

# Effect of Social Networking Site on Consumer buying Decision

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## ABSTRACT

We are living in the modern world which is completely of connected with the world through internet. Youth are sharing their feelings, thoughts and tagging their ideas on Social Media. Research shows like Whatsapp, twitter, Facebook are changing the behavior of Consumers. The social networking sites have changed the mind and way of thinking of many people and many communities too. In this paper focus on how social networking site influence consumer buying decision. Nowadays Social Networking Sites are getting viral too much among consumers. The main objective of the study is to understand the effect of marketing by social sites on consumer buying decision and to know the impact of social media on consumer buying decision.

**Key Words:** Social Media, Buying Decision, Buying Behaviour.

## I. INTRODUCTION

In recent times consumer is influenced by various social networking sites. The previous studies shows that social networking sites given choice to consumers to select the various product on internet. Now a days consumers are moving from traditional to online marketing. Various organizations are getting expert opinion about online marketing. The facebook, twitter, skype, linkdin, and many more social networking sites can be used by marketers. The reviews shows that these social networking sites creates various brand images, customer value, customer relationship management too. Studies indicates that social networking sites are raising day by day which is showing how the importance of these sites are increasing very rapidly. In many literature shows that nowadays online system has much increased as we have already seen that various researcher clearly study done that customer service cost has been come down too much, where as personalized marketing services has increased, Most customer opportunities has increased and online Marketing

getting super response as trust of customers has almost increased.

Social Networking Sites helping to customers not only giving variety of goods and services but as they are now giving exchange that means back which is most important Significance of Social Networking Sites.

Consumer is very important person in any area. Without consumer the value of seller is zero. The consumer is giving a chance to seller to sell the goods and seller selling the goods to consumer. To understand the thinking and behavior of consumer is not an easy task. It requires a perfect skill which is not possible for every seller. These sellers should understand the behavior of consumer as the thinking of consumers are always going on changing and it's not static. He is the main or focal point of any product, goods or services. Every seller that must of traditional media or social media should understand that who the consumer, what are his likes and dislikes, what type of goods he want to buy or he is ready to buy. As compare to traditional media social media has changed too much to understand the behavior of consumer. Social media marketing is gaining importance too much now days. Social networking sites are of great help for the society to as it give various types of ideas for sharing thoughts, images, information etc. As this word is very big and huge but because of online system now the whole world can talk, share and do many things in fraction of seconds. The use of social media by consumers is anxiously followed by marketers, but not much known about it influence the consumer decision making. This research explores how the presence and abundance of these new information sources is influencing the decision process of consumers for complex purchases.

## II. REVIEW OF LITERATURE

**Raghuramiyengaretal.,(2012)** investigated in Korea, how friends influence shopping through Social Network. Their study concentrate on two important questions, the first question is “Is there any influence by friends on purchases by consumers in social media network”, the second question is “if there is such influence which consumers are affected”. To strengthen the analysis, sampled data were taken from social networking website Cyworld. Sample data of 208 users of Cyworld for ten weeks of purchase and non-purchase information was collected. The researchers build a model on the decision of buying and nonbuying and also with the amount spent. Markov chain Monte Carlo technique and Bayesian approach is used to estimate the model. The results indicated that there are three different categories of consumers with different buying behavior.

**Edison (2011)** In his recent analysis, on users of on-line social networks in America revealed that about 52% of United States citizens have a minimum of one or additional social network profiles. The analysis showed that one fourth of on-line social marketing users buy their favorite brands, on these on-line social network sites, of which many users use Facebook as brand pages. The result shows that on-line social networks became a source of information on products for buying decision making by consumers.

**Huimin et al., (2013)** This study analysed the consumer buying decision method and information flows between people in social media. This study uses the consumer buying decision method as a source and analysed many research articles to check its hypothesis associated with the different types of proximity. Results and theories have proved that the publicity and information about the product in social media platforms are stricken by the various varieties of proximity plays that are making an impact in the consumer buying decision method.

**Ethel Lee (2013)** The study aims at clarifying why, when and how the social media affected the consumer buying behavior. The study was conducted during May 2013 in Turku. Quantitative analysis technique is tailored for the

aim of this analysis. Primary data was collected through questionnaire. This analysis offers clarification on how consumers are involved in the process of gathering required information through social media before procuring a product. The findings provide that consumers actively take part in the search of information for a product on social media when compared to mass media, these search is more subjective and selective and subjective.

**Charles-**

**Henrietal.,(2012)** The study explains shows social media influence on the buying decision process of consumer and also how it differ at each stage of buying decision process. A structure form and two semi-structured interviews is used to gather data for the study. The study finds that Social Media varies at every stage of buying decision. As the buyer dig deep to get more information about the product, the influence of Social Media is reduced. The study highlights that there are 66 possibilities for the sellers to hold the influence of Social Media in buying decision.

### III. OBJECTIVES OF THE STUDY

- To analyse the effect of social networking sites on consumer buying Decision.
- To know the impact of social media on consumer buying behavior.

### IV. RESEARCH METHODOLOGY

This is a descriptive in nature study. The sampling method used for this research is one of the Non-random sampling method Convenience sampling with a sampling size of 50. Primary data for this study was collected by distribution of a questionnaire. Secondary data for this study was collected from internet, online journals and websites. Demographic variable like age, gender and education and the customer preference variable like convenience reliability, security and easy accessibility used. Percentage, average mean score and weighted mean score etc. Are used for the analysis.

## IV. ANALYSIS AND INTERPRETATION

TABLE 1. SOCIAL NETWORKING APPRESPONDENT USE

| SOCIAL NETWORK APP USE | NO OF RESPONDENTS | PERCENTAGE OF RESPONDENTS |
|------------------------|-------------------|---------------------------|
| Facebook               | 4                 | 9                         |
| Whatsapp               | 14                | 28                        |
| Instagram              | 23                | 45                        |
| Skype                  | 4                 | 9                         |

|              |           |            |
|--------------|-----------|------------|
| Google+      | 1         | 2          |
| Twitter      | 2         | 4          |
| LinkedIn     | 2         | 3          |
| Other        | 0         | 0          |
| <b>Total</b> | <b>50</b> | <b>100</b> |

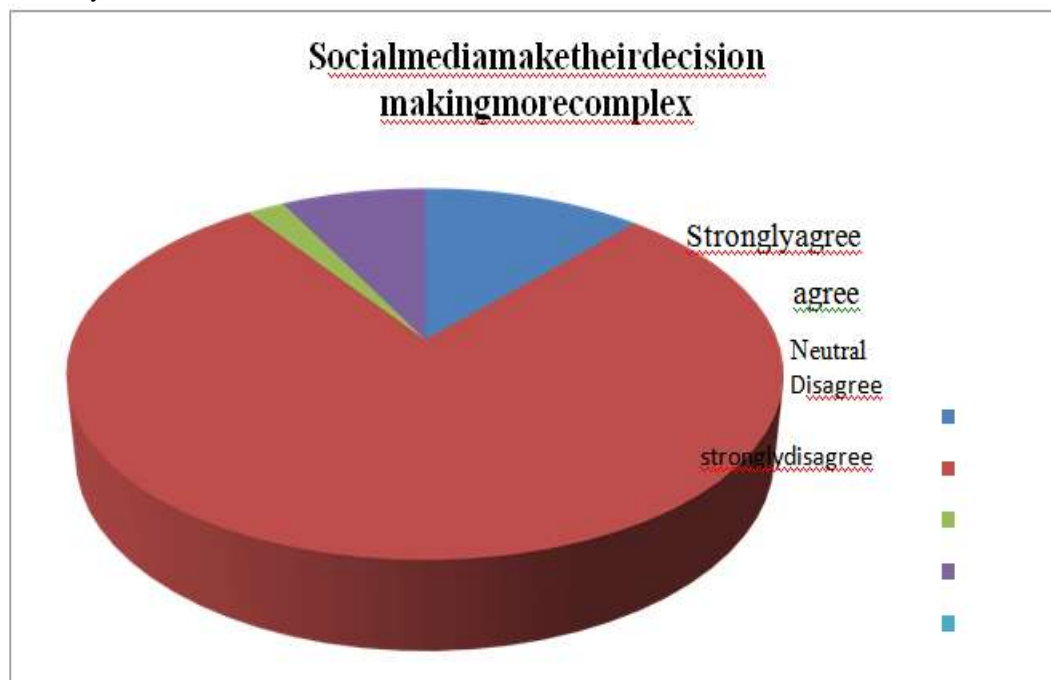
Source: Primary Data

From the table 1 it is clear that majority of the respondents are using instagram. Then 28% of the respondents are using whatsapp. And 9% respondents are using facebook. And 4% of the respondents are using twitter. Rest of the respondents are using linkedin.

**TABLE. 2 SOCIAL MEDIA MAKE THEIR DECISION MAKING MORE COMPLEX**

| AGRESS THAT SOCIAL MEDIA MAKE THEIR DECISION MAKING MORE COMPLEX | NO OF RESPONDENT | PERCENTAGE OF RESPONDENT |
|--|------------------|--------------------------|
| Strongly agree   | 5.9              | 11.8                     |
| Agree  | 39.2             | 78.4                     |
| Neutral  | 1                | 2                        |
| Disagree   | 3.9              | 7.8                      |
| Strongly disagree  | 0                | 0                        |
| <b>Total</b>   | <b>50</b>        | <b>100</b>               |

Source: Primary Data



Source: Primary Data

From the table 2, it is clear that 78.4% of the respondents were agree that social media make their decision making more complex. And the 11.8% of the respondent were strongly agree about this. And 7.8% of the respondent were disagree. Rest of the respondent were neutral about this.

**TABLE 3. RANKING OF RESPONDENTS FACTORS REGARDING SOCIALMARKETING**

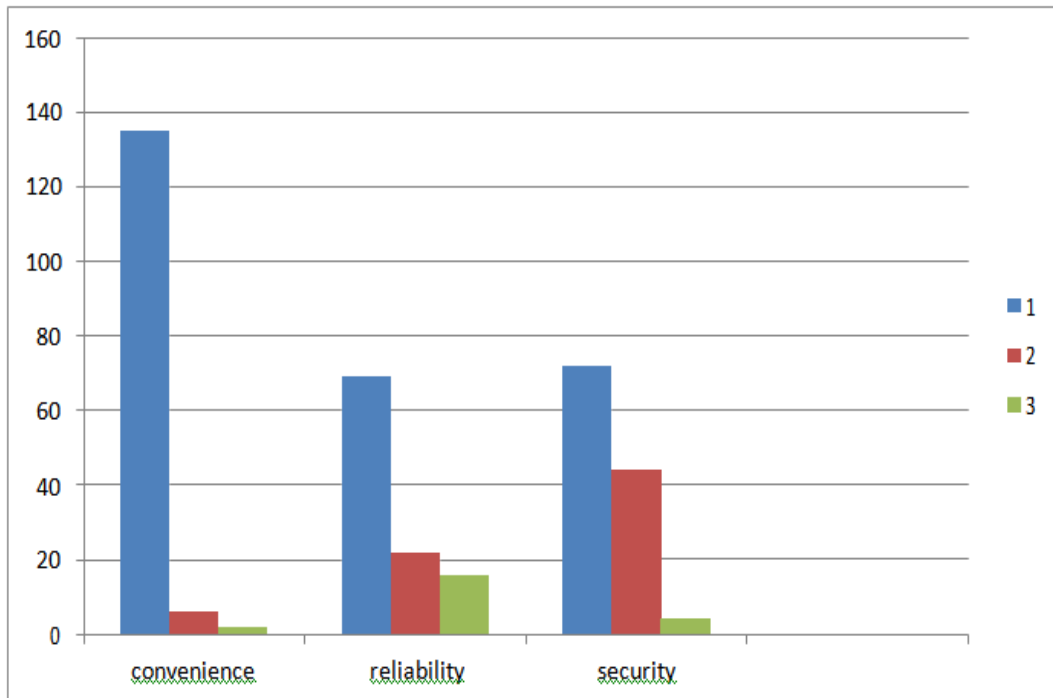
| VARIABLE    | 1   | 2  | 3  | TOTAL | WEIGHTEDMEAN SCORE | RANK |
|-------------|-----|----|----|-------|--------------------|------|
| Convenience | 135 | 6  | 2  | 50    | 23.83              | 1    |
| Reliability | 69  | 22 | 16 | 50    | 17.83              | 2    |
| Security    | 72  | 44 | 4  | 50    | 20                 | 3    |

Source: Primary Data

Weightedmeanscore= $\frac{\sum wx}{\sum w}$

Wherexisthetotalofconvenience+reliability+securityWisethe weight

| VARIABLE    | WX                                   | W       | WEIGHTEDMEAN SCORE |
|-------------|--------------------------------------|---------|--------------------|
| Convenience | $45*3=135$<br>$3*2=6$<br>$2*1=2/143$ | 3+2+1=6 | 143/6=23.83        |
| Reliability | 107                                  | 6       | 107/6=17.83        |
| Security    | 120                                  | 6       | 120/6=20           |



Source: Primary Data

From the table 3. it is clear that most of the respondent preference to social marketing factors convenience security and given 1<sup>st</sup> and 3<sup>rd</sup> rank.

**TABLE 4. EFFECT OF SOCIAL NETWORKING SITE ON CONSUMER BUYING DECISION**

| EFFECT OF SOCIAL NETWORKING SITE ON CONSUMER BUYING DECISION | NO OF RESPONDENT | PERCENTAGE OF RESPONDENT |
|--|------------------|--------------------------|
| Yes  | 48.05            | 96.1                     |
| No   | 1.95             | 3.9                      |
| Total  | 50               | 100                      |

Source: Primary Data

From the table 4, it is clear that 96.1% of the respondents were agree that there is an impact of social media on consumer buying decision

**TABLE 5. SOCIAL MEDIA EFFECT ON CONSUMER BUYING BEHAVIOUR**

| SOCIAL MEDIA AFFECT CONSUMER BUYING BEHAVIOUR | AGREE | PARTIALLY AGREE | NEUTRAL | NOT AGREE | PARTIALLY NOT AGREE | TOTAL |
|---|-------|-----------------|---------|-----------|---------------------|-------|
| 1   | 36    | 9               | 5       | 0         | 0                   | 50    |

Source: Primary Data



Source: Primary data

From the table 5, it is clear that 35% of the respondents were agree that social media affect consumer buying behaviour.

## V. FINDINGS

- Majority of the respondents were belongs to 16-25 age group
- 100% of the respondents were using social network app

- 96% of the respondents were using social network app per day
- 92% of the respondents were following fashion brand on social networking site
- 70.6% of the respondents were following fashion related blogs
- Majority of the respondents were agree that social media make buying decision more complex
- Majority of the respondents rank convenience factor regarding social marketing
- 39% of the respondents were mentioned that security factor need improvement
- Majority of the respondents were satisfied that there is an impact of social media on consumer buying decision
- Majority of the respondents were agreed that social media affect consumer buying decision

#### VI. SUGGESTIONS

- Give awareness to the respondents regarding impact of social media on consumer buying behavior
- Make aware the people about online social marketing site
- Improve the security measures in online marketing
- There should be provide online delivery service to urban area
- Improve the package of costly items so that it will not cause any damage

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