



# TO STUDY THE IMPACT OF SOCIAL MEDIA ON INDIVIDUALS BUYING DECISIONS

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**Abstract:** The rapid proliferation of social media platforms has transformed the way individuals interact, communicate, and access information. This research paper delves into the complex relationship between social media and individual buying decisions, aiming to provide a thorough understanding of the multifaceted impact these platforms have on consumer behavior. Our study employs a mixed-method approach, combining qualitative and quantitative research methodologies. Through surveys, interviews, and content analysis, we explore how social media influences individuals' purchasing choices across various demographics and industries. We examine the role of social media in shaping product awareness, consumer engagement, trust-building, and the overall decision-making process. The findings reveal that social media exerts a significant influence on buying decisions, affecting factors such as product discovery, brand perception, peer recommendations, and the amplification of consumer reviews. Moreover, the research identifies the platforms and strategies that are most effective in driving consumer engagement and decision-making. This research paper will help brands and companies to realize the importance of social media and use it accordingly for benefit of their businesses.

**Index Terms** - Consumer psychology, Convenience, Decision making, Gen-Z, Product awareness, social media.

## I. INTRODUCTION: -

In the digital age, the pervasive influence of social media has revolutionized the way individuals interact, share information, and make decisions. Social media platforms have become an integral part of daily life, especially after covid 19 pandemic, connecting people across the globe and serving as a conduit for information dissemination. Beyond its role in social connectivity, social media exerts a profound impact on consumer behavior and the choices individuals make when it comes to purchasing products and services.

The advent of the internet and the subsequent rise of social media platforms have ushered in an era where consumers are not merely passive recipients of marketing messages but active participants in the decision-making process. This dynamic shift has forced businesses and marketers to reevaluate their strategies and adapt to the changing landscape. As the digital realm continues to evolve, understanding the intricacies of social media's influence on individuals' buying decisions has become a critical endeavor.

This research paper embarks on a comprehensive exploration of the multifaceted relationship between social media and consumer choices. Our aim is to unravel the complex web of factors that contribute to this influence, shedding light on both the positive and negative aspects of social media's impact on buying decisions. By delving into this phenomenon, we seek to offer valuable insights to businesses and marketers, enabling them to harness the power of social media for effective marketing strategies while navigating its potential pitfalls.

The following sections will dissect the various dimensions of social media's influence on individual buying decisions. We will examine how social media platforms facilitate product awareness, brand perception, peer recommendations, and consumer engagement.

In a world where the virtual and the tangible increasingly converge, understanding the profound impact of social media on buying decisions is essential for businesses aiming to remain competitive and for consumers seeking to make informed choices. This research paper sets the stage for a comprehensive analysis of this critical intersection of technology, commerce, and consumer behavior.

## **1. The incongruity of choice**

Research has indicated that offering a plethora of options to consumers can result in buyer anxiety and decision paralysis. To avoid this pitfall, it's essential to proffer clear calls to action and present only a limited number of options to potential consumers. Alternatively, you can simplify your product offerings and categorize them into straightforward choices that cater to different consumer needs. This strategy can be reinforced by various targeted marketing campaigns for each category.

## **2. Emotional marketing**

The utilization of emotional messaging has been a critical marketing strategy to drive sales. Research indicates that humans frequently rely on their emotional state of mind to make decisions, rather than logic. Marketers leverage this by employing messaging that taps into emotions such as joy, anger, or fear, with the goal of eliciting a response from consumers, leading to increased sales and customer loyalty.

### 3. Social testimonial

Social substantiation thrives on the premise that consumers seek validation from others that the products or services they intend to purchase are of high quality. While it's possible to promote one's offerings through self-promotion, the opinions of other customers tend to carry more weight. In fact, research indicates that 84% of individuals place the same level of trust in online reviews as they would in personal recommendations from friends. Therefore, it's crucial to incorporate client testimonials, reviews, and user-generated content into any digital marketing strategy.

### 4. Information-gap proposition

The significance of 'how-to' or 'top things you didn't know' articles is their ability to pique readers' interest. By suggesting that there is a gap in their knowledge, these captions can encourage readers to explore further. Personally, I often find myself scrolling through LinkedIn and encountering such pieces, initially scrolling past them, before eventually feeling compelled to click and read. Utilizing these types of captions can be an effective way to captivate an audience and encourage them to engage with your content.

### 5. Insufficiency Hypothesis

Research has demonstrated that consumers are more inclined to purchase a product if they perceive a limited supply or a time-sensitive discount. This marketing strategy taps into the "fear of missing out" inherent in all of us, encouraging swift action before the opportunity passes.

### 6. Color psychology

The significance of color psychology in marketing is paramount, primarily in the domains of design, graphics, and website design. There's evidence to suggest that colors can elicit specific emotions and passions in consumers. For instance, red has been found to increase heart rate and blood pressure, and people typically associate it with attributes like energy and passion. However, it can also be linked to aggression and power. Thus, if your brand aims to convey a calming and uplifting message, it might be wise to consider soft blue or green shades.

### 7. Influencers

In the current era of globalization, influencers play a vital role in shaping consumer buying decisions. Influencers, with their unique skills, specialized knowledge, and distinct personalities, are capable of swaying consumer attitudes either directly or indirectly. In today's world, social media has become a dominant force, with influencers using their beliefs, attitudes, and opinions to influence consumer demand for specific products and have a significant impact on trends.

Over the past few years, influencer marketing has gained popularity, becoming a primary form of social media marketing. The rise of social media has revolutionized the way people interact, communicate, and engage with one another.

## 8. Millennials vs Gen Z

Millennials are individuals born between 1981 and 1996, whereas Gen Z individuals were born between 1997 to 2012. While these two generations are distinct in their lifestyles, there are some similarities in their online shopping habits. Firstly, both groups use social media platforms frequently, and spend a similar amount of time on these platforms. Secondly, they prioritize purchases that align with their personality, and value experiences more than material possessions. Furthermore, it's been observed that younger individuals tend to seek opinions from their peers when making purchasing decisions. Consequently, online retailers must cater to these preferences when targeting younger audiences. It's essential that the product provides a unique and memorable experience, is rated by genuine reviewers, and effectively appeals to the desired audience.

## 9. Social media apps

Numerous social media applications are accessible in the market, including Instagram, Facebook, YouTube, and WhatsApp. These platforms leverage social media marketing tools to display ads, allowing users to purchase products online. Of the aforementioned apps, Instagram is presently the most favoured by marketers, owing to its extensive user base and diverse range of marketing tools.

## 10. Digital Marketing

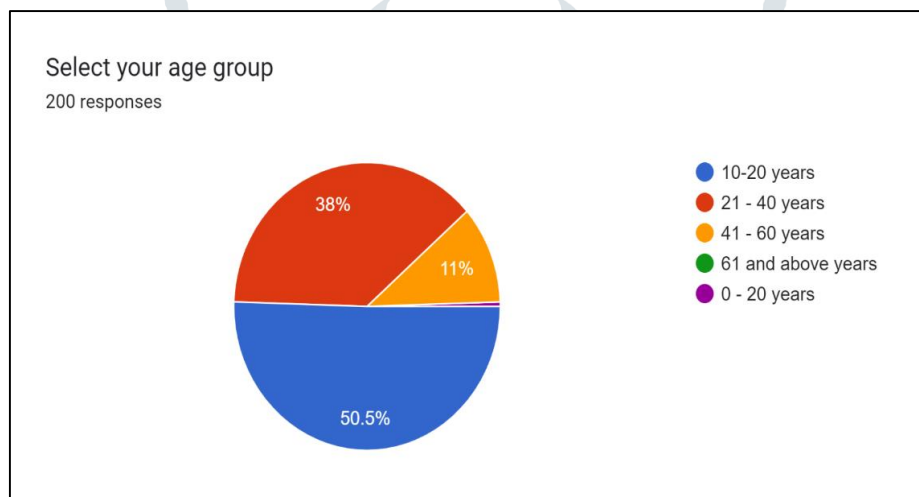
Digital marketing revolves around comprehending what motivates your target audience to engage. To achieve this, one must grasp what resonates with their followers, the sort of content they seek, and the factors that drive them to respond to calls to action and advertisements. Identifying the pain points of your clients and showcasing how you can provide solutions are vital aspects of marketing. That's where the psychology of marketing plays a pivotal role.

## II. DATA ANALYSIS: -

**table 1:** table containing research methodology and type

<b>Research Type</b>	Descriptive and Exploratory
<b>Data collection</b>	Primary data
<b>Universe of sampling</b>	Individuals who use social media and shop online.
<b>Sampling method</b>	Simple random sampling
<b>Sample size</b>	200
<b>Duration of research</b>	7 days
<b>Cryptography</b>	Pie Charts

### QUESTION 1:



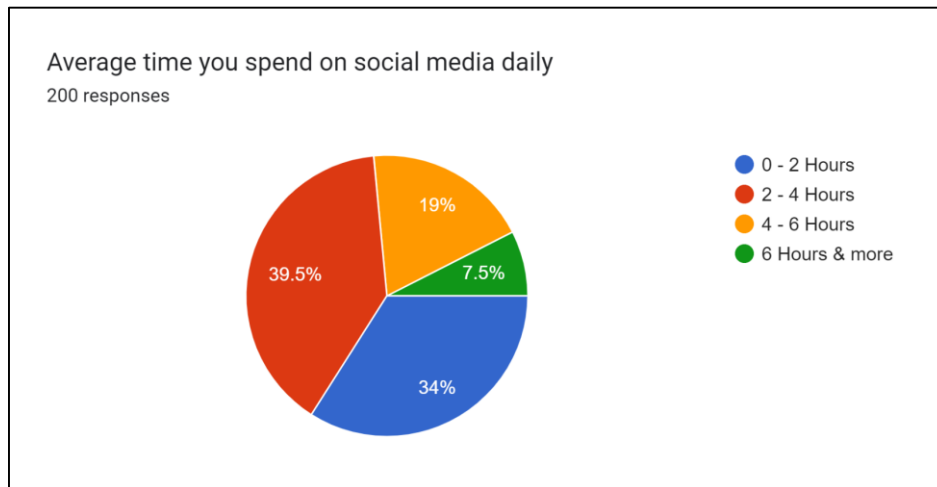
**figure 1:** pie chart of data of survey sample

**Output:** The provided data presents the distribution of age groups among 200 respondents. Here is an analysis of the data:

- 10-20 years:** This age group represents the largest segment of respondents, with 101 out of 200 individuals falling into this category. This is approximately 50.5% of the total respondents, making it the most significant age group in the sample.
- 21 - 40 years:** The second-largest group is the 21-40 years age range, with 76 respondents, which accounts for about 38% of the total sample.
- 41 - 60 years:** The 41-60 years age group is the third-largest, comprising 22 respondents, which makes up roughly 11% of the total sample.
- 61 and above years:** Interestingly, there are no respondents aged 61 and above in this sample.

5. **0 - 20 years:** It's worth noting that there seems to be an overlap or potential error in the data, as there is a separate category labelled "0 - 20 years" with only one respondent. This category appears to be redundant, considering that there is already a category for "10-20 years."

## QUESTION 2:

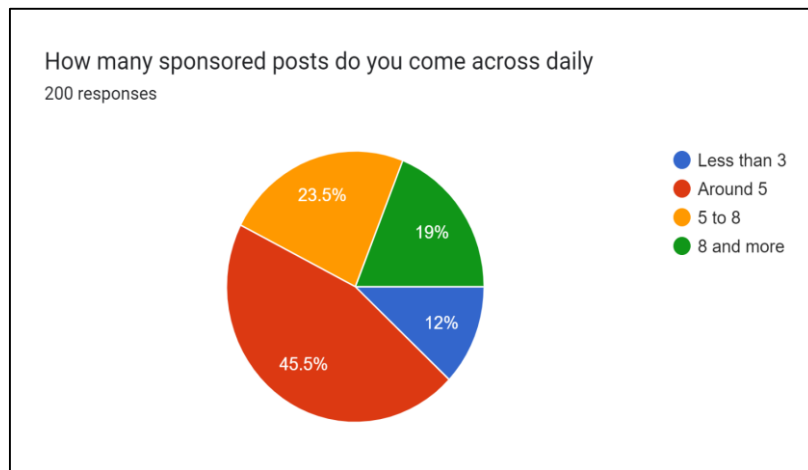


**figure 2:** pie chart of question – average time you spend on social media

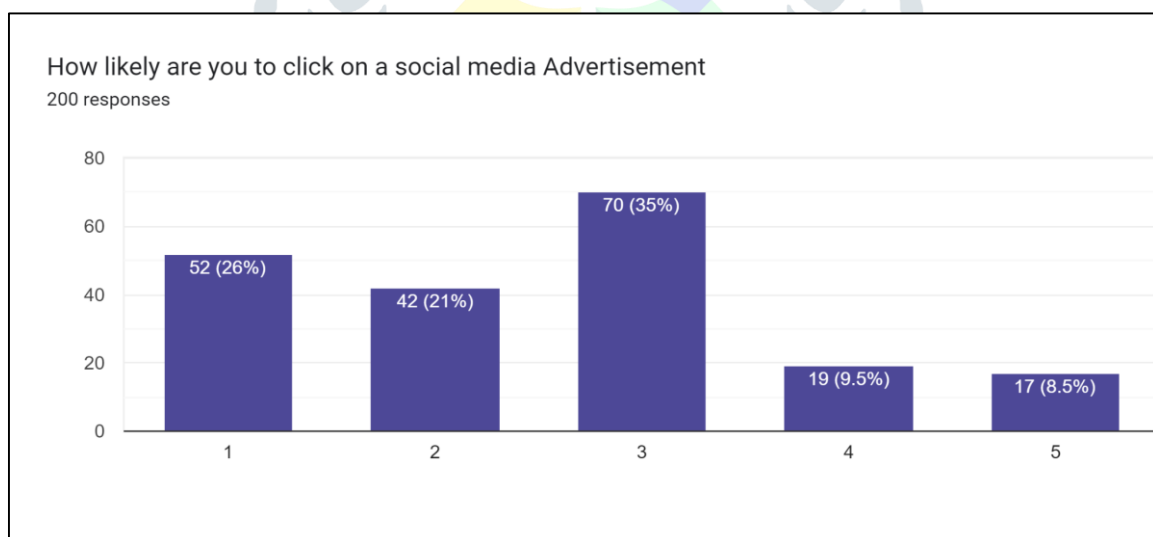
**Output:** The data reflects the average time spent on social media daily by 200 respondents:

- A majority of respondents (39.5%) spend 2 to 4 hours on social media daily.
- A significant portion (34%) reports spending 4 to 6 hours on social media each day.
- 19% of respondents spend 0 to 2 hours on social media daily.
- A smaller group (7.5%) indicates spending 6 hours or more on social media daily.

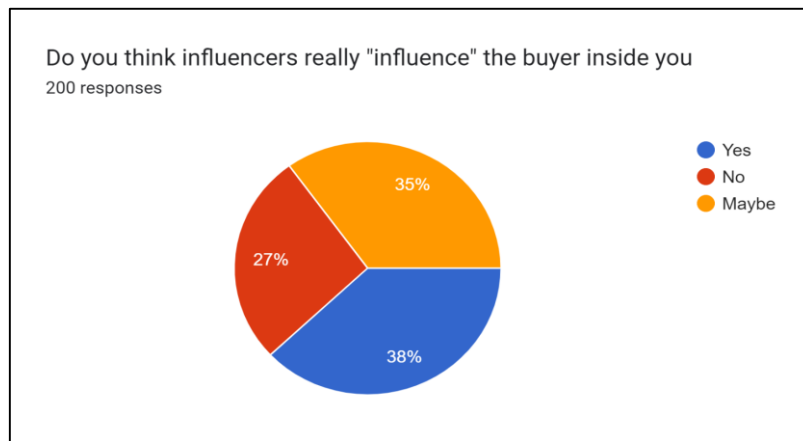
This data highlights that a substantial portion of the sample spends a significant amount of time on social media, with the most common range being 2 to 4 hours daily. It suggests that social media usage is a prominent part of many respondents' daily routines.

**QUESTION 3:****figure 3:** pie chart of question – How many sponsored posts do you come across daily

**Output:** Among 200 respondents, it is evident that a significant portion frequently encounters sponsored posts in their daily social media use. Nearly half (45.5%) report seeing 8 or more sponsored posts daily, while a substantial number (23.5%) come across 5 to 8 sponsored posts. Only a minority (12%) encounters fewer than 3 sponsored posts each day. This data illustrates the prevalence of sponsored content in the social media experience for many users.

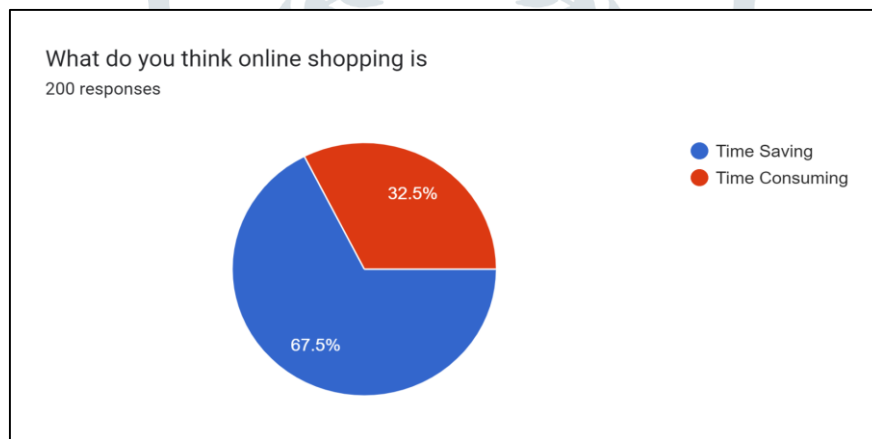
**QUESTION 4:****figure 4:** bar graph of data collected

**Output:** The data indicates that the likelihood of clicking on social media advertisements varies among 200 respondents. A significant portion (35%) expressed a moderate likelihood (rated 3) of clicking on ads, while a substantial number (26%) indicated a lower likelihood (rated 1). Fewer respondents expressed a high likelihood (rated 5) at 8.5%.

**QUESTION 5:**

**figure 5:** pie chart of question: do you think influencers really influence the buyer inside you.

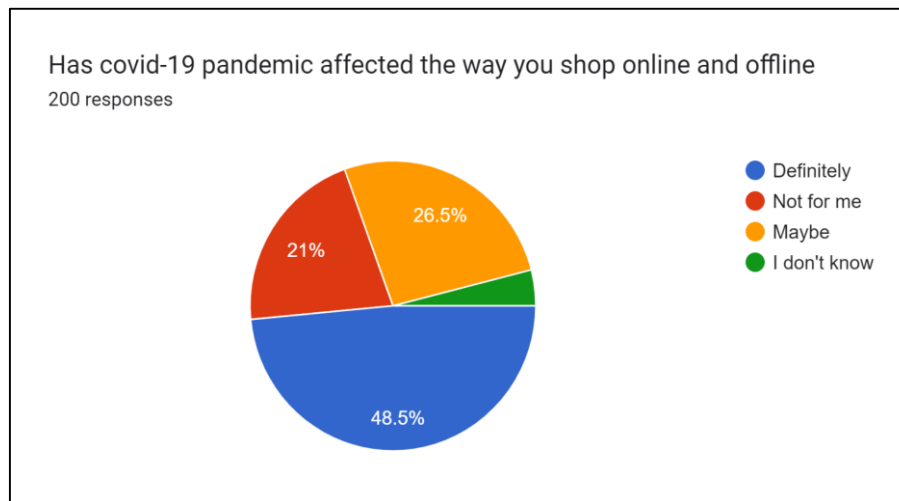
**Output:** The influence of influencers on buying decisions is a topic of mixed opinions. A significant portion (38%) expressed uncertainty (Maybe), while 35% believed that influencers do have an impact. On the other hand, 27% indicated they do not believe influencers have a substantial influence on their buying decisions.

**QUESTION 6:**

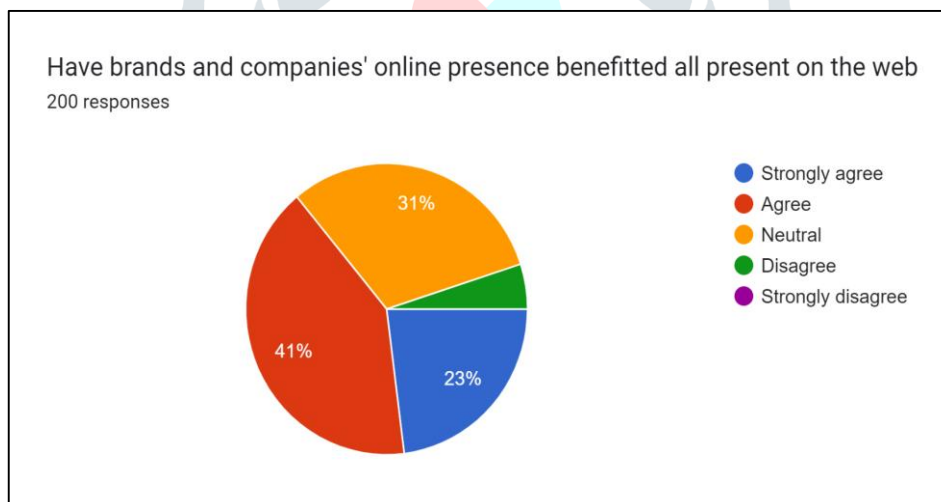
**figure 6:** pie chart of question: what do you think online shopping is time saving or time consuming

**Output:** The majority of the 200 respondents (67.5%) perceive online shopping as time-consuming, while a notable portion (32.5%) view it as a time-saving activity.

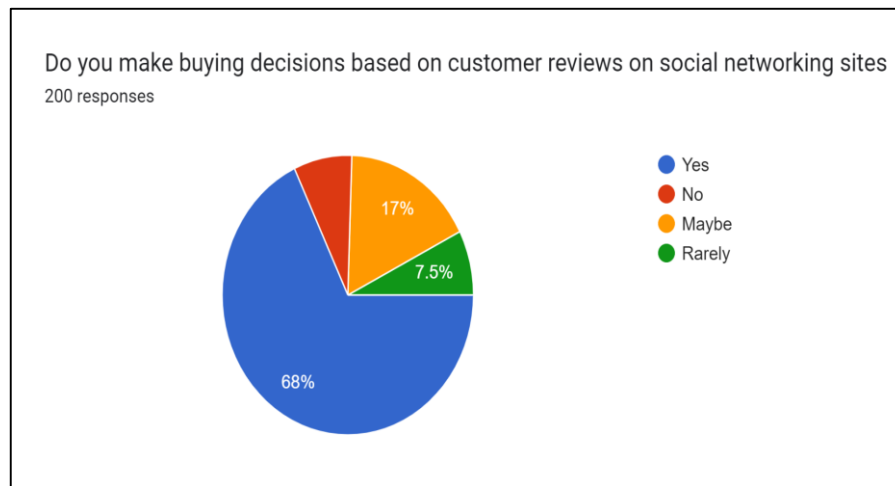


**QUESTION 7:****figure 7:** pie chart of effect of covid 19 pandemic on shopping

**Output:** The COVID-19 pandemic has had a significant impact on the shopping habits of the 200 respondents. A majority (48.5%) indicated a potential effect (Maybe), while 26.5% affirmed that it has definitely influenced their shopping, with 21% reporting no impact (Not for me) and a small portion being uncertain (I don't know).

**QUESTION 8:****figure 8:** pie chart on benefits of online presence for brands.

**Outcome:** Among 200 respondents, the impact of brands and companies' online presence on individuals is met with varied opinions. The majority either "Agree" (31%) or are "Neutral" (41%), with only a small portion expressing strong agreement (23%). Interestingly, no respondents strongly disagreed with the statement.

**QUESTION 9:****figure 9:** pie chart on importance of customer reviews

**Outcome:** The majority of the 200 respondents (68%) indicated that they make buying decisions based on customer reviews on social networking sites, while 17% stated that they do not. A smaller portion expressed a level of uncertainty or variability in their decision-making, with 7.5% answering "Maybe" and a rare few (less than 1%) saying they "Rarely" make buying decisions this way.

**III. Findings: -**

1. Our analysis of data and literature reveals that the majority of social media users are young and prioritize creating memories over earning money.
2. Following the COVID-19 pandemic, people are spending more time on social media apps and increasingly turning to online shopping for its convenience and efficiency. Although there are benefits to this trend, it may not be advantageous for everyone.
3. Social media ads and pages have significantly impacted the way we shop online.
4. According to our findings, 81% of consumers' purchasing decisions are influenced by social media posts made by their friends.
5. Additionally, 66% of consumers have been motivated to try a new brand after seeing social media images posted by other consumers or friends.
6. About 31% of consumers are now utilizing social media channels to browse for new items to purchase.
7. Millennials are 1.6 times more likely to use digital channels like Instagram to discover new products.

**IV. Conclusion: -**

1. Marketers ought to leverage the popularity of social media.
2. Companies and brands should establish their online presence and engage with their target audience to establish a rapport.
3. Emphasis should be placed on personalization to cater to individual preferences.
4. Including a clear call-to-action can effectively generate leads for your products or services.

5. With the vast expanse of online shopping, it's essential to make the most of the available resources.
6. Social media can influence online shopping behaviours.

## V. *References: -*

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