EFFECTS OF SOCIAL MEDIA ON CONSUMER BUYING BEHAVIOUR - A STUDY OF WARANGAL

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Abstract

Social Media is one of the best medium of connecting with the prospective consumers to the organisations. It is the medium to socialize. These new media win the trust of consumers by connecting with them to the marketers at a deeper level. Marketers are taking note of many different social media opportunities and beginning to implement new social initiatives at a higher rate than ever before. Even global companies have recognized social media marketing as a potential marketing platform, utilized them with innovations to power their advertising campaign with social media marketing. This paper discusses about the concepts of social media and social media marketing and other aspects like the growth and benefits, role and relevance of social media in marketing, social media marketing strategies. It also presents an overview on social media marketing in India.

Key Words: Social Media, Social Media Marketing, Growth and Benefits of Social Media, Social Media Marketing Strategy, Social Media Marketing in India.

Introduction

Social media is relatively new type of media for many consumers. Its impact on consumer behaviour is growing day by day significantly. This media is very useful for educated people of all the corner of the world. Today, internet has become the most powerful tool for the consumers to follow the process of purchasing the goods and services. Not only that, consumers can also have the great opportunity to bargain and can fix their own prices through this media. It is slowly transforming into the form of new media because many people are relying on online sources of news instead of traditional print and broadcast media. The Internet has added significantly to media's ability to influence consumers. There are thousands of websites from both commercial and private sources hawking everything for sale under the sun. Nowadays social media becomes part of a person's life. It has a numeral number of users and keeps growing everyday. It is estimated that over 500 million people are interacting with social media. The number of social media users growing has attracted marketers.

Role of Social Media in Marketing

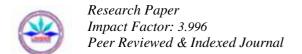
Social media is now increasingly becoming an ingrained aspect of political campaigns, national defense strategies, public policy, public relations, brand management and even intra company communication. Since the major task of marketing as tool used to inform consumers about the company's products, who they are and what they offer, social marketing plays an important role in marketing.

- 1. Social media can be used to provide an identity about the companies and the products or services that they offer.
- 2. Social media helps in creating relationships with people who might not otherwise know about the products or service or what the companies represent.
- 3. Social media makes companies "real" to consumers. If they want people to follow them they need not just talk about the latest product news, but share their personality with them.
- 4. Social media can be used to associate themselves with their peers that may be serving the same target market.
- 5. Social media can be used to communicate and provide the interaction that consumers look for.

Effects of Social Media on Consumer Buying Behaviour

Social media is comparatively new in the society but its effects on consumer behaviour are very significant. Educated consumers with computer and internet knowledge can avail all the benefits through this media. Internet is the common source of getting information for many people. It is useful in identifying different needs and wants of an individual. It is also useful at the time of searching the information and finding the alternative options available of products and services. It is the most powerful tool for the consumers in all the pre purchase behavioural stage. Marketers, now a days advertising more about their product and services by using this media. With blogs, real simple syndication, mobile media and social networking sites, consumers can recognize the basic needs and wants. After recognition they can search the information online without going anywhere. After searching thoroughly the consumers can go to the next stage.

Social media is playing key role in the buying stage of consumer behaviour. Consumers in today's generation are more often using this media to purchase the product and services through online instead going to retail outlets. This media brings the products and services directly to home without moving a step outside for shopping to the consumers. Consumers not only have the opportunity to evaluate the different products and schemes through online but also have the facility to access the purchase through it. It is now became the popular trend of purchasing the products and services online. Some of the



social media's like real blogs, simple syndication and mobile media are useful at the time of evaluating the products and services. Even few social networking media are also very useful in terms of sharing the information with one another at the time of evaluating the product and services.

In the post purchase stage, social media has edge over the other types of media. It gives the opportunity to directly interact with the manufacturer regarding the satisfaction or dissatisfaction of the product. Generally, it is felt that consumers after using the product may give their responses towards the degree of satisfaction they have over the product. This brings the interaction between the consumers and the manufacturer of the product. Thus, modern media is playing key role in this stage of consumer behaviour. Consumers can give their feedback, complaints or can show their dissonance through this media. This media creates the direct link between the consumers and the manufacturers which is not possible in other types of media.

Social Media Marketing in India - An Overview

India has 71 million active internet users. Social Media is really picking up new heights in India. According to the 2010 Regus Global Survey of business social networking, India tops the usage of social networking by business – it has the highest activity index, 127, far more than the US'97, and 52% of the Indian respondent companies said that they had acquired new customers using social networks while 35% American companies managed that. Many companies are coming big way for Social Media Optimization for their Product or Services nowadays. During Election 2009 Social Media was used for Influence Indian Voters. Social Media Marketing in India is being undertaken by brands like Tata Docomo, MTV India, Channel V, Clear Trip, Tata Photon, Axe deodorants, Microsoft, Naukri, Shaadi and many more. Besides, numerous Indian celebrities are also using Social media platform to promote their movies, music and events via Twitter, Facebook and personalized blogs. Social Media Marketing is also boosting public relations business. Several PR agencies in India are undertaking brand building exercises for corporate organizations, brands and celebrities. However, to the delight of many among us, the biggest gainers from social media till date have been the organizations from the Not-for-Profit sector. Several Campaigns like 'Bell Bajao' and 'Jaago Re' have been quite successful on Social Networking Sites. These campaigns have been spreading the word about their cause through blogs, Twitter and Facebook.

Review of Literature

An attempt is made to collect the information from the previous researches and relevant studies conducted in the area of effects of social media and consumer buying behaviour. The review of literature has been presented in a summarized and precise manner. Social media is engaging with consumers online. According to Wikipedia, social media is internet-based tools for sharing and discussing information among human beings. Social media is all about networking and networking in a way that espouses trust among parties and communities involved. Any website which allows user to share their content, opinions, views and encourages interaction and community building can be classified as a social media. Some popular social media sites are: Facebook, Youtube, Twitter, Digg, MySpace, Stumble Upon, Delicious, Scribd, Flickr etc. Consumers buying behaviour has always been given so much importance and space in the literature study of impact of advertising regarding its effectiveness (Ajzen, 2002). Most of the time consumers buying behaviour is influenced by liking or disliking of consumer towards the advertisement of the product, advertised (Smith et al., 2002). Likewise, Allen Et al., (1992) argue that it is actually the emotional reaction which is developed after the advertising, for the product advertised, that influences the consumer behaviour. In the words of Gorn, 1982, the consumer behaviour towards a product is totally depending on advertising, without any assessment of the quality of the product. Furthermore, Controversies over the impact of advertising on the consumer's buying trends and habits has always been present (George, 1989). Kaplan and Haenlein (2010, 61) define social media as "a group of Internet based applications that build on the ideological and technological foundations of Web 2.0, and allow the creation and exchange of user generated content." Sinclaire and Vogus (2011, 294) cite O'Reilly's (2005) definition: "social media is a broad term that describes software tools that create user generated content that can be shared." However, there are some basic features necessary for a website to meet the requirements as a social network website: the site must contain user profiles, content, a method that permits users to connect with each other and post comments on each other's pages, and join virtual groups based on common interests such as fashion or politics.

Rambabu Lavuri (2015) tells us that consumer buying behaviour changed due to income level and other factors like age, economic and social statures but consumers have awareness towards Fast Moving Consumer Goods (FMCG) products through daily advertisements. Success of business depends on the effective media communication. Media advertising has served a critical purpose in the business of FMCG by enabling seller to effective compute with one another for the attention of customer. Lavanya Rajendran and Preethi Thesinghraja (2014) conducted the survey. Based on the survey they summarize the findings. The young and middle-aged population prefers to get information from online sources, whilst newspapers and other legacy print media are popular amongst the older population. Ease-of-access to information, interactive nature of social

media and on-demand availability of news are the primary reasons cited by the former group of population to favor the new media. Shantanu Prasad (2014) says that the impact of social media on customer purchase decision is very high. Because of technology advancement, social media enables access to authentic information at opportune time even when the customers are at home and hence they can do comparisons and have better control from anywhere in the world.

Objectives of the Study

The main purpose of the study is to know the effects of social media on consumer buying behaviour. Some of the other objectives are as follows.

- 1. To study the awareness and perception of social media in the society.
- 2. To know the views of the consumers on operating social networking sites.
- 3. To assess the behaviour of consumers regarding the use of social media networks.

Research Methodology

Achieving accuracy in any research requires in depth study regarding the subject. As the prime objective of the researcher is to find the possible result from the available problems, the research should have accuracy in terms of data collection. The research methodology adopted was basically based on primary data via which the most recent and accurate piece of first hand information that could be collected from all possible source. Secondary data was used to support primary data wherever needed. To collect the primary data we have prepared the structured questionnaire. This questionnaire is served to 100 respondents of Warangal district. However, the secondary data is collected from official records and other published sources. The collected data is edited, classified, tabulated, analyzed and interpreted. Finally conclusion is drawn based on the study and suggestions are offered.

Limitations of the Study

- 1. The survey is conducted in Warangal district only.
- 2. While selecting the respondents there is a possibility of committing an error. This error is a sampling error. It may influence the interpretation and conclusions.
- 3. Since the sample size is 100, the data may not be present the accurate results.

Data Analysis and Interpretation

Table 1: Awareness and Perception about Social Media

S. No	Option	No. of Respondents	Percentage (%)
1	Yes	82	82
2	No	18	18
,	Total	100	100

Source: Primary Data

Interpretation

The above table depicts that 82 per cent of the respondents have awareness and perception of social media, while only 18 per cent of the respondents do not have awareness regarding social media.

2: Using Social Media in Daily Life

S. No	Option	No. of Respondents	Percentage (%)
1	Yes	75	75
2	No	25	25
To	otal	100	100

Source: Primary Data

Interpretation

As per the analysis, 75 per cent of the respondents are using the social media in their daily life while the remaining 25 per cent of the respondents are not using it in their lives.

Table 3: Purpose of using Social Media

S. No	Option	No. of Respondents	Percentage (%)
1	A regular habit	36	36
2	To know about news	06	06
3	To have Education	10	10
4	For commercial purpose	23	23
5	Never used	25	25
	Total	100	100

Source: Primary Data

Interpretation

As per the analysis, 36 per cent of the respondents stated that they are using the media as a part of their activity of life. On regular basis they are consulting the media. Nearly one fourth of the respondents stated that their purpose of using the media is for commercial. It is very important to note that nearly 10 per cent of the respondents preferred media to increase their level of education.

Table 4: Usefulness of Social Media in Pre Purchase Buying Behaviour

S. No	Option	No. of Respondents	Percentage (%)
1	Yes	74	74%
2	No	26	26%
Т	otal .	100	100%

Source: Primary Data

Interpretation

As per the study, 74 per cent of the respondents said that social media is useful to them at the time of pre purchase buying behaviour. They stated that it provides total information of different products, searches the alternatives and evaluate the alternative product effectively during pre purchase analysis. However, 26 per cent of the respondents are unaware of this fact.

Table 5: Purchasing the Product by consulting Social Media

S. No	Option	No. of Respondents	Percentage (%)
1	Yes	65	65
2	No	35	35
	Total	100	100

Source: Primary Data

Interpretation

As per the analysis, 65 per cent of the respondents have gone through to purchase the product after consulting the social media and remaining 35 percent of respondents haven't purchased the product by consulting social media. It seems that the people who are not using social media on the regular basis are not consulting it while purchasing the product.

Table 6: Degree of Satisfaction after Purchasing the Product

S. No	Option	No. of Respondents	Percentage (%)
1	Highly satisfied	36	36%
2	Moderately satisfied	16	16%
3	Satisfied	10	10%
4	Dissatisfied	22	22%
5	Highly dissatisfied	16	16%
	Total	100	100%

Source: Primary Data

Interpretation

According to the analysis, overall 62 per cent of the respondents are satisfied with the product after purchasing it by consulting social media. However, 38 per cent of the respondents are not satisfied.

Table 7: Feedback Given through Social Media

S. No	Option	No. of Respondents	Percentage (%)
1	Yes	45	45%
2	No	55	55%
Total		100	100%

Source: Primary Data

Interpretation

As per the analysis, 45 per cent of the respondents have given the feedback to the manufacturers through social media networks and 55 per cent of the respondents not keen to give feedback through social media.

Table 8: Using Social Media to Communicate with Friends and Relatives

S. No	Option	No. of Respondents	Percentage (%)
1	Yes	52	52%
2	No	48	48%
	Total	100	100%

Source: Primary Data

Interpretation

As per the analysis, 52 per cent of the respondents are using social media to communicate with their friends and relatives. Further, they are promoting the satisfied product by communicating the positive features of the products with their friends and relatives. However, 48 per cent are not using it to promote the product features.

Conclusion

There is no escaping social media these days, either for individuals or for businesses. Today, it is impossible to separate social media from the online world. Social networking sites are useful for the consumers in the pre purchase behavioural stage. Consumers when shares the information with each other over social networking sites may discuss the features of the product which they want to purchase from the market. This information sharing creates the direct impact in the minds of consumers because of mutual trust between them. Social media is the main medium for both the consumers and marketers to purchase and sale the goods and services online. Consumers can directly purchase the products and services from the manufacturers by eliminating the middlemen. It has the facility for the consumers to make online payments or they can pay the cash even after the delivery of goods. Therefore, we can say that this media is supreme over the other types of media. It is relatively more powerful at the post purchase behavioural stage. Now days, many companies are creating their social networking pages to stay in touch with the consumers. It helps the companies in maintaining the customer relationships. Consumers through the social networking sites can give their feedback or complaints to the companies by sending the message to their pages. This helps both the consumers and manufacturers in future purchase transaction. Thus, we can conclude that from all the above types of media social networking media is more powerful for consumers in their behavioural stages.

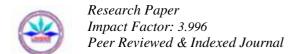
Recommendations

Keeping in view the problems identified in the study we offer following recommendations.

- 1. Any organisation is set up with the main objective of earning the profits. The profit maximization depends upon the sales maximization. In the context of sales maximization consumer behaviour is playing an important role. The behaviour is different from place to place and from time to time. In order to understand the consumer behaviour there is a need for the organisations to have environmental scanning. Such scanning will be useful for the growth of organisations.
- 2. As discussed in the study social media is a connecting line between organisation and consumers. Generally, the social media on the basis of its awareness will communicate about the changes in the society at all levels. In this regard we expect the true and confident role of social media for the growth of business and in turn the growth of country.
- 3. Now a day's social media became very popular among the youth at national and international level. It became a platform for the organisations to convey the commercial messages and thereby to increase the sales. In order to get the income we personally feel that the ad agencies and organisations have to stop the role which causes injury to the interest of youth in particular and other people in general.
- 4. The success of any system much depends upon the public participation. It is the duty of every citizen of the country to protect the integrity of the nation from all angles. We humbly appeal the youth to not to misuse the social media and did not spend much of their valuable time on social media. Such time spending may be injurious to their health and the society and nation.

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