

# Impact of Social Media in Consumer Buying Behaviour

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## Abstract

*Today social media plays an important role in consumer's life. Consumers use technology and especially social media in online shopping process adequately. Social media marketing helped the business to introduce their product and services to consumers through social media like Facebook, Instagram. The use of social media is growing rapidly for marketing adequate. Social media helps to validate your brand visibility through building relationship and communicating with potential customers. Over the past decade a new form of media has arisen where social media seems to have a great influence on consumers purchasing decision.*

*Today, more and more consumers use Social Media to communicate together but also to communicate with brands. This new interaction is of interests for marketing professionals.*

*The study aims to explain how the influence of Social Media is reflected on consumers' purchasing decision-making process and if this influence differs at the various stages of this process. To achieve these objectives a study based on secondary data has been conducted. Past research papers and recent trends have been studied to investigate the impact of social media on consumer buying decision who aim to purchase online.*

*The findings show that Facebook , Instagram and blogs has lead to significant changes in consumers' buying decision towards choosing particular products.*

**Keywords: Consumer Buying Behaviour, Social Media, Online Shopping**

## Introduction

Consumer's product and services preferences are constantly changing. Marketing managers must understand these desires in order to create a proper marketing mix for well defined market. Consumer Behaviour describes how consumers make purchase decision and how they use and dispose of the purchased goods or services. The study of consumer behaviour also includes the factors that influence purchase decision and product use. **James F Engle, Roger D Blackwell and Paul W Miniard**, in his study Consumer behaviour refers to the actions and decision processes of people who purchase goods and services for consumption. As we know that consumer is the king of market. According to his need and want company produce their

product there was a time when company focus on production than customer satisfaction but now the companies see the want of the customers and make their goods according to them by conducting market Research. Consumer behaviour is defined as the activities that people undertake when obtaining, consuming and disposing of products and services that they expect will satisfy their personal needs. **Blackwell et al. (2006)** mentions that a customer follows a sequence before buying a product or service.

Social media helps the people to interact with friends and family but was later adopted by businesses that wanted to take advantage of a popular new communication method to reach out to customers. The power of social media is the ability to connect and share information with anyone on Earth as long as they also use social media. The general availability of the internet has given individuals the opportunity to use social media, from email to Twitter and Facebook, and to interact without the need for physical meetings (**Gruzd et al. 2011**). Social Media such as Facebook , Instagram and Twitter enable users to maintain great connections among themselves as well with others(**Ellison et al., 2007**) **According to Statistics portal 2018** The statistic presents the number of Facebook users across India as of January 2018, broken down by age and gender. The highest number of male Facebook users during the measured period was between 18 and 24 years old and amounted to about 73.8 million. Among females, the highest number of users was the same age group, amounting to about 23.4 million. This statistic shows a forecast of the number of active Twitter users in India from 2013 to 2019. In 2016, the micro blogging site is projected to reach 23.2 million monthly active users in the region, up from 11.5 million in 2013.

From business perspective, Today businesses and buyers can interact directly by social media with each other, and thereby find whatever products and services are looking for (**Parson, 2013**). Consumers today are progressively utilizing technology and particularly Social Media as an effective tool in their online shopping process. This process can be defined as is an electronic process that allows consumers to deal with business people and meet their purchases' needs. Social Media have played important role in spreading this phenomenon faster (**Hennig-Thurau et al., 2010**). According to a **2010 report by McKinsey & Co**, India is set to grow into the fifth largest consumer market in the world by 2025. One of the major reasons cited by researchers for the growing consumer market is the impact of social media. Social media offer different values to firms, such as enhanced brand popularity facilitating word-of-mouth communication (**Chen et al. 2011b**), increasing sales (**Agnihotri et al. 2012**), sharing information in a business context (**Lu & Hsiao 2010**) and generating social support for consumers (**Ali 2011; Ballantine & Stephenson 2011**). There are some factors that influence the consumer behaviour. Advertising plays an important role in influencing the purchasing decisions made by the consumers .The companies conduct regular online marketing campaigns that can influences the consumer buying decisions for example companies like **Pepsi co, Maggie, health products and insurance policies.**

## Relationship between Social media and consumer

Nowadays Social media sites allow greater reach than ever before. Social networking also allows communication to go both ways, creating interactive between business and customers. Today customer has freedom to voice his & her opinion about the product through Feedback , Reviews, Opinion on social media website pages. This may become favourable or unfavourable for the company. Consumer is being able to communicate directly with a brand representative online can increase a consumer's loyalty towards the company by establishing a personal connection that the consumer might not be able to achieve with other companies. The internet has played a important role in our daily life in that people can talk through the internet to one who is actually on the other side of the Earth, can send email around the clock, can search information, can play game with others, and even can buy things online. **According to Smart Insight by Dave Chaffey the number of internet users worldwide in 2018 is 4.021 billion, up 7 percent year on year. The number of social media user worldwide in 2018 is 3.196 billion, up to 13% year on year. The number of mobile phone users in 2018 is 5.135 billion, up to year on year. Northern, Western and south Europe and North America have the largest internet penetration with between 74% to 94% internet users compared to total population. It shows that social media enables global reach which help the companies to place their product and services in global market.**

**Mangold and Faulds (2009)** also suggest that social media has important influences on every stage of consumer decision making processes including information acquisition, brand awareness, purchase behaviour and post-purchase communication and evaluation. According to SproutSocial 74% of consumers rely on social networks to guide purchase decisions or through their network before making purchase decisions. **According to Hubspot Consumers are 71% more likely to make a purchase based on social media referrals** Today consumers trust more user reviews and online consumer recommendations on social media websites rather than traditional media before making a purchase decision The consumers' comments about a product on a social media platform produce negative and positive virtual messages and these messages affect their purchasing decision (**Chung and Austria, 2010**) Internet shopping has been widely accepted as a way of purchasing products and services. It has become a more popular means in the Internet world (**Bourlakis et al., 2008**). **A report launched by management consulting firm, The Boston Consulting Group (BCG) and social networking company Facebook** titled 'Fashion Forward 2020' has predicted that out of \$70bn Indian fashion market today, about \$7-9bn is already digitally influenced. This influence is expected to multiply nearly four times to reach \$30bn by 2020, a number that will constitute 60-70% of the total branded apparel market. **According to Forbes, 2018** Some 72% of users report that they have made fashion, beauty or style-related purchases after seeing the product on Instagram. "Instagram worthy" home is now a thing and a lot of younger consumers admit that

they specifically seek out decor items that would look good on social media. This study has many implications on both theory and practice.

On the other hand, some consumers still feel uncomfortable to buy online. Lack of trust, for instance, seems to be the major reason that impedes consumers to buy online. Also, consumers may have a need to examine and feel the products and to meet friends and get some more comments about the products before purchasing. Such factors may have negative influence on consumer decision to shop online. (Weber 2007.) Doing business online requires that your company take advantage of any and every opportunity to communicate with customers. Social media sites allow greater reach than ever before, with targeted communications that nearly guarantee your company's message is received. Social networking also allows communication to go both ways, creating interactivity between businesses and customers that has had a few direct effects on consumer behaviour. Creating a virtual home for your business on a social media website offers you extensive opportunities to increase your visibility with consumers. Welcoming them to the site allows for free communication.

The traditional 'word-of-mouth' publicity has been replaced by the 'word-of-web', as consumers are increasingly referring to social media sites before making a purchase, greatly influencing buying behaviour. Word-of-mouth advertising has always been an important part of achieving sales for a company. No ad is as convincing as having someone you trust recommends a product or service. **The number of consumers who purchase online is expected to cross 100 million by 2017 end with e-retail market likely jumping 65% on year in 2018, an (ASSOCHAM-Resurgent India)** Social Media refer to network of relationships and interactions among different users (Kempe & Chin, 2003). Social Media such as Facebook, Instagram and Twitter enable users to maintain great connections among themselves as well with others (Ellison & Kozinets, 2007) by achieving more than one task and facilitating the way of communicating and sharing different information comments, thoughts, videos and images (Kietzmann, 2011). Consumers today are progressively utilizing technology and particularly Social Media as an effective tool in their online shopping process. This process can be defined as is an electronic process that allows consumers to deal with business people and meet their purchases' needs. **According to your story report posted on 13<sup>th</sup> October 2017.** Flipkart had crossed 100 million registered customers. Thanks to Jio, internet penetration has spiked in the last one year, which is particularly advantageous for e-commerce in a mobile-first country. Currently, India has over 300 million smart phone users, indicating that Flipkart's app is present on nearly a third of all smart phones in the country. A press release from the company has said that Flipkart's is one among the only three India-specific mobile apps that have crossed this crucial consumer adoption metric, surpassing downloads of other categories such as payments and transportation. Online shopping is growing everywhere and different categories of consumers are influenced by this phenomenon. **For instance, the percentage of online buyers is increasing in India, China, Japan and Australia for about 87%, 85% (North Asia and Europe), 83% (North America), 81% (South and Latin America) and 53% (Africa and Pakistan)**

(Solorzano, 2011). Social media strengthens the relationship between business and Consumers. Through these networks, brands can communicate with the consumers on a more frequent and more individual level than previously possible. Consumers connect with the identity of brands they like and individuals are able to endorse brands through their organic engagement.

## Relationship between Social Media and Business

The relationship between social media and business has certainly blossomed in recent years. By giving your business brand the social media touch, you not only generate more business but also connect with your customers better and serve them on a higher level. It actually makes your digital marketing easier. Social media has changed the business landscape, both for companies that have adopted them and for those who have not. **According to an infographic published by Ambassador**, 71% of consumers are more likely to recommend a brand to others if they have a positive experience with it on social media. According to **KERAN SMITH - SEPTEMBER 8, 2017** there are some more social media statistics that prove beyond doubt the importance of social media in business. Your business needs to leverage sites like Facebook, Twitter and LinkedIn to keep up with the competition. The number of social media-using adults has gone from 7% in 2005 to 69% just ten years later.

Social media use on mobile devices is seeing a 30% growth every year. 2 million businesses today use Facebook advertising for promoting their products and services. The reason behind business using social media for advertisement is as because the cost of ad is lower when we compared to traditional advertising methods such as print media, TV and radio advertising, social ads are not only dependable, but also lower the cost. There are many benefits of social media that indicate how social media is more effective than traditional media. These benefits include the ability to communicate with your consumers in a two-way format, developing a long-term following, and being able to quickly promote new products and services. **According to LYFE Marketing** Social media is cheaper than any form of advertising available today. It is one of the only forms of media that can expose you to over 1,000 people for less than \$3. Can easily reach target audience. Social media helps in catering the target audience through various social media sites. Today's generation spends their time in social media like Facebook, Instagram, Snapchat. While this means that social networking sites have become an effective means of reaching out to a ton of people in a short period of time. **According to Funk**, companies reach new customers through the conveyance of the corporate message on a social media channel, the broadcast of positive customer feedback regarding the corporate message and its products to some of the 100 million Twitter users and 500 million Facebook users, and the conversion of the feedback to product purchases. The broadcast of such third-party endorsements complement such traditional marketing efforts such as print and broadcast advertisements. It helps in connecting with the existing customer companies can give prizes and goodies by holding raffles and contests to cater the target audience. **Social media helps the business to know about the real-time**

**analytics is a term used to refer to analytics that are able to be accessed as they come into a system.** In general, the term analytics is used to define data patterns that provide meaning to a business or other entity, where analysts collect valuable information by sorting through and analyzing that data. Other examples of real-time analytics would be any continually updated or refreshed results about user events by customer, such as page views, website navigation, shopping cart use, or any other kind of online or digital activity. These kinds of data can be extremely important to businesses that want to conduct dynamic analysis and reporting in order to quickly respond to trends in user behaviour. It gives information to know if your ad is working or not is integral in order to improve it. When you're doing any type of offline advertising, you're unable to analyze the performance of your ad campaign. Social media ads on the other hand allow you to constantly keep track of how well and bad your ad is performing. Social Media is a wonderful tool for the employees to share current information on new company events, projects, policies or other helpful news. The best thing about social media is that it allows two-way communication, an effective way to promote information and invite feedback on the same. On the whole, it is important to use such tools wisely to take your business to the top.

## Literature Review

The Internet and especially social media have changed how consumers and marketers communicate (Hennig-Thurau et al. 2004; Nambisan and Baron 2007). Moreover, social media allow users to connect with peers by adding them to networks of friends, which facilitates communication, particularly among peer groups (Ahuja and Galvin 2003; Zhang and Daugherty 2009). social media websites provide a public forum that gives individual consumers their own voices, as well as access to product information that facilitates their purchase decisions (Kozinets et al. 2010) Social media has transformed the way of marketing in India. The digital world has brought the change in every aspect. Its impact on consumer buying decision cannot be denied but there was a time when social media was only for sharing knowledge, but now it has been changed social media offer accessibility, information and transparency that has changed the consumer place in market. Now consumer does research before purchasing of product and services while social media also check the likes, dislikes, feedback and innovation. Consumer keeps various subscriptions to keep themselves updated with high discount coupons, and changes in the existing product and services. The frequency of times advertisement displayed on social media leads to help the consumer in brand recall. **Nowadays companies make their public image through social media 95% of the consumers do research before making a purchase decision.** Lipsman, A., Mudd, G., Rich, M. and Bruich, S. (2012), this article helps us explain why firms are using social media. A recent study showed that the budgets allotted for marketing activities are moving toward social media and are increasing pointing to the fact that companies want to have a presence on social media. One big reason is interaction with consumers and

making them share their experiences for greater impact. But the biggest challenge for marketing marketers is how to use social media to its fullest potential. Many consumer get influenced by feedback provide by the friends. **According to Statistics Portal 2017**. People shopping preferences for selected product categories by consumer worldwide as of 2017. **60% of consumer buy Books, Music, Movies and Video game through online sites and 28% consumer buy these goods through from Stores. Around 43% of consumer buys electronic product from online and 57% of product from stores.** Consumers and businesses around the globe have been more connected than ever before with the presence of Internet. An average Internet user has 669 social ties (Hampton et al. 2011) Facebook has more than 600 million daily active users, with over 1.5 million business pages (Facebook 2013), and 30 billion pieces of content shared on a monthly basis (**McKinsey 2011**). Approximately 500 million Tweets sent per day, at about 600 Tweets per second (Tweeter 2012). LinkedIn has more than 225 million professionals worldwide, including all Fortune 500 companies (LinkedIn 2013). **The global average time spent per person on social networking sites is 6.9 hours per month (Delaney and Salminen 2012).** Changes in consumer behavior due to social media are one of the most intriguing aspects in the contemporary marketing. The objective of the research is to explain why, when, and how social media has impacted on consumer decision making process. The Consumers are actors on the market place stage. Consumers referred as individuals who purchase or consume products and services however, Buyers are the people who are acting either as ultimate, industrial, or institutional purchasers. **Consumer refers to individuals who purchase for merely ultimate use, which is more restrictive in terms of meaning (Sternthal and Craig 1982).** Today the accessibility and transparency of information has profoundly influenced the decision making process therefore, it is important to examine what are the hurdles and fiction points that hold prospects becoming consumers. **By Mindi Chahal 23 Mar 2016** Social media is becoming the new online market places with new research showing why shoppers are looking to Facebook, Instagram and Twitter for their next online purchase. But not all brands are convinced of social's value as a sales channel. Facebook announced further developments to the site's dedicated shopping section Facebook-owned Instagram also made changes to its platform last year by opening up the site to all advertisers with newer direct response ad formats that encourage users to take actions on posts through buttons such as 'shop now', 'install' or 'learn more'. More than half (56%) of consumers who follow brands on social media sites say they do so to view products, according to new research **from loyalty analytics company Aimia, which owns the Nectar loyalty brand. Jan-Pieter Lips, president of international coalitions at Aimia,** says: "If fully implemented, shopping on social media could become a primary shopping channel. However, many consumers defer to major ecommerce sites such as Amazon when making purchases. Brands need to think about social media sales strategies and how they form part of their wider ecommerce functions". The research, which surveyed 2,017 people, aged 18 and over, also shows that 41% follow brands to look at new ranges when they launch and 35% do so to get ideas

about what to buy when they next go shopping. These reasons rank slightly higher for 18- to 24-year-olds at 47% and 40%, respectively.

**Social media helps them to keep up with trends**

**Consumers can learn more about the products and services of a company**

**They can provide feedback and join brand fan community**

**Take advantage of sweepstakes and promotions**

**Ultimately make an informed buying decision.**

**Recently, Forbes conducted research** to see how consumers engage with different organizations and businesses such as retail, hospitality, entertainment and financial business through social media networks. They found that a whopping 81 percent of respondents admitted that recommendations and posts from family and friends directly impacted on their buying decisions, while 78% of people said that social media posts of companies influence their buying decisions. **According to Dan Zarrella**, there are some types of social media, like Blog, Microblog Twitter, Social Networks like Facebook , LinkedIn, Media sharing YouTube. It has many benefits for consumers, such as saving consumers time, better informing possibilities, more reliable information, reduced cost of informing, better communication with companies, and reduced prices. Almost half of the world's population used the Internet and the social media. By **Peter Roesler Deloitte report**.

## **Objective of Study**

Product categories work best on social media. According to their data, 56 percent of consumers buying baby products are influenced by social media, compared to 40 percent for home furnishings, 33 percent for health and wellness and 32 percent for automotive. Consumers and businesses around the globe have been more connected than ever before with the presence of Internet. An average Internet user has 669 social ties (**Hampton et al. 2011**) Facebook has more than 600 million daily active users, with over 1.5 million business pages Facebook 2013, and 30 billion pieces of content **shared on a monthly basis (McKinsey 2011)**. Worldwide, there are over 2.20 billion monthly active Facebook users for Q1 2018 which is a 13 percent increase year over year. **The global average time spent per person on social networking sites is 6.9 hours per month (Delaney and Salminen 2012)**. consumer behaviour is a relatively general and broad topic, which it would be challenging for the researcher to gather, inspect and conclude all the necessary data and findings into one research; thus, the researcher has narrowed down the focus in association with the decision making process, which associates with marketing through social media. The objective of the research is to explain when and how social media has impacted on consumer decision making process. Besides, perhaps, with this particular perspective the research holds, it can help to identity what are the opportunities and pitfalls companies are facing with this impact on consumers' decision making in order to



seize and embrace the possibilities in the new marketing era and how social media has influence the consumer buying decision there was a time when consumer go in stores and buy the product but now he can get all the information in social media he can compare one product with other and also get the feedback from the existing consumers. The quality of the decision becomes important in this stage of process and how well the choice worked out. Consumers start to compare their perceptions of the product with their expectations (Kardes, et al, 2011).

## Research Methodology

The objective of this research are twofold, First is to find out the variables involved in decision making process and second is to identify the changes that social media has brought to the decision making process. The research provides great effort to provide better understanding to both consumer and companies that how and when social media has impacted on buying decision of consumers. As time is changing and technology is constantly improving companies need to stay in the game and use new opportunity to improve their sales, marketing and customer loyalty. Social media gives consumer to power to research about the products to label them as well as criticize them. Today many companies have Facebook pages on Social network which help the customers the review and read various comment and feedback that had already purchased these products for example: Before making purchase many consumers read what others people think about a product. The research tries to offer answers to some questions as **what is the relationship between social media and consumer and relationship between social media and business. Factors that influenced consumer buying decision ?** The research is done through descriptive data where the study emphasise the buying decision of the consumers all the information is gathered by secondary data with the help of research paper, blogs, Newspapers. After analysing the past research and current trends the impact of social media offers platforms to everyone and can use freely it gives people the oppurnity to share information among themselves in any way of level of interaction is very high.

## DISCUSSION: SOCIAL MEDIA IN CONSUMER BUYING DECISION

**Andreason (1965)** proposed one of the earliest models of consumer behaviour. The model recognizes the importance of information in the consumer decision-making process and emphasizes the importance of consumer attitudes although it fails to consider attitudes in relation to repeat purchase behaviour. ‘ The dynamic interaction of affect and cognition, behaviour, and environmental events by which human beings conduct the exchange aspects of their lives’ (**Bennett, 1989**). All the sources of information collection are filtered and matched with other behavioural aspects like belief, norms, values etc, along with the search for alternate, substitute and other probable suitable products. Finally it goes through the budget, priority and fit for needs which some time work as constraint against the initial needs and wants. Today the accessibility and transparency of information has profoundly influenced the decision making process; therefore, it is

important to examine what are the hurdles and friction points that hold prospects becoming consumers, or keeps consumers hesitating from repurchasing. (Silverman 2001.)

The stages of the buyer decision process were first introduced by **John Dewey in 1910**. Later studies expanded upon Dewey's initial finding. **Engel, Blackwell and Kollat in (1968)** Consumer's buying behaviour and the resulting purchase decision are strongly influenced by cultural, social, personal and psychological characteristics. An understanding of these factors is essential for marketers to develop suitable marketing mix to appeal to the target customer. As I discussed that social media influence the buying decision of consumer the first stage of the process is to know what the needs of customers to identify the needs of customers, solicit feedback from your customers at every step of your process For example, by conducting focus groups, listening to your customers or social media, or doing keyword research. One of the best ways of understanding your customers' wants and needs is by talking to your targeted audience directly so you can ask questions and get answers from them. These groups are used as a social media marketing technique to target and interview people of a particular audience collectively. Your content performing well with your target audience company can find out by cultivating conversation with your audience and reviewing their opinions. You can find this out through social listening or by interacting with your customers or through customer surveys. Polling your audience can provide valuable insight into what content works and what doesn't work. **Andreason (1965)** proposed one of the earliest models of consumer behaviour. The model recognizes the importance of information in the consumer decision-making process and emphasizes the importance of consumer attitudes although it fails to consider attitudes in relation to repeat purchase behaviour. Finally it goes through the budget, priority and fit for needs which some time work as constraint against the initial needs and wants. After Next step a customer may take is the information search stage, in order to find out what they feel is the best solution. **Hoyer and MacInnis (2010, p13)** said that once the need recognition stage passed, consumers want to be exposed to information. Social Media offer them this information exposition since consumers can get information from their 'friends' but also from brands about products and Services through pages they can 'like' on Facebook and 'follow' on Twitter.

The final purchase decision will not be made at once, even when individuals acknowledge, recognize their problems, and pay attention to the available products; likewise, when prospects have a certain interest in a product or service, they tend to go through the following steps before carrying out any action – identifying available options, studying information of selected options, and eventually judging which of these options can most likely deliver the best outcome (Silverman 2001). This is the buyer's effort to search internal and external business environments, in order to identify and evaluate information sources related to the central buying decision. Your customer may get the information through social media. A buyer uses the information available to him to evaluate the alternatives. After the assessment of the choice alternatives, consumers formulate beliefs regarding the alternatives, which guide their attitudes, intentions, and

ultimately their choice among alternatives (**Sternthal and Craig 1982**). There is no one approach that buyers use in evaluating alternatives with the help of information they have. However, there are many important elements in these evaluation process buyers have their utility functions, which contain information about relationships between each attribute and satisfaction as well as tradeoffs among attributes. At the evaluation stage the consumer forms some likes and dislikes about the alternatives brands available. This attitude towards brands influences his intention to buy. There are however, other factors that also influence his intention. There are situational factors like availability, dealer terms etc. And social factors like reference group member's attitudes that influence intention. Steps between evaluation of alternatives and a purchase decision (**Kotler & Keller 2009**). Likewise, **Kotler (2009)** has also stated that consumers are undoubtedly influenced by the information who publishes their evaluations example customer reviews on Amazon.com, blogs, bulletin boards, and so on. **According to Jaffe (2010, p8)**, the communication of experience from peers has a strong influence on evaluation of alternatives stage. Arrived at this stage, consumers will make an evaluation of the different alternatives offered to them and will have to choose one in the next stage. To evaluate the different alternatives, consumers are seeking to compare products, services or brand together to make the choices that suit their needs the most. **Belch and Belch (2003, p120-122)** explained that at some point in this process consumers stop searching and evaluating information to move to the next stage and make a purchase decision. At this stage, consumers will decide whether they will buy a products and services or not. This purchase decision depends partly on the motivation of consumers but also on the influence that will have the previous stage that allowed them to evaluate alternatives thanks to tools, reviews and recommendation available on Social Media.

**(Kotler and Keller 2009)** Post-Purchase Decision After the purchases have been made, there are two important factors that influence the buyers. First is the experience with brand modifies his beliefs about it brand concept through feedback mechanism and thus influence future purchase. Second, occurrence of negative feelings arising after purchase cause doubts. This is known as cognitive dissonance. After the purchase, consumers are satisfied with the benefits of the chosen brand and they are glad to avoid the drawbacks of the products not brought. However, every purchase involves compromise.” **Kotler & Armstrong, 2008**. There is a lack of consonance or harmony among the buyers' cognitions beliefs and between these and his purchase decision behaviour. After the consumption, the consumer then experiences certain levels of satisfaction or dissatisfaction, and evaluates the wisdom of the choice made in selecting the alternative. Two potential outcomes are derived from this phase – satisfaction or dissonance. When consumer experiences dissonance towards the purchase, the choice is 'devaluated' and the consumer begins the process of searching, obtaining information and evaluating other options for future buying decision, in which triggers new behaviour. (**Sternthal and Craig 1982**).

## Social Media factors that influence consumer buying decisions

Social media has reform consumer purchasing behaviour over the last few year, directly impacting the way consumer buy the products and services. The use of social media platforms such as Twitter, LinkedIn, Blogs and facebook among buyer has grown considerably over the years. Today companies like Colgate, Steaz are using social media and successfully doubles sales through social media. Social factors have always played a part in consumer buying habits, but the ubiquity of smart phones and social networks have taken word-of-mouth to new heights. Most consumers around the World now carry posting and purchasing power around in their pockets with them every day. Forget going into stores to discover new products, now consumers can just scroll through their social feeds for inspiration. They no longer have to call their friends for a recommendation, they post to their social networks and crowd source unfettered responses from family, friend's .These are 12 stats your brand shouldn't ignore. **81% of consumers' purchasing decisions are influenced by their friends' social media posts. (Forbes).** **Consumers are 71% more likely to make a purchase based on social media referrals. (Hubspot).** **Facebook accounts for 50% of total social referrals and 64% of total social revenue. (Business Insider).** **31% of consumers say they are using social media channels to browse for new items to purchase. (Aimia).** **Millennials are 1.6x more likely to use digital channels to learn about new products. (Facebook Insights)** According to Mind Jumpers, a community management consulting company, 64 percent of smart phone users turn to their phones to shop – and most of them look for reviews and recommendations from a number of sources to help them make their buying decisions. **84% of millennials say user-generated content from strangers has at least some influence on what they buy. (Gartner).** **53% of consumers recommend companies or products in tweets, with 48% following through to purchase those products or services. (SproutSocial).** **78% of consumers say companies' social media posts impact their purchases. (Forbes).** **Customers are 6x more likely to purchase a product if the page includes pictures from social media. (AdWeek).** **Conversions increase 133% when mobile shoppers see positive reviews before buying. (Bazaarvoice).** **In 2015, Facebook influenced 52% of consumers' online and offline purchases. (DigitasLBI Commerce).** **Global social commerce revenue reached \$30 billion in 2015 (Statista).** According to **Hotmob operates the largest hybrid mobile marketplace** in the region Social media has gained so much traction when it comes to consumer buying decision, particularly with the influence of peers and key opinion leader. 74% of consumers rely on social media to making buying decisions and 80% of consumers are likely to purchase an item based on friend's suggestions Social media platforms like Facebook, Instagram and Twitter allow brands to effectively interact and engage with a wider audience. Other than keeping up with trends, consumers typically follow brands on social media channels to look at product information or to check out new products, some will look for ideas and inspiration for gifts, others

will seek for feedback from peers and the community and take advantage of promotions to make an informed buying decision.

### Psychological Influences

Most consumers, even the most rational ones, will somehow be influenced by emotions or recommendations of peers. For instance, when someone is browsing through Facebook without any purchase intentions but see a live demonstration of the latest cosmetic brand by celebrity on social media, one would rationalized its buying decision by emotions when looking up all the new cool features of the gadget. **78% of consumers said that social media posts impact their buying decisions. 47% of consumers who purchase a product via social media said they had not thought about buying it but it just happened upon it.**

**Katja Hutter Julia Hautz Severin Dennhardt Johann Füller , (2013)** ,this article showed us how a company's social media activities influence the social media involvement during a purchase decision made by the consumer. Their study showed us that the involvement on a Facebook page always had a positive effect on the company's brand awareness. It also showed us has negative feedback on Facebook pages eventually led to negative word of mouth. The articles findings proved that social media activities on various platforms definitely affect the purchase decisions made by consumers.

### Search engine

One of the reasons that the Internet in general and social media in particular are so effective for consumers is that it's fast. Shoppers can easily look up your hours of operation, your address and your online shopping opportunities while they are on the train or standing in line at the coffee shop. These consumers are not going to scroll page after page to find you or a more positive review of your business. The more fresh content posted daily, the better chance a business has of getting on the first page of a search. Social media sites provide a means to keep content fresh, alive and active. With the development of internet technology, the amount of information available on the Internet has grown to such an extent, that navigation to desired information became difficult. These difficulties have been solved by search engines, which spider the content of the global network, and then search for Internet resources relevant to our query. **According to the PWN encyclopaedia** definition, search engine is a web site that allows searching web pages containing the particular keywords. **R. Prytherch** described the search engine as a program produced by the publisher or data provider, enabling access to its information resources by author, title or keyword. **M. Busby** defines it as kind of browser software, which searches the resources of the Internet, identifies the contents of web pages and stores it on computer's search engine. Search engines offer some additional features that improve its search capabilities. In order to offer consumers the most relevant results, search engines take into account user behaviour on the Internet – i.e. queries entered into a search engine or web pages visited. On this basis, they are able to determine the interest of a consumer and choose the correct meaning of ambiguous words.

## Deals

Shoppers use social media to search for deals. Since approximately 85 percent of consumers say they will change their shopping behaviour in response to social media content, businesses must use the platforms to promote sales and specials or risk losing out on potential sales. When looking at the marketing budget for the year, for example, Flipkart, Amazon give coupons that are posted on their social media sites. They reward customers for signing up for alerts and for providing valuable personal information about their shopping trends.

## Social Influencers

According to marketing consultants at The Conversation Group, 65 percent of consumers who receive a recommendation from a contact on their social media sites have purchased a product that was recommended to them. Friends and family are making those recommendations.. If a friend shares a post on Instagram about her new jeans, raving about how comfortable and affordable they were, her followers are often interested in learning about those jeans. The stats can back it up: According to the **PwC total retail survey 2016**, 45% of global respondents said that reading reviews, comments, and feedback influences their shopping behaviour. According to Forbes's research on consumer engagement with different businesses via social media networks, it is found that **81 percent of respondents** agreed that recommendations and posts from family and friends directly influenced their buying decisions. Social media is very effective when it comes to convincing consumers to buy, particularly when they see their family and friends have bought a product. It is because they are being influenced by someone they can trust. 71% of consumers said that reviews from friends and family members exert a great deal of influence in their buying decisions. 44% of social media savvy women said their buying decision is influenced by a trusted blogger.

## Micro-Blogging

Micro Blogging is essentially a short message broadcast service that keeps users' contacts up to date with short text posts and twitter is the biggest player in this space (Ryan and Jones, 2009). Micro-blogging is in the collective aggregation of short text posts and those short updates from people make others develop understanding of what they are about and feel a stronger connection with them (Ryan and Jones, 2009)

## Social Media Influences Purchases on Consumer Electronics, Fashion Industry

**According to retailTouch Point** Nearly 60% of consumers have taken a blog or social media post into consideration when shopping in-store, but social networks' influence is not evenly distributed across all product categories. Social media influences purchases in three categories over others. **Consumer electronics (23%), Beauty/fashion (21%), Household items (14%).** By NedSmith. **Business News Daily Senior Writer February 27, 2012.** If you're a consumer products retailer, the best way to influence heavy-duty users of social media is through online social networks, a new study shows. The majority 81 percent of

social media users use online social networks to find information to aid consumer electronics purchasing decisions. The influence of these social media networks increases with usage, according to a study from the Consumer Electronics Association. Nearly one-quarter 24 percent of consumers who use social media say they always or almost always refer to social media websites before they purchase a Consumer Electronic device, and 38 percent say reviews or comments by someone they know influenced their Consumer electronic purchase decisions. Brand experience today is just a click away. Digital media has revolutionised a hyper form of window shopping. **Economics times** Earlier, the only people privy to what I was showcasing were those who attended the show or came across it in the newspapers the next day. Today, everyone has a front-row seat to my shows via Instagram, Facebook, Twitter and livestream.” Not that he’s complaining. The Manish Malhotra Label’s social media clout showed a 300% growth in 2017 over the previous year. “Social media has allowed me to stay connected to the world, enhancing accessibility and transcending the constraints of brick-and-mort. **According to statista.com, in September 2017**, Instagram reached 800 million monthly active users and they have the highest level of engagement on social media platforms. **A study conducted by market researcher Nielsen NV** found that monthly active users of Instagram in India more than doubled in a year, as of September 2015. The study made public by Facebook India in 2015, also profiled the Indian Instagram user as someone who’s mostly young, mobile-first and with a high spending power. More than 80% of them use their phone to take pictures to post on social media. The 18-24 age group is the most active on Instagram. The study also observed that Indian users not only share pictures but also follow brands on Instagram. Over 50% of Indian Instagrammers have frequently purchased products and services from the brands they follow. They also follow brands to keep in touch with the latest products, learn about deals and shop for products online one of the big motivators for fashion businesses to be Instagram ready. The signs that Facebook is becoming a trustworthy source is visualizing by the statistics which shows number of customers who are looking for friends recommendations on Facebook before making their purchase decision. Therefore, Facebook can be considered as an appropriate platform to develop customer preference towards a brand (**Godey et al., 2016**). It allows retailers to “showrooming” their offerings and facilitate customers to compare them with competitive offering before they actually purchase them (**Ahlam, 2013**). **BuzzMyVideos’ Online Video Barometer revealed 85% of UK consumers surveyed, aged between 16 and 45 years old would trust a review by a You Tuber over any other method.** YouTube , Facebook , beauty blogs and other social media channels are increasingly important to women when they are deciding which cosmetics to purchase, **According to the 2017 Cosmetics Study survey released by TABS Analytics. The TABS study is seeing social media’s impact on brands grow since the inception of the survey four years ago. Among all buyers, 39 percent said that social media is very important – up from 27 percent in 2014.**

## Conclusion

The objective of research was to explain when, how social media has impacted on consumer buying. Research is designed to narrow down the subject and to help in explanation of the issue. Social media has brought changes to both consumer and business the collection data from the research paper and recent trends. In research study we came to know about the relationship between consumer and social media, relationship between social media and business. **In other word social media is more about creating high quality contents that are consumer relevant ( Drury 2008)** Social media focuses on building relationship between consumers and companies. The research findings have shown that the position of consumer in market is empowered. The core objective of entire research was to find out changes that social media has brought to consumers how five stages of consumer buying process works and how social media impact in five stages. Consumer are able to access to relevant information in faster speed even consumer can compare the product. Businesses are aware of the bad mouth of social media which can damaged there brand reputation. Many individual agreed that social media help them to voice out their opinions and communicate with other consumer and with the company more effectively.

To conclude, from the findings of this research it can be observed that consumer are actively utilizing social media platform as a tool in validating of purchase decision. We can say that social networks have a role in influencing the behaviour of consumers in the virtual environment, particularly when the degree of exposure of messages and the relation created between the variety of information given and the consumer who is about to make a purchase.

## Future Research

Considering the limited time and scope of this research, many theories related to the subject were covered but in a rather general perspective so as to provide a big picture for the readers. Therefore, if further research could be conducted, then an in-depth survey should be carried out in tackling the research objective. Since research has revealed that consumer feel encouraged through social media and it influence the consumer buying decision. Therefore, research can be conducted based on how social media impacting the other industries. The research is done by using Secondary Data. In future research can be conducted by using Primary data.

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