Research Article

Decoding the Social Media Effect: Understanding its Influence on Consumer Purchase Intentions

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ABSTRACT

This research paper investigates the impact of social media on consumer purchase intentions. This study concludes that social media has a powerful impact on consumer buying intentions and that personalized marketing has become a powerful marketing strategy for marketers because of technological advancement. The paper identifies that social media marketing factors like social media influencers, special discounts, ad campaigns, events, sales, and electronic word of mouth have a significant impact on consumer purchasing decisions. The existing literature on the same topic has been studied, and primary data was collected from 98 respondents using a closed-ended, structured questionnaire designed on Google Forms. The research aims to help businesses figure out how their buyers use social media as digital marketing efforts become more common and effective. In conclusion, the paper indicates that social media holds promising potential for ensuring the lasting viability of products or services in the contemporary technological market.

INTRODUCTION

Social media has become a powerful tool for advertising in the digital age, changing the way companies promote their goods and services. With billions of active users on different social media sites, companies can now reach a wide range of people like never before. In this study paper, we will look at how and why social media affects what people want to buy. One of the best things about using social media to advertise is that it has a huge reach. There are billions of people on platforms like Facebook, Instagram, Twitter, and LinkedIn, which gives businesses the chance to meet with a huge audience. Unlike traditional forms of advertising, social media lets companies target people based on their interests, behaviours, locations, and demographics. This amount of targeting makes sure that the right people see the ads, which increases the likelihood of engagement and sales (Smith, T.2009). In the current era, Influencers on social media play a crucial role in social network marketing due to their numerous benefits. Influencers expand the reach and visibility of brands by leveraging their dedicated and engaged social media followings. Influencers also lend credibility and trustworthiness to social network marketing. Influencers have sway over the opinions of their followers due to their reputable status and devoted fan base. When an influencer endorses a brand or product, it is perceived as a credible recommendation, thereby increasing the brand's credibility and consumer trust. Due to its expanded use, businesses are now considering social media's significance in influencing consumer perception, enhancing brand value, and influencing purchasing decisions. Companies are becoming more aware of the possibility of strategically using social media to gain an advantage over competitors who do not. Social Media Companies are changing the way they focus on customers because they are paying more attention to global growth and using more technology in marketing, advertising, and promotion (Quelch & Jocz, 2008).

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Access to technology around the world has become a key part of marketing plans and a driver of market growth. "4Ps" of marketing: product, price, place, and promotion, which play an important role in influencing the psychology of the consumer and, when combined with technology, result in developing the global or brand image of any product or service. Marketers regularly monitor customer social media usage, but little is known about how it affects their purchasing behaviour. Numerous studies concentrate on how consumers behave when purchasing online, but they rarely take into account how the internet affects the various stages of consumers' decision-making (Darley & Luethge, n.d.). Social Network Marketing (SNM) has been one of the most effective advertising tools. Every marketer's main goal is to figure out how to use tools to boost sales, since this can make a business much more profitable. Nima Barhemmat and Azhar Ahmad critically analyze in their research paper how Social Network Marketing will affect the final buying decisions of people who use social networking sites a lot. They also look at how social network marketing activities, customer engagement, and buying decisions are thought to be related (Barhemmati & Ahmad, 2015).

Research Objectives

- To investigate how social media affects consumer behaviour making a purchasing decision.
- To evaluate how social media engagement and content affect consumers' perceptions of the brand.
- To comprehend how companies can involve more clients in order to raise brand value.

Literature review

Swati Gupta defines social media as a pivotal second-generation web development, enabling communication, information sharing, and collaboration. It encompasses platforms like Facebook, Twitter, Typepad, WordPress, Wikipedia, Flickr, and YouTube. Her study, based on 100 respondents, reveals that neither gender nor occupation significantly impacts the influence of social media on purchase decisions or associated promotional tools like celebrity endorsements. The research underscores the importance of factors like discounts, campaigns, and events in consumer purchasing decisions on social media, emphasizing their universal impact regardless of gender or profession. This highlights the need for online retailers to grasp these factors for effective product marketing. (Gupta, 2018).

Godey and Manthiou (2016) emphasize the pivotal role of social media marketing in shaping consumer behavior, particularly within the luxury brand sector. Their research underscores how effective social media strategies enhance brand awareness, image, preference, price perception, and loyalty. The study highlights the positive impact of social media marketing on brand familiarity and perception, emphasizing its crucial role in building stronger connections with the target audience. The research also emphasizes the influence of social media on consumers' brand choices within the luxury segment, suggesting that targeted ads, personalized recommendations, and user-generated content play significant roles in brand visibility and audience engagement. (Godey et al., 2016).

Lal and Sharma's (2021) research delves into the pivotal role of social media influencers (SMIs) in contemporary digital marketing. SMIs have emerged as a potent tool for businesses to engage their target audience and influence online purchasing behavior. The study highlights that SMIs effectively establish connections with consumers, with brand awareness mediating their impact on online purchasing behavior. The research emphasizes that SMIs play a crucial role in creating product awareness, shaping brand image, and fostering emotional connections between brands and their followers. Credibility and authenticity of SMIs enhance consumer trust and alignment with endorsed brands. This study offers valuable insights for marketing and business managers aiming to leverage SMIs for influencing their target audience and driving online purchases. To optimize the effectiveness of SMIs, businesses should carefully select influencers whose brand values align with their own. Authentic connections between SMIs and their followers bolster endorsement credibility. Additionally, investing in consistent messaging, brand narratives, and immersive experiences is essential for cultivating brand awareness and enhancing the impact of SMIs on online purchases. (Lal, 2021).

Barhemmati and Ahmad (2015) looked at social media marketing (SMM) and its subgroup, social network marketing (SNM), in their analysis of the effects of new marketing trends. The significance of interactive communication in cultivating business-client connections was underscored by them. 50 participants in a quantitative survey conducted at the National University of Malaysia (UKM) revealed that SNM promotes consumer purchase behaviour in a favourable way through customer interaction. According to the study, social media ads can be more successful if their emotional appeal and audience engagement levels are understood. Furthermore, a favourable association was found between customer involvement and purchasing behaviour, as well as between SNM activities and consumer engagement. (Barhemmati & Ahmad, 2015).

Recent studies highlight the internet's rapid emergence as a prominent sales channel. Mishra and Mahalik (2017) emphasize the substantial impact of online advertising on consumer preferences and shopping behavior, offering innovative avenues for product acquisition. In terms of cost-effectiveness, online marketing outperforms traditional methods (Mishra & Mahalik, 2017). Kumar and Shah underscore the feasibility of marketing through interactive media and the internet's robust network. The

global adoption of the term "digital marketing" gained momentum post-2013. Online Behavioral Advertising (OBA), enabling targeted ads to specific users, is on the rise, albeit raising concerns about consumer data privacy and security. (Kumar & Shah, 2018).

In contrast to traditional media, online advertising has a distinct advantage in efficiently utilizing targeted advertising methods. This disparity has further contributed to the decline of traditional media channels. Online advertisers leverage advanced techniques to reach their target audience effectively, displaying advertisements to those most likely to respond. This trend underscores the shift towards online platforms as more efficient sales channels. (Bergemann & Bonatti, 2011).

According to "Google Adsense," personalised advertising is advertising that targets consumers based on their interests and demographics. Previously known as interest-based advertising, personalised advertising (e.g., "sports enthusiasts") targets consumers based on their interests and demographics. When you use the internet, mobile apps, check email, or do online shopping, you are likely to come across adverts. Google's various services, including Play, YouTube, and Search, all feature advertising from the company. The key source of the information that is required to customise the advertisements that appear on these products is the usage that you make of those products. Additionally, third parties utilise Google's ad network to display advertisements on apps and websites that are not controlled by Google. This practise is known as "affiliate marketing." This particular ad network is one of many that are able to personalise adverts in response to the activities that you carry out on the internet. Your behaviour when using third-party websites and applications is the primary source of the information that is utilised to personalise the advertisements that appear on those platforms.

Research **Methodology**/Design

Research Approach

Mixed Methods Approach: This study incorporates both qualitative and quantitative research methods to provide a comprehensive understanding of the research topic. Literature review and analysis of existing research papers has been conducted. Online survey using a structured questionnaire created on Google Forms.

Nature of Study

Descriptive Research: This research aims to describe the current state of affairs regarding the effects of social media on consumer behavior.

Sampling

Sample Size: 98 respondents participated in the survey. Sampling Technique: Convenience Sampling was employed to select participants from a diverse demographic range.

Data Collection Instruments

Questionnaire Developed and administered through Google Forms. It includes closed-ended questions for quantitative analysis.

Data Analysis and Interpretation

83.3% of respondents were between the ages of 18-25 (Figure 1).
64.6% of respondents were Female (Figure 2).

The first main question was about their social media presence and which social networking sites they have accounts on: Facebook, Twitter, and Instagram. Out of 98 respondents, 90 (93.8%) have their accounts on Instagram, and 54.2% have their accounts on Facebook (Figure 3). Researchers can better understand consumer social media habits and how social media content may affect them with the information gathered from this question.
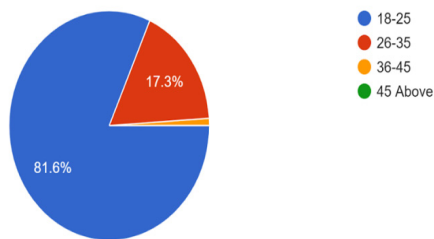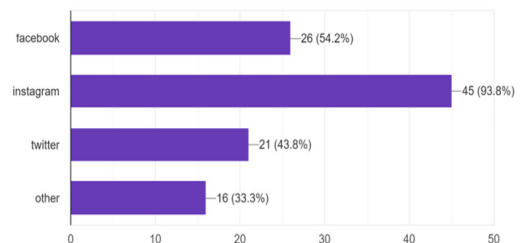

Figure 1: Age of Responseent

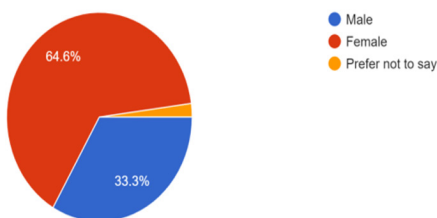**Figure 3:** Mostly used social networking sites
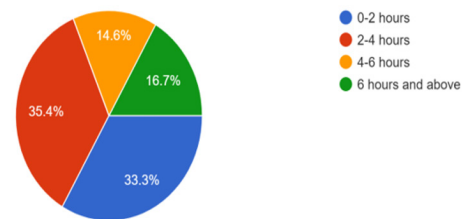

Figure 2: Gender of the Responseed.

Figure 4: Time spent on social media websites

The next question was about how much time they spend on social media websites. Through this, we got to know that a major chunk of the population spends 2-4 hours a day on social media. i.e. 35.4% as shown in the Figure 4.

The fifth question was about the advantages of using social media compared to traditional media. The responses from 98 participants suggest the following advantages:

- 70.8% of respondents accept that more information is available on social media and that it is easily accessible. This could be due to the vast amount of user-generated content on social media platforms, which can provide a wider range of perspectives and opinions on various topics (Figure 5).
- 8.3% of respondents accept that information reliability is an advantage of social media. This could be because social media allows users to fact-check and verify information through various sources and discussions.
- 14.6% of respondents think that social media saves time, as users can quickly access and consume information without having to sift through traditional media channels such as newspapers or television broadcasts. The rest of the respondents think that Social media allows users to stay informed without being interrupted. Unlike traditional media, which may have scheduled programming or advertisements, social media allows users to choose when and how they consume information. The survey results suggest that social media has

several advantages over traditional media in terms of information accessibility, reliability, time savings, and uninterrupted consumption (Figure 5).

The consistency with which people shop online is depicted in the pie chart (Figure 6). It reveals that 47.9% of consumers do at least some of their shopping online on a monthly basis. Weekly online shopping was done by 12.5% of people.

As shown in Figure.7, the top apps and websites that consumers use most often when buying products online. The question received 98 responses. The options provided in the question were Amazon, Myntra, Flipkart, and Others is a category that includes any other apps or websites that were not listed as options in the question. Based on this finding, 47.9% of votes show that Myntra is the best place to shop online (Figure 7).

On asking about whether they follow brands on social media. 60.6% of the respondents said yes, which shows that they regularly stay updated about the brands (Figure 8).

The social media affects the image of the brand as shown in the Figure 9. The survey respondents were given three options to choose from: Yes, No, or Maybe. 81.3% of the participants think that social media affects the image of brand (Figure 9). It shows the significant implications for companies that use social media as a marketing tool, as it can impact their brand reputation and ultimately their sales.
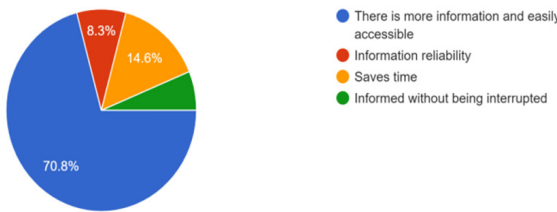

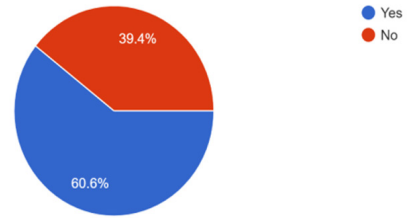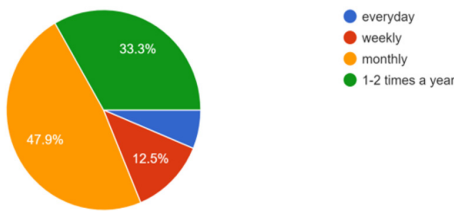**Figure 5:** Advantages of Using social media.

Figure 6: Frequency of online shopping.

Figure 7: Top apps/websites for buying products online.

Figure 8: Following brands on social media.

Figure 9: Social media affects the brand image.

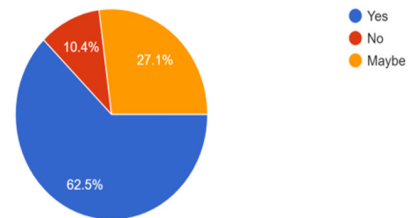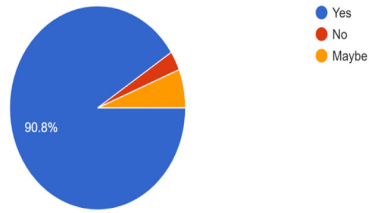**Figure 10:** Social media influences purchase decisions.

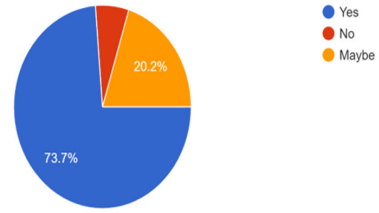**Figure 11:** Social media is important in brand promotion.

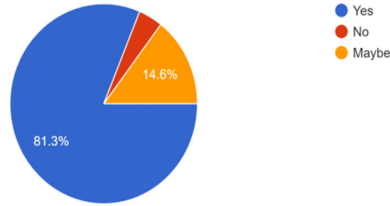**Figure 13:** Effect of social media influencers

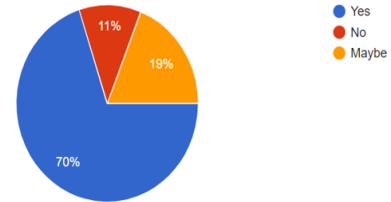**Figure 11:** Social media is important in brand promotion.

Figure 14: Social media influencer's recommendations

The next question was to understand the impact of social media on consumer buying behavior. 62.5% of consumers think that social media influences purchase decisions, while 27.1% disagree. Marketers can use the findings of this analysis to create successful social media strategies for promoting their goods and services (Figure 10).

90.8% of those surveyed believe social media is important in brand promotion (Figure 11).

The respondent thinks social media is a type of electronic word of mouth (EWM) as shown in the figure 12 and provides three response options: Yes, No, and Maybe. Electronic word of mouth (EWM) refers to the sharing of opinions, experiences, and recommendations about products or services through electronic channels such as social media, online forums, and review websites. 81.3% of the total population said that social media acts as an electronic word of mouth and does affect the various decisions of consumers (Figure 12). The responses to this question could provide insight into how consumers perceive the role of social media in the buying process and how they view the credibility of information shared through social media. The concept of EWM is based on the idea that consumers are more likely to trust recommendations from their peers than traditional advertising or marketing messages.

To explore the effect of social media influencers, the question was asked about whether they follow any influencers on social media, in which 73.3% of respondents follow social media influencers to know the trends (Figure 13).

The last question was about the reliability of recommendations given by influencers, in which 70% of the respondents think that influencer's recommendations influence their buying decisions (Figure 14).

Findings of the study

This research paper explores the influence of social media on consumer behaviour and purchasing decisions. The significant portion of respondents (81.6%) falling within the age range of 18–45 (Figure 2)., in which a majority (60.6%) follow brands on social media (Figure 3), further underscores the substantial impact of social media on consumer behaviour and purchasing decisions. It's evident from the data presented that a majority (81.3%) of respondents believe that social media affects a brand's image (Figure 9). The study found that targeted online advertising performed better than traditional media at reaching and engaging with the target audience. This highlights the pivotal role of social media in shaping consumer behaviour and preferences.

The survey revealed important and thought-provoking information. Firstly, 73.3% of participants follow social media influencers to keep up with trends (Figure 13). This shows how important influencers are in customer preferences. In addition, 70% of participants said that social media influencers influence their shopping decisions, demonstrating their persuasive power in e-commerce (Figure 14). The study highlights the strategic importance of corporations partnering with influencers who are well-connected to their target audience. This method effectively promotes brands and products. By identifying consumers' trend-following behaviour, companies may boost customer engagement and brand equity. Collectively fostering interaction can boost a brand's visibility and market influence.

CONCLUSION

From this study, researcher found that there are only a few main things that influence people's buying decisions on social media. As far as special discounts, ad campaigns, events, and the impact of the different advertising tools available on social media, is the same for both men and women. When it comes to buying goods or services, consumers all over the world have tastes that are based on the way they make decisions. The Internet is a new way

to sell things, and different people have different needs. The study would help businesses figure out how their customers use social media. Digital marketing efforts are becoming more common and effective as digital platforms become a bigger part of marketing plans and everyday life and as people use digital devices instead of going to stores. Based on a study of the literature and a quantitative analysis, Social Media Influencers are seen as a reliable marketing strategy. Since people copy Influencers out of their own free will, influencer marketing is seen as trustworthy, likeable, and real. The influencer is a pro-consumer who shares the company's message in his or her own unique way to make people aware of the brand and change their buying habits. Through the years, technology has rapidly advanced, which gives the marketer more options to understand consumer buying behavior. AI and personalized marketing have become powerful marketing strategies for marketers. Based on the findings of 98 respondents, we determine that social media has a significant affect on consumer purchasing intentions. Brands can communicate their message and products to their possible target audience via social media handles. To summarize, AI and digital marketing have a bright future in today's technology market for the long-term sustainability of a product or service, with all of its benefits and drawbacks.

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