shopping done by people?

options	Percentage
Everyday	5.8
Weekly	17.3
monthly	63.5
1-2 times a year	13.5

4. Time spent on Social Media Websites on a typical day:

statement	Percentage
0-2 hrs	30.8
2-4 hrs	34.6
4-6 hrs	26.6
6 hrs and above	7.7



5. Apps and Websites used most for buying products online:

Options	Percentage
Amazon	25
Flipkart	25
myntra	42.3
others	7.7

Do people follow brands on social media?

options	percentage
Yes	71.2
no	28.8

6. Does social media affect your vision of the brand?

Options	Percentage
Yes	46.2
No	25
maybe	28.8

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

options	Percentage
Strongly agree	19.2
Agree	28.8
Neutral	40.4
Disagree	5.8
Strongly disagree	2.3

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

options	Percentage
Yes	84.6
No	13.5
May be	12.0

Findings:

1. As people between the ages of 20 and 25 spend the most time on social media, this age group had the highest percentage of responders.
2. According to study results, over half of respondents typically engage in internet shopping once or twice each month. once every two weeks. This might be an indication that they are from the working class, who don't have a lot of free time yet like to make significant but infrequent purchases from online marketplaces.
3. According to survey statistics, 2-4 hours are spent daily on social media platforms by about half of the population. Social media is essential for bringing people together and fostering connections that help us progress professionally and broaden our minds.

4. Over 60% of respondents, it appears from the poll results, follow brands on social media. On social media, people follow businesses because they want to learn about sales, new items, etc.
5. According to the poll results, over 46.2% of the participants said that the brand's social media page or website influenced their perception of it. The majority of online buyers check brand reviews before making their purchases, which may affect how they regard that brand.
6. According to poll results, 50% of respondents said social media had an impact on their choice. It's because many people examine online product reviews and comments before choosing the best brand and price.
7. According to the study results, 84.6% of respondents think social media is crucial for brand promotion since it increases visibility, which enables a business to attract customers and boost sales.

Conclusion:

According to the results of this survey, consumers actively use social media platforms to support their purchasing choices. Social media is often regarded as electronic word-of-mouth. The opinions and preferences of former customers are taken into consideration by new consumers while making decisions on social media sites.

Users of social media discovered decision-making to be easier and more fun when compared to people who depended on other information sources. Most people were delighted with the fact that social media information was both more plentiful and of higher quality than they had anticipated. Overall, the findings show that social media significantly affects consumer decision-making.

India aggressively makes use of social networking networks to validate their purchasing choices. The majority of respondents saw social media as electronic word-of-mouth. Potential customers' decision-making is influenced by the opinions and preferences of previous users on social media sites. Compared to people who accessed other sources of information, social media users reported decision-making to be simpler and more enjoyable. People were more content overall when they thought that social media provided more and better quality information than they had anticipated. The findings as a whole demonstrate that social media has a significant influence on how consumers make decisions.

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