

A Study of Social Media Impact on Consumer Behavior

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Abstract

Social media has recently changed how people interact, communicate, and make judgments about purchases. The main conclusions and critical learnings from the relevant study are highlighted in this overview. Social media platforms have given users access to a wealth of information and the ability to connect with people across the world. Consumers can now easily engage with brands, read product reviews, and seek recommendations from their social network, influencing their purchasing decisions. Social media facilitates direct communication between brands and consumers. Social media has revolutionized consumer behavior by offering increased connectivity, personalized experiences, and access to vast amounts of information. It has altered how customers discover, investigate, and interact with companies, which has an effect on their purchase choices. Businesses must comprehend how social media affects customer behavior if they want to create efficient marketing plans and interact with their target market in the digital era. This study aims to better understand how social media influences consumer behavior.

Keywords: Consumers, customer behavior, direct communication, purchase choices, social media

INTRODUCTION

“Social media are primarily internet-based tools for human information exchange and discussion” in Wikipedia. They are interactive Web 2.0 apps that run on the internet technology that makes it simpler to generate and distribute material, such as information, ideas, and other forms of expression, through online communities and networks. The term “social” in reference to media suggests that platforms are user-centric and promote social interaction. Therefore, social media can be considered an online facilitator or enhancer of human networks, which are webs of people that strengthen social connectivity. As a communication tool, social media has taken on a significant role. The newest development in marketing is the utilization of social media. Social networking is evolving into a very potent tool for swaying consumer purchasing decisions.

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Potential customers can be impacted by social media from the beginning of the purchasing process to the end. Social media has four different ways of influencing customer behavior. They are: (a) social media increases brand recognition; (b) social proof acts as a stronger motivator for purchases; (c) social media promotions, discounts, and offers; and (d) social media influencers. Social media, with its content, images, promotions, deals, and influencers, has the power to affect customers' purchasing decisions. The use of social networking websites has a significant impact on consumers in the current period and does so in many different ways [1]. Several social networking sites affect

how consumers behave. Social media is crucial for businesses looking to increase client awareness of a certain product. Through the material that is shared on social media, a significant portion of the audience learns about your brand and learns about your product.

CONSUMER BEHAVIOR

The choice, procurement, use, and disposal of goods and services by individuals or families are referred to as consumer behavior. Numerous psychological, sociological, and cultural elements affect how consumers engage with the market. It is a multi-stage process that involves recognizing issues, gathering information, examining choices, choosing to buy, and then reviewing the overall experience [2]. During these phases, consumers may be influenced by a variety of factors, such as their own opinions and beliefs, societal mores, advertising campaigns, product attributes, and environmental factors. Understanding consumer behavior is essential for businesses to create marketing plans that work and supply goods and services that satisfy customers' needs. Marketers must study and comprehend data about customer behavior in order to spot trends and patterns, estimate demand, and make intelligent decisions regarding product design, price, marketing, and distribution. The formal study of consumer behavior examines individual traits, like demographics, personality, lifestyles, and behavioral variables (such as usage rates, usage occasion, loyalty, brand advocacy, and willingness to provide referrals) in an effort to understand people's desires and consumption patterns. "All activities associated with the purchase, use, and disposal of goods and services, including the consumer's emotional, mental, and behavioral responses that precede or follow these activities," are included in the definition of consumer behavior [3, 4].

Factors Influencing Consumer Behaviour

1. Psychological factors (motivation, perception, learning, attitudes, and beliefs)
2. Social factors (family, reference groups, roles, and status)
3. Cultural factors (culture, subculture, social class)
4. Personal factors (age, income, occupation, lifestyle)
5. Economic factors (income expectations, consumer credit, savings)

LITERATURE REVIEW

L.E Taylor Trelford (2018) [5]

The majority of participants in a research comparing Facebook and Instagram preferences preferred Facebook over Instagram, albeit this conclusion was less strong among younger individuals.

Daniela Baum, Martin Spann, Johann Fuller, and Carina Thurridl (2019) [6]

This study set out to examine how a social media campaign affected the success of a new product launch. According to the study's findings, customer attitudes regarding the new product are positively influenced by campaign-related elements, which in turn mediate the favorable effect on purchase intention and referral behavior.

Rishika, Ashish Kumar, Ramkumar Janakiraman, and Ram Bezawada (2012) [7]

The goal of the study was to determine how consumer involvement in a company's social media initiatives affected the strength of the relationship between the company and its clients as measured by client visit frequency. According to the study, client involvement in a company's social media initiatives increases the frequency of customer visits. They hypothesize that when social media sites are very active, the participation impact is stronger.

Ashika Anil, Dr. Binod Sinha, and Dr. Vimal Bhatt (2020) [8]

This study's main goal was to determine how social media marketing affected consumers' purchasing decisions about clothing. The findings revealed a strong correlation between the two. The survey also shows that social media marketing is currently the most well-liked and favored type of digital advertising which influences different marketing theorists and practitioners who want to

operate in a related area. Mohammed Habes, Mahmoud Alghizzawi, Rifat Khalaf, Said A Salloum and Mazuri Abd. Ghani (2018) said that the purpose of this essay was to shed light on how social media affects college students and how it affects their academic performance [9]. According to the survey, a significant portion of university students use social media, with a particular emphasis on Facebook, which has a detrimental impact on their academic performance.

Jill Nash (2019) [10]

The goal of the study was to examine the extent to which social media (SM) platforms are affecting Generation X and Y customers' decision-making processes in the context of retail fashion. The results showed that customers' actions and opinions of high-street fashion businesses are influenced by a range of internal and external reasons, and that the use of 10 SM helps and facilitates these aspects. However, the study also showed that SM is not the only source that influences consumers' purchasing decisions. In fact, as SM platforms continue to grow in popularity and have a growing number of active users, their influence on consumer purchasing decisions will only grow.

Vikas Gautam and Vikram Sharma (2017) [11]

The study's primary goal was to examine the effects of social media marketing initiatives (entertainment, customization, interaction, word of mouth, and trend) on customers' intents to buy luxury clothing companies, both directly and indirectly. They discovered that customer interactions and social media marketing had a favorable, considerable influence on customers' inclinations to make purchases.

Dr. Manish Kumar Srivastava and Dr. A.K. Tiwari (2020) [12]

The research was conducted to study the various popular social media platforms and the ways in which it is being used by the consumers. Additionally, they have made an effort to research how social media affects customer behavior. The study comes to the conclusion that social media has greatly influenced consumer behavior and has integrated itself into everyday life.

Denni Arli (2017) [13]

The goal of the study was to examine how social media's features—such as amusement, utility, educational value, and irritability—affect customers' perceptions of the brand. The influence of this attitude on customer brand loyalty, brand awareness, and purchase intention is then investigated in this study. The results demonstrate that entertainment features, followed by informativeness, utility, and lastly annoyance, have the most influence on customers' attitudes on a brand's usage of social media. Consumer loyalty, awareness, and purchase intention are all significantly influenced by how consumers feel about a brand's social media platforms.

Kirti Arekar, Rinku Jain, Surender Kumar and Shalaka K. Ayarekar (2018) [14]

This study provides a greater knowledge of how social media websites affect several aspects of consumer purchasing behavior. The study's key findings suggest that social media has a favorable influence on a number of purchasing behaviors, including impatient, disagreement, regular, and customary purchasing behaviors.

TYPES OF SOCIAL MEDIA

Blog

An online forum or informational website known as a blog is composed of discrete, usually informal text entries (posts) that resemble diary entries. Typically, posts are shown with the most recent one at the top of the page and in reverse chronological order. Numerous blogs give commentary on a particular topic or topics, ranging from politics to sports. A typical blog has text, digital photos, links to other websites and blogs, and other content.

Enterprise Social Networking

The usage of online social networks or social relationships between individuals who have corporate interests and/or activities is the main emphasis of enterprise social networking. A tool that is frequently utilized in “enterprise” (business/commercial) situations is enterprise social networking. It includes adjustments to corporate intranets (also known as social intranets) and other traditional software platforms that big businesses use to arrange their communication, collaboration, and other intranet-related activities.

Forums

A website where users can participate in discussions using messages submitted by other users is known as an Internet forum or message board. Messages differ from chat rooms in that, they are usually longer than one line of text and are at least temporarily kept. The lingo used on forums is unique; for instance, a single chat is referred to as a “thread” or “topic”.

Microblogs

Micro blogging is a particular type of blogging that is conducted online. A micro-blog varies from a standard blog in that its material is frequently compressed into smaller files, both individually and collectively. The fact that micro-blogs “allow users to exchange small elements of content such as short sentences, individual images, or video links” may be the key factor influencing their growth. Micro postings are another name for these brief communications.

Photo Sharing

A image sharing, also referred to as photo sharing, is the online publication or transfer of digital photos taken by users or administrators. Websites that share images include features such as photo uploading, hosting, management, and sharing (publicly or privately). Websites and programs that enable the upload and display of photos both provide this feature.

Products/Services Review

A review site is a website where users may publish reviews of other users, organizations, goods, and services. These websites may engage professional writers to produce evaluations on the subject at hand for the website or they may use Web 2.0 tactics to collect reviews from site visitors.

Social Bookmarking

An online service called social bookmarking enables users to add, edit, and share bookmarks for web documents. Since 1996, there have been several online systems for managing bookmarks; nonetheless, it was Delicious, created in 2003, that made the words “social bookmarking” and “tagging” well-known. Social bookmarking systems with tagging allow users to organize their bookmarks and create folksonomies, or collective vocabularies.

Social Gaming

A specific type of online game known as a social network game is played through social networks. They frequently include multiplayer gaming elements. Initially, they were developed as internet games and social network games.

Social Networks

A social network is made up of a collection of social actors (such as individuals or groups), collections of dyadic connections, and various forms of social interaction. The social network viewpoint provides a set of instruments for evaluating the structure of whole social entities, together with a number of theories that explain the patterns observable in these structures. Social network analyses are used in the study of these structures to pinpoint prominent individuals, spot regional and global patterns, and assess network dynamics.

Virtual Worlds

A virtual world, sometimes referred to as a virtual space, is a computer-simulated setting that may house a sizable population. Each of these users can make an avatar, explore the virtual world on their own, participate in its activities, and communicate with other users simultaneously. These avatars can take the form of text, graphics, or real-time video with touch and audio capabilities.

ADVANTAGES OF SOCIAL MEDIA

1. You have the opportunity to run sponsored adverts if you wish to go beyond organic posting.
2. Social media marketing is the ability to build your brand. When you connect with potential leads, you introduce your brand to them. Posting organic content for free can help you increase audience brand recognition on a regular basis. This strengthens brand support.
3. The third advantage of social media marketing is the capacity to assess your achievement. When you run a marketing campaign, you always want to know how it is going. To determine whether your campaign is yielding worthwhile results, you may easily monitor it on social media networks.
4. You can also utilize social media to get important data about your clients that can guide your company decisions and provide you with insightful information. By adopting social listening, you may find out, for instance, what people think about your company and brand. You can reply to questions about your products and learn what others are saying about your business by using social listening.
5. Social media sites are used by millions of individuals. It is a great opportunity for your business to reach a large number of potential clients that are interested in your products or services. The ability of social media to reach large audiences is one of its key advantages. It enables your business to find more leads who are interested in your products or services.
6. Social media is one of the few marketing strategies that enable you to speak with your audience directly. As a result of their decision to follow you on social media, you are aware of those who are interested in your business.

DISADVANTAGES OF SOCIAL MEDIA

1. You could get unfavorable comments. People use social media to share both positive and negative things. A consumer has the opportunity to share their negative experience with other customers if they have had a terrible one with your business.
2. You run the risk of embarrassing yourself since social media posts may spread quickly. Both positive and bad social media activity is closely watched by people. If you do not use caution while uploading material, your company could suffer and you could find yourself in awkward situations.
3. *Returns take time to appear:* When businesses invest in marketing tactics, they want to see returns right away. You want to be certain that your strategies work and that the effort you invested was worthwhile. You do not get quick effects from social media marketing.

OBJECTIVES OF THE STUDY

1. To determine how social media affects customer behavior
2. To determine the factors that influence consumer behavior on social media

Scope of the Study

This study aims to better understand how social media influences consumer behavior. Understanding how social media may be used to influence consumer behavior is crucial since social media has become a crucial tool for businesses to connect with their consumers. Businesses may increase their customer interaction and establish effective marketing strategies by understanding the effects of social media on consumer behavior.

RESEARCH METHODOLOGY

The nature of the research design for this study will be descriptive. A questionnaire is distributed among the people who are aware of the activities on social media platforms and consumer behavior to understand the impact of social media on consumer behavior. A combination of primary and secondary sources is used to gather the data. The source of primary data is through questionnaire based on the objectives. The secondary data were gathered from publications such as books, journals, websites, and other printed materials. A self-made questionnaire was created and distributed to the general public. The quiz concerns how social media affects consumer behavior. Youth make up the study's population. The data collection strategy employed for this study is a convenient sampling method. The data collected for the survey will be analyzed using statistical tools (graphs, chart, and pie charts) for interpreting the data collected.

Data Analysis and Interpretation

Out of total respondents in this survey, all the participants use social media. It can be interpreted that social media has a great influence in the day-to-day life of the people. Most of the people are aware of social media platforms (Table 1 and Figure 1).

Table 1. Usage of social media.

Usage of social media	Yes	No
No. of respondents	67	0

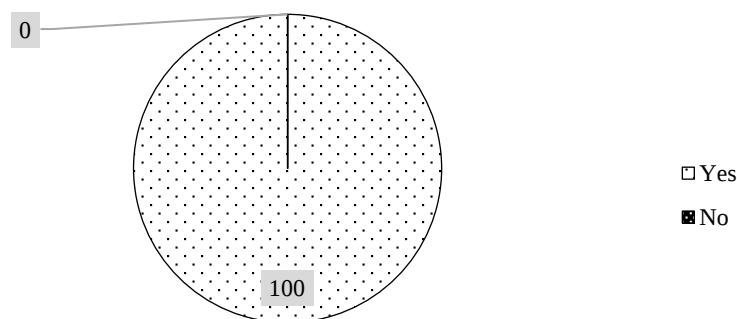


Figure 1. Chart representing usage of social media.

Interpretation

Most of the respondents use social media for entertainment and socializing. Along with this, they also use social media for chatting research purposes. Only few use social media for shopping and other things (Table 2 and Figure 2).

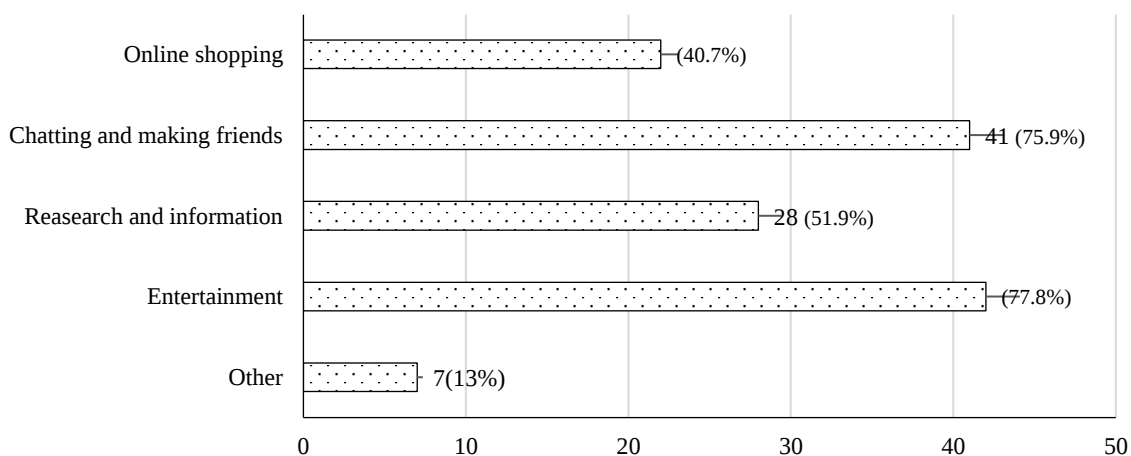


Figure 2. Graph representing the purpose of usage of social media.

Table 2. Purpose of usage of social media.

Purpose of usage of social media	Online shopping	Chatting and making friends	Research and information	Entertainment
No. of respondents	22	41	28	42

Interpretation

Out of total respondents, majority of them are using Instagram and WhatsApp daily. Some of them are also using Facebook. Only few are using Twitter and other social media platforms. From this data, it can be concluded that majority of today's youth are mostly active on platforms like Instagram (Table 3 and Figure 3).

Table 3. Type of social media used daily.

Type of social media used	Facebook	Instagram	WhatsApp	Twitter	Others
No. of respondents	24	42	35	18	12

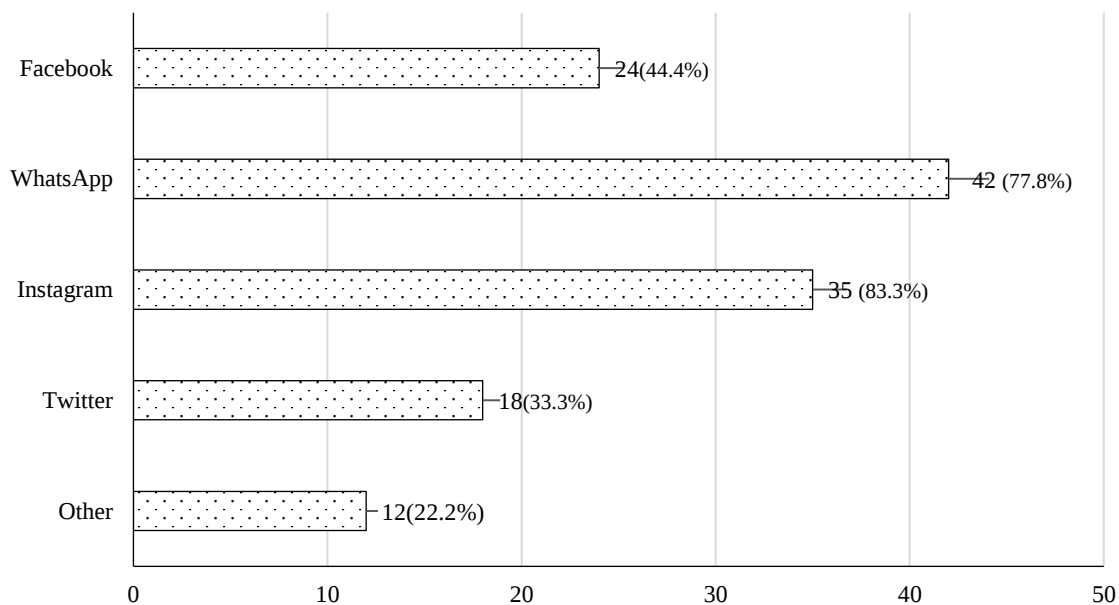


Figure 3. Graph representing type of social media used daily.

Interpretation

Out of total respondents in this survey, majority of them spent time on social media (1–5 hours per day). Some of them spent 5–10 hours per day. But very less of them spent 10 hours or more on social media. It can be interpreted that social media has become part of our daily life (Table 4 and Figure 4).

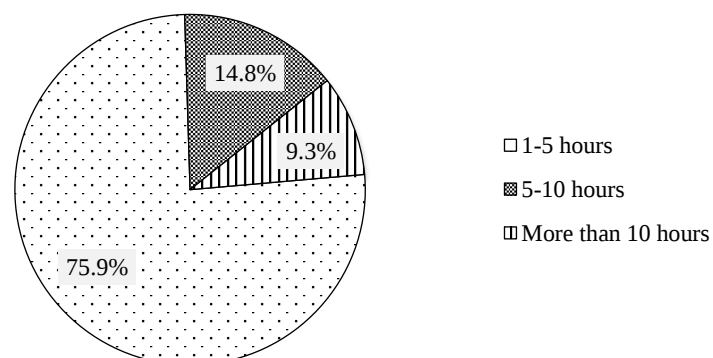


Figure 4. Chart presenting time spent on social media per day.

Table 4. Time spent on social media per day.

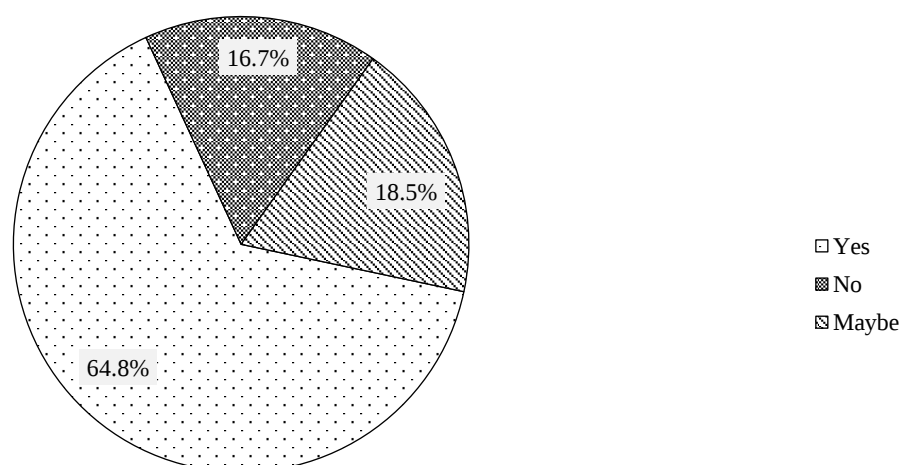
Time spent on social media per day	1–5 hrs	5–10 hrs	10 hrs or more
No. of respondents	42	8	6

Interpretation

Out of total respondents, the buying decision of almost 63% respondents is influenced by social media. Buying decision of 16% respondents is not influenced by social media. Buying decision of 18% respondents may be influenced by social media (Table 5 and Figure 5).

Table 5. Influence of social media on buying decision.

Influence of socialmedia on buying decision	Yes	No	May be
No. of respondents	35	9	11

**Figure 5.** Chart presenting influence of social media on buying decision.**Interpretation**

Amazon is the online shopping site that is mostly preferred and next mostly preferred app is Myntra. The least preferred app is AJIO and the other online shopping sites (Table 6 and Figure 6).

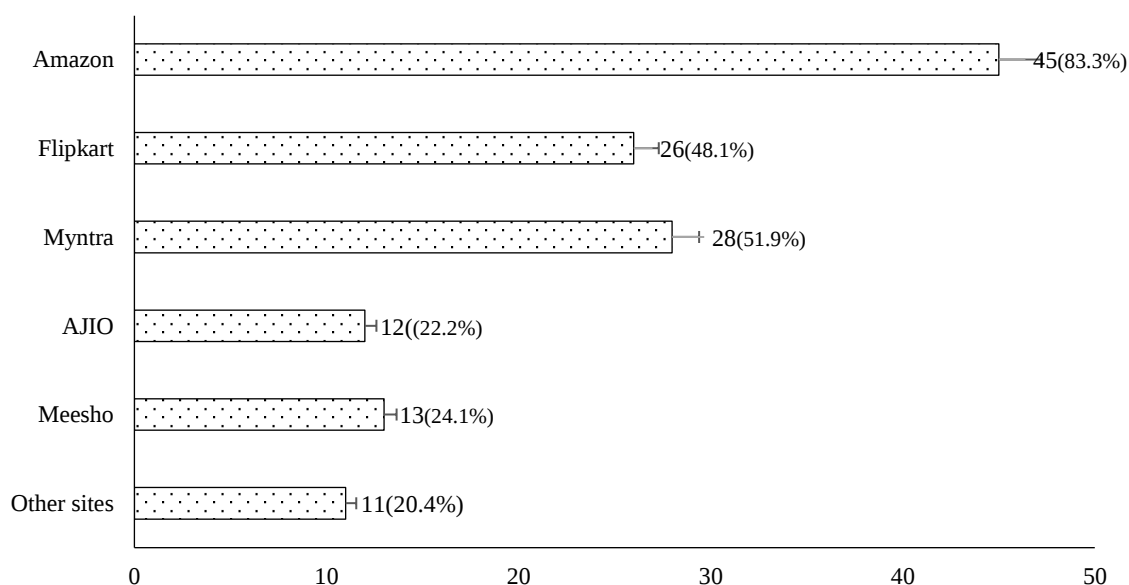
**Figure 6.** Graph representing mostly preferred online shopping sites.

Table 6. Mostly preferred online shopping sites.

Mostly preferred online shopping sites	Amazon	Flipkart	Myntra	AJIO	Meesho	Othersites
No. of respondents	45	26	28	12	13	11

Interpretation

The importance of a product to consumer is the most important factor that drives attention in social media. Along with this exposure of products/advertisements, visual elements of products/advertisements, likes and comments shared by others are also factors that drive attention in social media (Table 7 and Figure 7).

Table 7. Factors that drive attention in social media.

Factors that drive attention in social media	The frequent exposure of product/advertisements	Visual elements of advertisements and products	How important a product is to me	How a product is liked, commented and shared by others
No. of respondents	30	29	25	20

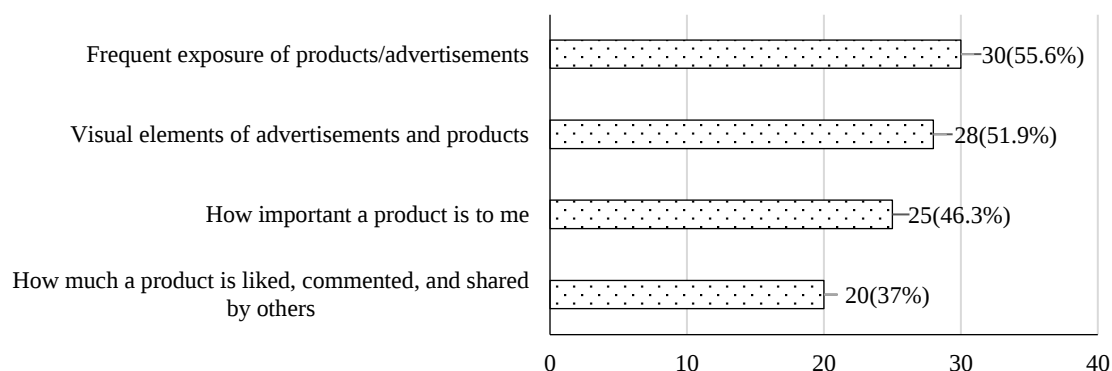


Figure 7. Graph representing factors that drives attention in social media.

Interpretation

Most of the respondents have the opinion that there is more information and easier access to social media and on online platforms as customers have a wider variety of products compared to traditional media. Some of them have the opinion that social media saves time and has more information reliability compared to traditional media. Few of them have the opinion that social media has better customer services compared to traditional media (Table 8 and Figure 8).

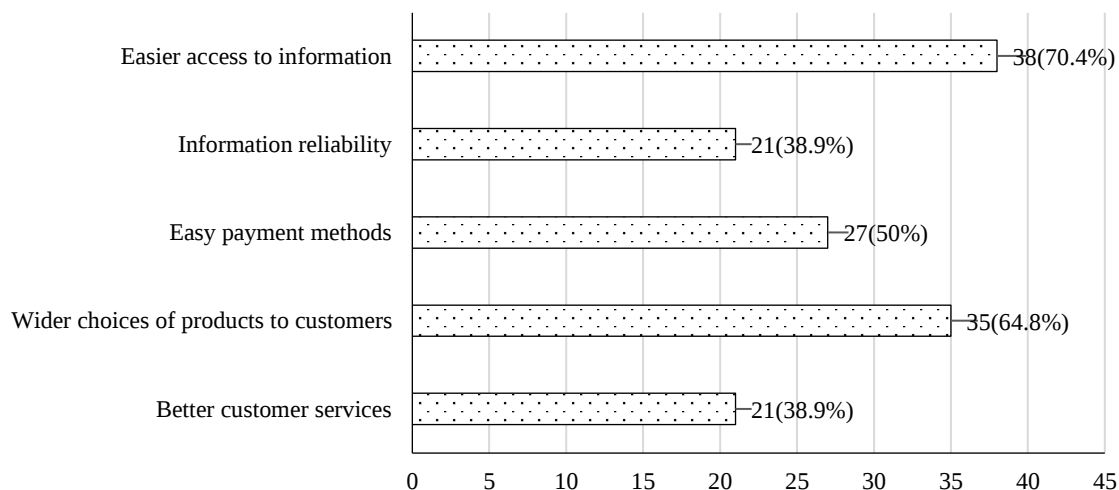


Figure 8. Graph representing advantages of social media compared to traditional media.

Table 8. Advantages of social media compared to traditional media.

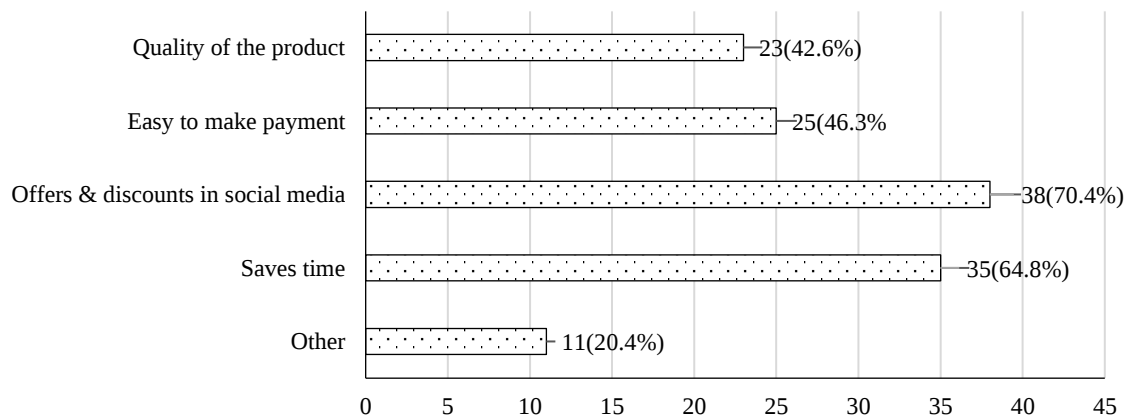
Advantages of social media compared to traditional media	Easier access to communicate	Information reliability	Easy payment method	Wider choices of products	Better customer services
No. of respondents	38	21	27	35	21

Interpretation

From Table 9 and Figure 9, we can understand that most of the respondents are motivated by offers and discounts in social media to shop through social media and online platforms. Along with this, they are also motivated by factors, like saves time, quality of the product, and easy payment methods. Only a few of them are motivated by the factor “quality of the product”.

Table 9. Factors that motivate consumers to shop through social media.

Factors that motivate consumers to shop through social media	Quality of the product	Easy to make payment	Offers and discounts in social media	Saves time
No. of respondents	23	25	38	35

**Figure 9.** Graph representing factors that motivate consumers to shop through social media.

Interpretation

Most of the respondents have neutral review about the fact that advertisements/posts/reviews on social media influence to try new brands/products/services. Another majority of respondents strongly agree with the fact. Few people disagree with this fact that advertisements/posts/reviews on social media influence to try new brands/products/services (Table 10 and Figure 10).

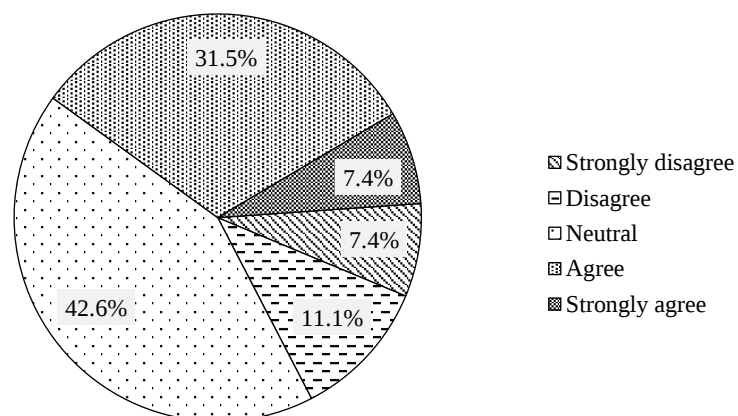
**Figure 10.** Chart showing influence of advertisements on social media for trying new brands.

Table 10. Influence of advertisements on social media for trying new brands.

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I agree with the fact that advertisements/blogpost/user/reviews on social media have influence to try new brands/products/services.	6	18	26	7	5

Interpretation

More than 40 respondents agree that promotions and discounts on social media influence consumer behavior. 12 of them have mixed opinion. Only 4 respondents disagree with the fact (Table 11 and Figure 11).

Table 11. Influence of promotions and discounts in social media on consumer behavior.

Statement	Yes	No	May be
I agree with the fact that promotions, discounts, and deals on social media influence consumer behavior	43	3	12

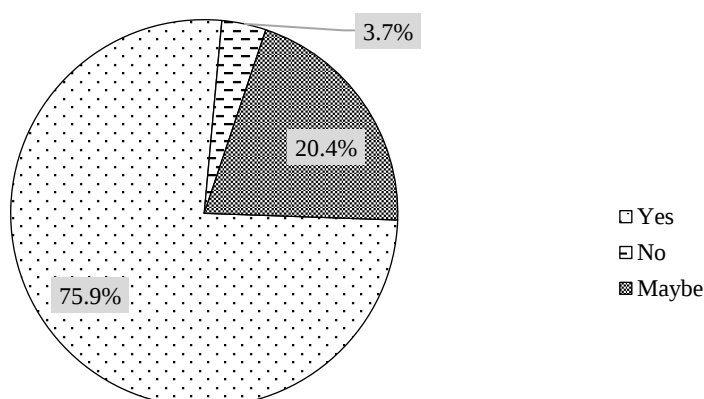


Figure 11. Chart representing influence of promotions and discounts in social media on consumer behavior.

FINDINGS

1. Everyone who responded is familiar with social media.
2. Majority of the respondents are using 2–3 social media platforms daily (WhatsApp, Facebook, etc.).
3. About 1–5 hours are spent on social media by majority of respondents per day.
4. Majority of the respondents belong to the age group of 18–21 years and 22–25 years.
5. The majority of respondents said that social media affected their purchasing decisions.
6. The majority of respondents' purchasing decisions are affected by social media.
7. Amazon is the online shopping site that is mostly preferred by majority of respondents.
8. The importance of a product to the consumer is the factor that drives attention of many of respondents in social media.
9. Many of the respondents have opinion that social media has more information and easier access compared to traditional media.
10. A lot of the respondents concur that social media websites enable them to actively look for information about items and services.
11. Offers and discounts in social media is the factor that motivates many of them to shop through social media.
12. More than 50% respondents agree that advertisements and reviews in social media influence them to try new brands.
13. More than 50% respondents are influenced by promotions, discounts, and deals on social media.

CONCLUSION

This study demonstrates how social media significantly affects customer behavior. The study also makes it obvious that social media has several benefits over conventional media. When consumers view adverts on social media, they get more interested in the items. We may draw the conclusion that social media has the ability to affect potential customers from the beginning of the buying process through to thereafter. Additionally, it improved consumers' understanding of the goods and services. Social media's significance will undoubtedly grow in the future. Additionally, it may be said that various social media elements affect customer behavior.

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