

SOCIAL MEDIA'S IMPACT ON BUYING BEHAVIOUR OF CONSUMERS

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ABSTRACT

One of the most commonly and widely used form of communication in today's world is social media. This tool enhances the marketers to market various products and services being geographical boundaries. Consumer buying behaviour is the key to find, understand and satisfy the requirements of the consumers. Social media enables the marketers to understand the buying behaviour of the consumers effectively and efficiently. This chapter deals with introduction to consumer behaviour, decision process, social media as well as advantages and limitations of social media on consumer behaviour. The main objective of this chapter is to provide clarity in understanding the positive and negative impact of social media on consumer buying behaviour.

Key Words: Consumer Buying Behaviour, social media, decision process, positive and negative impact of social media on consumer behaviour

INTRODUCTION TO CONSUMER BEHAVIOUR

Definition

Consumer behaviour refers to "The decision process and physical activity that individuals engage in when evaluating, acquiring, using or disposing of goods and services" according to Loudon and Bitta.

Meaning

Consumer Behaviour is the study of the way consumers - individuals, groups or organizations select, buy, use and dispose ideas, goods or services to satisfy their needs and wants. It also identifies the actions of the customers in the market place and the underlying motives for their actions. It is assumed that consumers play various roles in the market place right from providing information till disposing the product.

Nature

Understanding the nature of consumer behaviour aids the marketer to satisfy the requirements of the consumers

- Complexity
Consumer behaviour is highly complex as the requirements are not the same for all the consumers. It is herculean task for the marketer to recognize and satisfy the needs, wants, buying patterns of each consumer and target them accordingly.
- Systematic
Consumer behaviour involves a series of steps involved by a consumer in buying decision. This includes identifying a need, searching for product information, exploring and evaluating various options available, deciding to purchase and the post purchase evaluation done by the marketer.
- Dynamic
Consumer behaviour is ever changing and is not constant due to different factions viz., age, income level, educational qualification, likes, dislikes and many more. There is a constant change in consumer behaviour.
- Reflects the status
The way in which the consumer purchases, spends and makes buying decision reflects the status of the consumer in the society. It is generally assumed that people who spend more and purchase luxury products are considered rich and high-status.
- Differs from region to region
Consumer behaviour varies based on the regions, states, countries as the consumer buying behaviour is not the same for all the states, regions,

countries. There are various factors viz, culture, language, attitude, behaviour and many more.

- Varies from product to product

Consumer behaviour varies from product to product. Consumer may prefer one product and purchases more or less quantity over other products. Same product may be attractive to a group of consumers over the other group.

- Increases the standard of living

When a consumer spends more on purchasing different products and services, their standard of living improves. Despite having enough funds, if the consumer spends less, than his standards of living is low.

- Important for marketers

Consumer behaviour is vital for marketers to perform their duties effectively and efficiently as it enables them to acquire perfect knowledge of their target consumer's buying behaviour by getting to know their likes, dislikes and factors influencing their buying decisions.

Factors which effect consumer behaviour

There are factors which influence consumer behaviour. Some of the factors which shape the consumer perception on products, decision making and prioritizing requirements are psychological, social, cultural, personal and economic factors.

- Psychological factors

Consumer is influenced by motivation, perception, learning, beliefs and attitudes while taking buying decision.

- Social factors

A consumer buying decision is influenced by social factors viz., small groups, friends, family, social roles and status.

- Personal factors

Consumer decision are influenced by personal choices and characteristics. Consumer's age, occupation, economic condition, lifestyle, personality and self-concept are some of factors.

- Cultural factors

These factors have the deepest and broadest impact on the consumer behaviour. It is vital for the marketer to know the culture and sub-culture of the consumers.

CONSUMER DECISION MAKING

Meaning

Consumer decision making is the process which a consumer undergoes in identifying the need or recognising the problem, searching for information, evaluating the alternatives, making decisions and making post-purchase evaluation.

Process

- Problem identification

The first step of consumer decision making is identifying the problem or the requirement of the consumer. The marketer needs to trigger the need of the consumers to know the stimuli which helps to create interest in the product or service.

- Search for information

Consumer begins to gather information related to the product, price, features, alternative brands, quality, reviews from other customers. This stage is critical in making purchase decision process.

- Evaluate alternatives

Consumer evaluates the alternatives and chooses the best among the various alternatives that are available in the market based on past experiences as well as opinions of friends, family and social groups.

- Making purchase decision

The product which is most reliable, beneficial, economical is usually preferred. Brand name, vendor, timings, payment methods, modes of delivery, quality, cost, are also considered by the consumers while purchasing a product or service.

- Post-purchase behaviour

After consumer uses the product, its performance is evaluated and feedback about the product is shared by the consumer. The marketer can gather information from the customers.

SOCIAL MEDIA

Meaning of Social Media

Social media integrates online platforms and applications which facilitates users to communicate, share content, create communities among the users and provides global outreach.

Social Media Marketing

Social Media marketing is a method of internet marketing which uses social media apps as marketing tools. Marketing through social media enables to build a brand image, increase sales, build community of followers to share the content, collect feedback from the customers.

Steps for Creating of a social media marketing strategy

- Identifying social media goals that align to the business goals
- Researching and defining the target audience
- Performing a competitive assessment
- Creating and curating relevant content for the channel
- Posting and responding on time
- Getting support from others in the organisation
- Measuring, optimising and selecting the best social marketing tool

Benefits of social media marketing

- Social media marketing enhances brand recognition among the consumers easily with the aid of various social media applications.
- It provides marketing of products and services in a cost-effective manner.
- It helps to increase the traffic on website by posting advertisements and providing links on various social media applications.

- It ensures that users of social media gain better insights about the brand and the products.

Limitations of social media marketing

- Social media marketing consumes a lot of time to evaluate the effectiveness of the campaigns.
- It requires qualified and skilled human resources to make marketing via social media successful.
- It creates unhealthy competition among the competitors.
- Negative reviews on the social media platforms leads to fall in brand reputation or image.

IMPACT OF SOCIAL MEDIA ON BUYING BEHAVIOUR OF CONSUMERS

Positive Impact

Social media can positively impact consumer behaviour by providing consumers take informed decisions and build brand image.

- Builds brand trust
Social media provides social proof to the consumers creating a positive impact on consumer behaviour with the help of positive reviews, testimonies, user-generated content from real customers. It also provides a positive impact about the brand image and trust, creating an intention to purchase the product or service.
- Provides information
Social media provides information about products and services from the consumers. It also aids the organisations with data and analytics tools for understanding consumer behaviour.
- Helps consumers identify with brands
Social media amplifies the popularity of trends, creates emphasis on social media viz., environmental sustainability, ethical labour practices, animal welfare and many more.

Negative Impact

Social media can have a negative impact on consumer buying behaviour as it encourages impulsive buying, creates feeling of inadequacy, influences consumers to spend more than they require.

- Encourages impulsive buying
Social media encourages impulsive buying among consumers i.e. buying without rational thinking which can cause stress, anxiety, debt and other negative situations.
- Creates feeling of inadequacy
Social media can create a feeling of discontentment or inadequacy to purchase products which others have. This leads to overspending on things which are not necessary.
- Pressure to follow trends
Social media may cause pressure on consumers to follow social trends for projecting the status in the society which can cause overspending than what was necessary.

Suggestions on ways to overcome negative impact

Rational buying may help a consumer overcome the negative impact of social media on buying behaviour of consumer. Consumer needs to understand whether the product or service is a necessity or a want. The benefits that the product or service provides is worth the cost which will be spent on the product. The quality and the reliability of the product can be analysed before purchasing.

CONCLUSION

Social media has both positive as well as negative impact on the buying behaviour of the consumer. Social media is useful not only to the consumers but also for the marketers to cater the customers requirements as it helps in identifying their needs and understanding their buying behaviour. Consumer must be cautious of the cons of social media and make rational buying decision.

REVIEW OF LITERATURE

Mredu Goyal (2018) conducted a study on “Review of Literature on Social Media Behaviour of Consumers”. The purpose of the article was to study the different social media marketing strategies. This study concludes that there were both positive and negative impact with the help of various national and international research papers, researches as well as articles.

Rabab Murtaza (2021) researched on “Impact of Social Media on Consumer Buying Behaviour” The purpose of the study is to identify the different aspects of social media and its impact on consumer buying behaviour. The study concludes that social media was cost effective, reaches wider audience and attractive option.

Duangruthai Voramontri and Leslie Klieb (2019) organised a research on “Impact of Social Media on Consumer Buying Behaviour” The objective of the study was to research empirically on the role of social media in consumers decision making process for complex purchase. The research proved that the consumer satisfaction was high and there was positive impact on consumer buying behaviour.

Chowdhury. S, Faruque, M., Sharmin, S., Talukder, T., Mahmud, M., Dastagir, G. and Akter, S. (2024) conducted a study on “The Impact of Social Media Marketing on Consumer Behaviour: A Study of the Fashion Retail Industry.” The research highlighted the nature of consumer decision making in relation to involvement on social media platforms and their impact of influential individuals.

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