

# A Study on Online Buying Behavior: The Influence and Impact of Social Media

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## ABSTRACT

E-commerce's explosive expansion has drastically changed how consumers make purchases. Recent industry figures indicate that mobile commerce accounts for about 55% of all online purchases, and that worldwide e-commerce revenues have grown by about 25% annually. With an emphasis on the influence of social media applications on customer behavior, this study investigates the variables influencing online purchasing decisions. According to surveys, 78% of consumers say that they prefer purchasing online because it's convenient, and 65% say that security and trust are important factors. Furthermore, 82% of consumers consult peer evaluations prior to making a purchase. This study looks at how peer recommendations, influencer marketing, and targeted ads on social media sites like Facebook, Instagram, and TikTok affect consumers' decisions to buy.

## INTRODUCTION:

Recent years have seen an unrivaled increase in online buying, driven by developments in digital payments, technology, and consumers' desire for hassle-free shopping. The trend toward e-commerce has been further pushed by the widespread adoption of smartphones and high-speed internet, which allow customers to easily browse and buy things from the comfort of their homes. Traditional retail methods have been altered by this trend, which forces companies to create advanced online platforms in order to meet changing customer demands. The growing dependence on e-commerce platforms is mainly fueled by the ease of acquiring products with only a few clicks. In contrast to physical stores, online shopping removes geographical limits, enabling consumers to reach a wider selection of products, compare prices instantly, and enjoy unique discounts and promotional deals. Additionally, the incorporation of artificial intelligence (AI) and data analytics in e-commerce sites has improved personalization, offering customers customized suggestions based on their preferences and previous buying behavior.

Despite the many benefits, a number of factors affect how customers behave when they shop online. Because consumers frequently hesitate to divulge personal and financial information out of fear of fraud and identity theft, trust and security issues continue to be major obstacles. Purchase decisions are significantly influenced by consumer evaluations, open return policies, and the legitimacy of e-commerce platforms. In addition, pricing tactics, product quality, and website usability all play a significant role in determining customer loyalty and happiness.

Digital marketing and social influence have a big impact on online purchasing behavior as well. Since people frequently rely on internet reviews and testimonials before making a purchase, social media platforms, influencer endorsements, and peer recommendations significantly affect consumer choices. Businesses must comprehend and adjust to these behavioral patterns since psychological elements like

emotional triggers, impulse buying inclinations, and advertising campaigns also affect how consumers make decisions.

Applications on social media have a significant impact on how customers behave when making purchases. Shoppable posts, live commerce, and targeted ads are just a few of the e-commerce capabilities that platforms like Instagram, Facebook, and TikTok have launched and that affect consumers' purchasing decisions. Because people trust influencer

recommendations more than traditional ads, the rise of influencer marketing has further altered how consumers engage with brands. Additionally, social media algorithms tailor purchasing experiences, which makes impulsive purchases more likely. In order to shed light on social networking applications' efficacy as marketing tools and their impact on customer decision-making, this study will look into how they affect online purchasing behavior.

## REVIEW OF LITERATURE

**Zhang et al. (2022)** used eye-tracking equipment to examine how online product reviews affect consumers' decisions to buy. Customers give careful consideration to both favorable and unfavorable reviews, according to the survey, and this influences their intention to buy. Remarkably, negative reviews took longer to correct, suggesting that customers are paying closer attention to them. This implies that while favorable evaluations might increase the allure of a product, unfavorable reviews may have a disproportionately negative effect on customer perceptions and discourage sales. pmc, ncbi, nlm, and nih.gov

**According to a study by Kooti et al. (2015)**, younger customers are more likely to shop online since they are more accustomed to using technology and the internet. On the other hand, older customers may show reluctance, frequently as a result of security and trust issues. Additionally, as these customers have better access to technology and are more accustomed to using online platforms, higher wealth and education levels are linked to an increase in online purchases. arxiv.org

**According to a 2011 study by Pookulangara and Koesler**, peer recommendations and social norms have a big impact on customers' intentions to make online purchases. This effect has been exacerbated by the growth of social media platforms, as customers now depend more on recommendations and reviews from their social networks when making judgments about what to buy. Additionally, customer tastes and behaviors in the online economy might be influenced by societal trends and cultural variables.

**According to Gefen et al. (2003)**, trust raises the possibility of making a purchase and lowers the perceived risk of doing business online. Security issues are also important, especially those related to data security and payment mechanisms. According to a study by IAB Australia and PureProfile (2024), 71% of consumers voiced concerns about the use of their personal data, even though 60% of consumers continued to buy from trusted firms. This suggests that data security and trust are essential for keeping customers. au's theaustralian.com

### Research Problem Statement

Although social media's rise has drastically changed how consumers make purchases, research is still being done to determine the full scope and mechanisms of its impact. Search engines and brand websites were the mainstays of traditional online shopping, but social media platforms are increasingly important middlemen, incorporating purchasing features like peer recommendations, influencer marketing, and tailored advertisements. Nonetheless, issues with online reviews' veracity, influencers' legitimacy, and the privacy hazards of social media commerce continue to exist. The purpose of this study is to investigate

how social media applications impact consumer purchasing decisions, the psychological aspects that influence purchases affected by social media, and the possible dangers and difficulties that customers may encounter when depending on social media for their shopping needs.

**OBJECTIVES OF THE STUDY**

- To study the demographic profile of the online customers
- To analyze the social media usage & its impact on online shopping

**RESEARCH METHODOLOGY**

**SELECTION SAMPLE SIZE**

It is difficult to determine the number of customers in the online marketing sector. Any individual with a smartphone that has internet access is most likely a customer at some point for some reason. As a result, the number of clients in the web marketing industry is thought to be endless. The population listed below is used to calculate the sample size of the customers in situations where the population is innumerable. sampling method: convenience sampling is used to determine the consumer sample size at sample selection. Overall, the researcher used a multistage sampling method in this investigation.

**DATA ANALYSIS**

<b>Demographic Factors</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Gender</b>		
Male	102	29.142
Female	248	70.857
Total	350	100.000
<b>Age</b>		
Less than 20 years	10	2.857
20-25 years	74	21.142
25-30 years	151	43.142
30-35 years	81	23.142
35-40 years	29	08.285
Above 40 years	05	01.428
Total	350	100.000
<b>Education</b>		
Below bachelor's degree	12	03.428
Bachelor's degree	257	73.428

Above bachelor’s degree	81	23.142
<b>Total</b>	350	100.000

**INTERPRETATION:**

Males make up only 29.142% of the population, while females make up the majority (70.857%). This implies that there is a notable bias in favor of female responders in the sample.

The majority of participants (43.142%), who make up the largest age group, are young professionals or those just starting their careers.

The second-largest age group is 30–35 (23.142%), which probably consists of students or recent graduates. With only 1.428% of respondents being over 40, the percentage steadily drops as respondents get older, indicating that the survey primarily represents a younger demographic.

The sample appears to be highly educated, given the vast majority of responders (73.428%) had a bachelor's degree. The fact that a significant number (23.142%) hold a Master's degree suggests a strong desire to pursue further education. The majority of responders have sought higher education, as seen by the fact that only 3.142% have less than a bachelor's degree.

**TABLE 2**

<b>Occupation</b>	<b>Frequency</b>	<b>Percentage</b>
Student / College student	47	13.428
Company employee	213	60.857
Government employees	28	08.000
Business owner	47	13.428
Others	15	04.285
<b>Total</b>	350	100.000
<b>Monthly Income (INR)</b>		
Less than 15,000	33	09.428
15,001 - 20,000	50	14.285
20,001 - 30,000	107	30.571
30,001 - 45,000	73	20.857
45,001 - 50,000	39	11.142
More than 50,000	48	13.714
<b>Total</b>	350	100.000

**INTERPRETATION:**

The largest component is made up of company employees (60.857%), indicating that the majority of responders are working professionals. Business owners (13.428%) and students (13.428%) make up a smaller but significant share of the sample. A small percentage of the workforce is made up of others (4.285%) and government employees (8%).

The majority of respondents are in the mid-income level, as seen by the biggest number (30.571%) earning between ₹20,001 and ₹30,000. With an income between ₹30,001 and ₹45,000, the second-largest group (20.875%) appears to be financially stable. The fact that 13.714% of people make more than ₹50,000 suggests that a tiny but important percentage are in upper income levels. A small percentage of the sample is made up of lower income categories, less than ₹15,000 (9.428%).

**Table 3**

<b>Using Social Media Factors</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Social Media Platform Usage</b>		
Facebook	85	24.285
Instagram	181	51.714
Twitter	36	10.285
YouTube	48	13.714
Total	350	100.000
<b>Frequency of Use Per Day</b>		
1 - 5 times/day	88	25.142
6 - 10 times/day	161	46.000
More than 10 times/day	101	28.857
Total	350	100.000
<b>Period of Accessing Social Media</b>		
Less than 30 mins	22	06.285
1 - 2 hours	153	43.714
3 - 4 hours	106	30.285
More than 4 hours	69	19.714
Total	350	100.000
<b>Time of Day Usage</b>		
06:01 - 11:59 AM	23	06.571

12:00 - 18:00 PM	52	14.857
18:01 - 23:59 PM	275	78.571
Total	350	100.000

### INTERPRETATION:

Instagram is preferred by most respondents (51.71%), suggesting a significant preference for visual content, reels, and stories. Facebook (24.28%) is still relevant, but its engagement is far lower than Instagram's, indicating that it might be used for particular things like news consumption, communities, or networking. With a moderate following (13.71%), YouTube suggests that although video material is popular, most users do not utilize it as their primary social media platform. The fact that Twitter has the lowest engagement rate (10.28%) indicates that short-form text-based material is less engaging than platforms that rely on images and videos.

46.00% of those surveyed use social media six to ten times a day, indicating high levels of involvement and regular updates. 28.85% of people use social media more than ten times a day, which suggests that they engage in compulsive or even driven activity. A lower percentage (25.14%) uses social media one to five times a day, indicating moderate or regulated use.

43.71% of people use social media for one to two hours per day, which is a manageable amount of time for infrequent users. Heavy engagement is shown by the fact that 30.28% use it for 3–4 hours a day and 19.71% use it for more than 4 hours.

Minimal use of social media is rare in our sample, as only 6.28% of respondents spend less than 30 minutes.

### CONCLUSION:

The results show that social media, which is a major platform for product discovery, reviews, and purchase decisions in addition to being a source of entertainment, significantly influences online shopping behavior. Social media users are constantly exposed to ads, influencer recommendations, and business promotions due to its high engagement rate and the fact that a sizable part (50%) spend more than three hours per day on it.

Social media usage is dominated by platforms like Facebook (24.28%) and Instagram (51.71%), both of which are extensively utilized for digital marketing. Purchase decisions are greatly influenced by visual content, influencer marketing, and targeted advertisements since consumers are more inclined to believe in goods that have been recommended by peers or approved by influencers. YouTube is also involved.

Peak usage in the evening and at night (78.57%) indicates that users are more inclined to browse the internet and make impulsive purchases during these times, which makes them ideal for marketers looking to reach new clients. Online purchasing is further encouraged by the increased frequency of social media usage, which further raises the likelihood of exposure to e-commerce promotions, discounts, and tailored recommendations.

To sum up, social media significantly affects customer purchasing behavior by promoting impulse buying, product trust, and brand recognition. Businesses must successfully use social media marketing techniques as digital interaction keeps increasing in order to draw in and keep clients in the fiercely competitive

online market. The necessity for conscious consumption is highlighted by the fact that too much exposure to online ads and promotions can also result in hasty spending and needless purchases.

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