



INFLUENCE OF SOCIAL MEDIA ON CONSUMERS BUYING CHOICES

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ABSTRACT

Social media is no longer just about communication; it's about business too. Social factors have always contributed a role in consumer buying habits, but the pervasiveness of social media and smartphones have elevated word-of-mouth to unprecedented levels. As a communication tool, social media has taken on a significant role. Social media is used by individuals all over the world to interact with other people and organisations. People have been using social media sites like Facebook, Twitter, Instagram, and LinkedIn all around the world to share their experiences. People contribute product evaluations, details about a service, dietary or health-related advice, product warnings, use instructions, and a wide range of other information as consumers. This main objective of the study is to analyse the influence of social media towards consumer buying choice. Data had been collected from 110 respondents by adopting convenience sampling technique through questionnaire. Various statistical tools such as Simple Percentage analysis and Factor analysis were used in the study. The results revealed that there exists an influence of social media on consumer buying choices. Factor analysis revealed that the major factors such as product attributes and promotion influence the consumer buying choices.

KEYWORDS: social media, consumer buying choices, product attributes and promotion.

INTRODUCTION

Social networking now involves commerce as well as interactions. Social considerations have long influenced consumer purchasing decisions, but the widespread use of smartphones and social media has elevated word-of-mouth to new levels. The majority of customers now travel with their purchasing power and posting in their pockets. Consumers no longer need to visit businesses to find new items; instead, they may get inspiration by scrolling through their social



media accounts. As a communication tool, social media has taken on a significant role. Social media is used by individuals all over the world to interact with other people and organisations. People have been using social media sites like Facebook, Twitter, Instagram, and LinkedIn all around the world to share their experiences. People contribute product evaluations, details about a service, dietary or health-related advice, product warnings, use instructions, and a wide range of other information as consumers. Due to the increase in online shopping and the quantity of time an individual spends on social media, social media influences consumer's buying choices. Social media and online purchasing have shortened the consumer's journey. Social media amplified the effect of social evidence or word-of-mouth.

OBJECTIVES OF STUDY

1. To study about the demographic profile of the respondents.
2. To analyse the influence of social media towards consumer buying choices.

REVIEW OF LITERATURE

Elisabeta Ioană (2020) on their paper “Social Media and its Impact on Consumers Behaviour” concluded that,” 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”.

Duangruthai Voramontri and Leslie Klieb (2019) on their paper titled” Impact of social media on consumer behaviour” highlighted the role of social media in consumers' decision-making process for complex purchases - those characterised by significant brand differences, high consumer involvement and risk, and which were expensive and infrequent. Results showed that social media usage influences consumer satisfaction in the stages of information search and alternative evaluation, with satisfaction getting amplified as the consumer moves along the process towards the final purchase decision and post-purchase evaluation.

Kee-Young Kwahk & Byoungsoo Kim (2017) on their paper titled “Effects of social media on consumers' purchase decisions: evidence from Taobao” analysed and indicated that social interaction ties have significant positive effects on social impact transfer factors and trust in online vendor, whereas they do not



directly influence visit intention. Social media commitment plays a crucial role in increasing social impact transfer factors and e-commerce outcomes. They also found and revealed the different effects of normative and informational social influences on consumer purchase decisions.

Michael Pütter (2017) on their paper titled “The Impact of Social Media on Consumer Buying Intention” concluded that increasing use of social media worldwide has led to the belief that this is a valuable tool in supporting consumer engagement. Companies are continually looking to new methods for reaching consumers and for shaping consumer behaviours, including brand loyalty and intention to buy. The changing technological era has led to increased activity in social network platforms like Facebook, YouTube and Twitter, all of which have created mechanisms through which consumers can develop rapport and create interactions with brand-specific content.

Vandana Gupta (2016) on their paper titled “Impact of Social Media on Purchase Decision Making of Customers” concluded that social media has a great impact on the buyers purchase decision. There is a significant relationship between the categorical variables chosen. High percentage of Social Network Service (SNS) users agree with the impact of various variables chosen on their purchase decision .SNS users feel that the knowledge sharing on social media affects their purchase decision. It is a useful place to get most of the information about the goods and services. People find social media to be more reliable because it can't be scripted as we can see in the case of TV, newspaper. Advertisements play a great role on SNS. They help in influencing people to make decision.

Nick Hajli.M (2014) on their paper titled” A study of the impact of social media on consumers” examined how social media have provided new opportunities to consumers to engage in social interaction on the internet. Consumers use social media, such as online communities, to generate content and to network with other users. The study of social media also identified the advantages to be gained by business. The results of the data emerged from a survey showed how social media facilitates the social interaction of consumers, leading to increased trust and intention to buy. The results also showed that trust has a significant direct effect on intention to buy.



RESEARCH METHODOLOGY

Data had been collected with the help of a questionnaire. The questionnaire dealt with the demographic profile of the respondents and Influence of social media on Consumer's buying choices and factors influencing them. Questionnaire was circulated among 110 respondents. Simple percentage analysis was used to find out the demographic profile and social media platform used, e-commerce platform used, products purchased by the influence of social media, factors influencing the consumer to buy the product and Factor analysis was also used.

DATA ANALYSIS

Table No. 1 Gender

Variable	No. of respondents	Percentage
Female	71	64.5
Male	39	35.5
Total	110	100

Table No.1 showed that 64.5% of respondents were female and 35.5% of respondents were male.

Table No .2 Age

Variable	No. of respondents	Percentage
Below 18	22	20.0
18 to 25	73	66.4
25 to 30	6	5.5
Above 30	9	8.2
Total	110	100.0

Table No.2 showed that 20% of respondents were belonging to the age group of below 18 years, 66.4% of them were belonging to the age category of 18-25 years, 5.5% of them belonging to the age category of 25-30 years and rest of the respondents were above 30 years who contributes 8.2%.



Table No.3 Education Qualification

Variable	No. of respondents	Percentage
SSLC	7	6.4
HSC	22	20.0
UG	57	51.8
PG	15	13.6
Others	9	8.2
Total	110	100.0

Table No.3 showed that 6.4% of the respondents has completed SSLC as their educational qualification, 20% of respondents completed their HSC, 51.8% of the respondents completed their undergraduate, 13.6% were postgraduate and 8.2% of respondents' educational qualification as other like diploma, polytechnic etc.

Table No.4 Occupation

Variable	No. of respondents	Percentage
Student	80	72.7
Salaried	18	16.4
Entrepreneur	3	2.7
Home maker	1	.9
Self employed	8	7.3
Total	110	100.0

Table No.4 showed that 72.7% of the respondents were students,16.4% of them were salaried,2.7% of them Entrepreneurs,0.9% of them were home maker and 7.3% of the respondents are belonged to the self-employed.

Table No.5 Monthly Income

Variable	No. of respondents	Percentage
Below 20,000	49	44.5
20,000 to 40,000	20	18.2
40,000 to 60,000	14	12.7
60,000 to 80,000	6	5.5
Above 1,00,000	7	6.4



6.00	14	12.7
Total	110	100.0

Table No. 5 showed that 44.5% of the respondents having monthly income below Rs.20000, 18.2% of respondents were having Rs.20000 to Rs.40000, 12.7% of them were having Rs.40000 to Rs.60000, 5.5% of them having Rs.60000 to Rs.80000, 6.4% of them having Rs.80000 to Rs.100000 and 12.7% of the respondents were having above Rs.100000 as their monthly income per month.

Table No.6 Social media Platform used

Instagram	76.4%
Facebook	30%
Twitter	28.2%
Snapchat	53.6%
WhatsApp	92.7%
LinkedIn	29.1%
Pinterest	25.5%
YouTube	73.6%
Hangouts	0.9%
Reddit	0.9%
Telegram	0.9%

Table No.6 showed that 92.7% of the respondents use WhatsApp mostly, 76.4% of them use Instagram, 73.6% of the respondents use YouTube and the least used social media are Hangouts, Reddit and Telegram 0.9%.

Table No.7 Most preferred e-commerce platforms

Amazon	91.8%
Flipkart	63.6%
Myntra	39.1%
Ajio	31.8%
Nykaa	24.5%
Meesho	41.8%
Big basket	14.5%



Dunzo	10%
Blinkit	7.3%
Snapdeal	6.4%
Zepto	0.9%

Table No. 7 showed that 91.8% of the respondents use Amazon mostly, 63.6% of them were using Flipkart, 41.8% of them were using Meesho and least used were Zepto 0.9%.

Table No.8 Types of products purchased by the influence of social media

Gadgets	59.1%
Fashion Apparels	39.1%
Accessories	45.5%
Home Essentials	35.5%
Skin care	30%
Hair care	31.8%
Cosmetics	20%
Books	36.4%
Gifts	29.1%
Consumer goods	13.6%
Not purchased	4.5%

Table No 8 showed that 59.1% of the respondents have purchased Gadgets by the influence of social media, 45.5% of them have bought Accessories, 39.1% of them bought Fashion Apparel and 4.5% of the respondents had not Purchased any items.



Table No.9 Factors influenced to purchase the products

Advertisements	48.2%
Social media influencer influencing the product	29.1%
Celebrity ambassador	20%
Reviews on social media	57.3%
The popularity of product among the public	48.2%
Your friends and acquaintance	44.5%
Need of that specific product	0.9%
My need	0.9%

Table No.9 showed that 57.3% of the respondents were influenced by Reviews on social media, followed by 48.2% were influenced by Advertisements and the popularity of product among the public.

Table No.10 Have you bought any products by the influence of social media

Variable	No. of respondents	Percentage
yes	81	73.6
no	7	6.4
maybe	22	20.0
Total	110	100.0

Table No.10 showed that 73.6% of the respondents have purchased products by the influence of the social media.

Table No.11 How often does the social media influence you to buy products

Variable	No. of respondents	Percentage
Always	14	12.7
Often	21	19.1
Sometimes	49	44.5
Rarely	19	17.3
Never	7	6.4
Total	110	100.0



Table No.11 showed that 44.5% of the respondents were sometimes influenced by the social media to buy the products.

Table No.12 Have you repurchased the product on the influence of social media

Variable	No. of Respondents	Percentage
Yes	49	44.5
No	42	38.2
Maybe	19	17.3
Total	110	100.0

Table No. 12 showed that 44.5% of the respondents have repurchased the same product by the influence of social media.

Table No.13 Rate the purchase made by the influence of social media (1-lowest 5 - highest)

Rank	No. of Respondents	Percentage
1	6	5.5
2	4	3.6
3	40	36.4
4	45	40.9
5	15	13.6
Total	110	100.0

Table No. 13 showed that 40.9% of the respondents have rated the purchase made by the influence of social media as 4/5 which is good.

FACTOR ANALYSIS OF INFLUENCE OF SOCIAL MEDIA ON CONSUMER BUYING BEHAVIOUR

Table No.14 KMO AND BARTLETT'S TEST

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.809
Bartlett's Test of Sphericity Approx. Chi-Square	330.21
df	45
Sig.	0



Factor analysis had been used to identify the social media factors that influence the consumer buying behaviour. KMO measure of sampling adequacy was 0.809 and Bartlett's test showed a significance level of 0.000. Therefore, factor analysis could be applied to 10 variables measuring the influence of social media on consumer buying behaviour. It was observed that all measures of sampling adequacy (MSA) being more than 0.5, all the 10 variables could be subjected to Factor Analysis. The total variance explained was 52.072%

Table No.15 Factors of social media that influence consumer's buying behaviour

S.No	Factor	Variable	Loading
1	Product Attributes	The product's quality stood as promised	.784
		On time Delivery	.719
		The price of the products purchased is lesser as compared to market price	.717
		Various discounts offered attracts me to buy the product	.582
		Flexible return policies	.640
		The product purchased was necessary & useful	.633
2	Promotion	Availability of products in different locations	.682
		Social media introduced me to various range of products	.601
		Safer and proper packaging	.622
		I would recommend the product to my friends and acquaintance	.794

The first factor was named as “product attributes” and it includes six variables viz, the product's quality stood as promised, the price of the products purchased is lesser as compared to market price, various discounts offered attracts the consumer to buy the product etc. and it explained 29.704% of the variance. The second factor was named as “promotion” with four variables viz, Availability of products in different locations, social media's introduction to various range of products, safer and proper packaging, etc. and it explained 22.368% of the variance.



FINDINGS

- Majority of the respondents were female.
- 66.4% of the respondents were belonging to the age category of 18-25 years.
- 51.8% of the respondents were under graduates.
- Majority of the respondents were students.
- 44.5% of the respondents were having monthly income up to Rs. 20,000.
- 92.7% of the respondents use WhatsApp the most.
- 91.8% of the respondents use Amazon.
- Gadgets are the most purchased product by the influence of social media.
- Respondents are mostly influenced by the reviews on social media.
- Respondents are influenced by the social media and make purchases.
- Respondents have repurchased the product on the influence of social media.
- Respondents have rated the purchase made by the influence of social media as 4/5 which is good.
- Factor analysis revealed that two factors product attributes and promotion have an impact on the influence of social media on consumer buying behaviour.

SUGGESTIONS

- It is important for businesses to have social media presence.
- As consumers use social media such as WhatsApp and Instagram the most, businesses can use these platforms to promote their product and services.
- As consumers prefer e-commerce sites such as Amazon and Flipkart the most, businesses can use these platforms to sell their products & services.
- Factors such as product attributes and promotion influence the consumer the most so the businesses can use strategic tools in these fields and enhance their business.

CONCLUSION

In the current digital era, the world revolves around social media and it has lately become a marketplace for the businesses and they are able to find potential customers. Social media introduces consumers to a wide range of new



products and builds product awareness among them. Consumers are influenced by various factors on social media such as advertisement, promotion, popularity of the product, reviews etc. The product attributes and promotion of the product also plays a vital role in the influence of social media on consumer buying choices. Thus, it is important for businesses to have social media presence so that it will help to build their brands and connect to consumers and bridges the communication gap among them. It is concluded that consumers buying choices are influenced by social media. Consumers who use social media also use e-commerce platforms and buy various products by the influence of the former. Therefore, social media influences consumers buying choices.

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