

EXPLORING THE ROLE OF SOCIAL MEDIA IN SHAPING CONSUMER BUYING BEHAVIOR: A FACTOR ANALYSIS APPROACH

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ABSTRACT

Nowadays, social media has become an integral part of the individuals' life. It has also been researched that social media has influenced the buying choices of the customers. During the past few years, these social media's rise provided the marketing professionals with the chance to reach their customers faster. The companies' online campaign and promotion through social media are benefited persuasive features from various multimedia channels. Marketing mix has become an important aspect of the phenomenon of social media. Previous studies have indicated that social media enabled 25% of the consumers to post on their social media to provide information to others related to their purchase. Another study by Postill & Pink stated that social media had played an important role in making customers purchase decisions. The consumers use social media to gather full information; 49% of the people can make decisions for certain products, and 60% of consumers prefer to share information about the products with others online.

This study is primarily directed to identify the significant factors that explain social media's role in shaping respondents' shopping behaviour and their perceived significance level. This is an empirical investigation, and a sample of 200 online shoppers from NCR (Gurugram, Delhi, Noida) was taken. The study identified four factors named Source of updates, Influencer, Convenience, Experience sharing. All the identified social media roles like the source of updates, influencer, experience sharing, and convenience significantly influence consumer buying behaviour. Based on the mean value of the roles, social media's influencer role was the most contributing factor in shaping the buying behaviour, followed by convenience and source of updates. The experience sharing role was the least significant factor. This study may help online retailers and website developers use the social media platform to combat the competition effectively.

Keywords: Social Media, Buying Behaviour, Source of Updates, Influencer, Convenience, Experience Sharing.

INTRODUCTION

Nowadays, companies have used social media platforms to expand their business and a medium to reach their customers. Social media has provided various multimedia channels and is a tool used for communicating to broad public or customers, so the companies must learn and adapt how to use these social media in a way that is appropriate to their business plan. Social media facilitates customers to express and share their ideas, thoughts, and opinions with others.

In the latest trend, social media has likely to build strong relationships with retailers, channels of distribution, their ultimate consumers, etc. Many studies have focused on understanding customer behaviour related to social media, and the online shopping environment found social media's impact to be very high, which influences most of the buyers to recall the products or services. It helps the companies to determine the customers' needs and wants by their reviews and suggestions, which helps generate leads and increase traffic. Having a strong social media strategy helps in improving the development and growth of e-commerce business activities. The majority of the advertising campaigns are being carried through various social media platforms. It is an effective route for companies to draw active customers' attention in these social media. Many customers use social media to gain information, and often compare their choices, affecting their purchasing decision. The companies have identified this as an opportunity to promote their products and their brands in the customers' minds. This has also become a tool for mass communication and marketing (Postill & Pink, 2012).

The social media platform has been used by the brands to reduce the gap with their targeted customers. Social media has introduced social stages, for example, YouTube, Facebook, Twitter, WhatsApp, and Pinterest through which the companies promote their products to the customers. The social media has become a new and appealing path as the world has become a worldwide entity and complete inclusion of data dispersals shared through social media. In the present time, the number of social media users is increasing faster, for example, blogs, Facebook and YouTube, to share their opinions about products and the services they consume. This rise in the use of the internet and smartphones has led to electronic word of mouth (EWOM). The various social media platforms such as Facebook alone have 2.6 billion users, Twitter has 330 million users, and LinkedIn and Myspace have 90 million and 15 million users. The companies have made this new growth strategy to make a new mark in its upcoming social media activities. The company may utilize social media to acquire new customers, expressing that a company can change its image through online life accessible to its shoppers.

Social media is the technological platform to exchange ideas, create information, and virtually communicate all other communications. The users are engaged with these electronic services, through which they get to know about the things they are unaware of. It builds the customer's curiosity to know of the product or discover new information related to it: human perception and behavior changes when they find new innovative products in these social media platforms. Social media is playing an essential role in an individual's life. These platforms are now being used by businesses, governments, and individuals for Social Media Marketing to provide information to many people since it provides a medium to express and share one's views and ideas.

Impacts of Social Media on Customers

1. A platform where the customers can express their views and ideas and share their information through reviews to many people.
2. It provides a medium to communicate effectively with others.
3. Social media platforms are a time-saving and cost-effective method.
4. It is used as a branding tool.
5. Provides various choices to the users.

Social media is used as a tool for the company to promote their products online to their customers. Various platforms help in achieving the targets of the companies in providing brand awareness. From Facebook to LinkedIn, there are virtually many ways for the companies to

share information about the products and interact with the customers indirectly. Social media improves customer service by providing customers with the chance to share the views that seek immediate feedback. Social media provides a unique opportunity by providing the electronic word of mouth to a broad audience, supporting consumer-to-consumer communications, and promoting the company's brand awareness through a large-scale social network.

REVIEW OF LITERATURE

Jothi & Gaffoor (2017), in their study *Impact of social media in online shopping*: found that consumers purchased more when they got interested in the media due to more information. They also come up with the point that the people belonging to 18-32 are the majority purchaser. The preference given by the customers to purchase the products are quality, the security of credit/debit cards, and a variety of products, and so on. Consumers spend around 3 hours on social media, and the main aim is social networking and gathering information. The customers depend on various alternatives; they combine the information and evaluate before making any final selection.

Sema (2013) *Does Social Media Affect Consumer Decision Making?* found People use social media to purchase, but they also use that to share their reviews, decisions, suggestions, information, advice, etc. Social media is also used as a tool for future purchases. Moreover, the companies use these social media as their advertisement medium to connect to the people. Posting the information by the people on social media helps the other people get more about the products, and the social media platform like Facebook, Twitter, or Myspace are the popular platforms through which the customers share their lifestyles, experience, stories, etc.

Al-Dhuhli & Ismael (2013) *The Impact of social media on consumer buying behavior*. Through social media, the customers and the e-retailers have two-way communications with each other. The majority of the customers use social media as a tool for purchase, and it had helped the customers to get information about the brands.

Hajli (2014) *A study of the impact of social media on consumers: The study lightens the opportunity provided to the consumers to interact through the social media*. Consumers use social media, such as various platforms, to generate the required content and to share with the other customers. The study of social media can also identify the advantages to be gained by the business. This focuses on the customer's building relationship with social media, which directs them to purchase the products.

Chivandi et al. (2019) *Social Media, Consumer Behavior, and Service Marketing: The study examined the impact of social media platforms and brand awareness concerning consumer decision-making and buying behavior patterns influenced by social media*. It also shows how the company reaches out to the public through this means. To some extent, social media has influenced both the company and the consumers. Social media platforms like Facebook, Youtube, Twitter, etc. have helped the companies promote their products and increase brand awareness. The customers expressed their views on the existing brands and the new products through it; their feedback helped the companies improve their products. It was concluded that the person's buying behavior is influenced by social media and friends, family, and acquaintances and goes through all the stages.

Pütter (2017) *The Impact of Social Media on Consumer Buying Intention*, found that social media's excess use has established consumers' indirect relationship with companies. The companies with social media have adopted various methods to increase their brand loyalty and encourage them to buy. The strategies are used by the companies to build their brand perception

and brand awareness to the customers.

Voramontri & Klieb (2019), *Impact of Social Media on Consumer Behaviour* resulted that Social media are the critical tool for the customers to search, which helps to purchase the products, especially for complex buying behavior. Most consumers prefer online purchases due to low cost, less time, easy access, and information availability. Consumers mostly access social media for the purchase due to their convenience and to get more information. The quality of online reviews also controls the purchase intentions, brand awareness all lead to a positive impact.

Mukhaini et al. (2014), *The Impact of Social Media on Consumer Buying Behaviour*, through the study, found out that the social media like Instagram are mainly used for the purchase of products related to fashion. The factors influencing the customers to prefer social media for that particular area's buying motive are the informational and design factors.

Paquette (2013), *Social Media as a Marketing Tool: A Literature Review*: The study aims to increase brand awareness while interacting with consumers through this social media. Like Facebook, a social platform is a better platform as it provides and stores information and helps other customers form on it. The feedback provided by the customers helps the retailers to adopt new strategies, promotion of the product with new designs, etc. Based on this study, it can also be clarified that knowing which social media sites a company can target the market to succeed. A social media platform is used by the companies to build their brand image and also helps them to increase their target markets.

Lee (2013), *Impact of Social Media on Consumer Behavior* highlighted that social media had changed both the consumers and the businesses. All the social media platforms have provided a two-way communication flow that supports the socialization of information. Social media has made a clear image through which the consumers get high-level content of the products. The consumers can access social media to get relevant information about the products, and it also helps them save time.

Khan & Jan (2015) *Social Media and Social Media Marketing: A Literature Review*: in this study, the researchers have identified that social media marketing is the process of seven functional blocks, i.e. (identity, conversation, sharing, presence, relationship, reputation, and groups) which are used for promotion of a brand, organization, political party, a personality, an idea or an even.

OBJECTIVES OF THE STUDY

1. To identify the roles of social media in shaping buying behavior.
2. To study the perceived importance level of identified roles of social media.

RESEARCH METHODOLOGY

Research Design

The present study followed exploratory cum descriptive research design. Exploratory research design has helped identify the factors that show social media platforms' role in shaping consumer buying behavior, and descriptive design has helped to get a more in-depth knowledge of the concept.

Sample Design

For this study, a sample of 200 online shoppers using the purposive sample design was used as only those respondents were taken who were engaged in online shopping and advocated using social media platforms for shopping. Out of 200 questionnaires, 132 questionnaires were filled in all aspects and were used for further research. This made the correct data response to be 78%.

Data Collection

The study used both primary and secondary data. A questionnaire technique was used to collect primary data that was divided into two parts. The first part was to collect the respondents' demographic information, while the second part collected the response on the statement related to using social media platforms for buying activities based on 5 points Likert scale. Books, journals, articles, newspapers, and websites were used to gather secondary data.

Statistical tools used for the Study

Exploratory Factor analysis, one-sample t-test, and descriptive statistics have been used for analyzing the data.

DATA ANALYSIS AND INTERPRETATION

The application of the Exploratory Factor Analysis technique depends on sample adequacy, so Kaiser- Meyer-Olkin's measure of sample adequacy and Bartlett's test of sphericity was performed.

Table 1		
KMO AND BARTLETT'S TEST		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.672
Bartlett's Test of Sphericity	Approx. Chi-Square	430.039
	df	78
	Sig.	0.000

Source: Primary data

Table 1 shows the KMO value .672 states that data size is adequate for applying factor analysis (Kaiser, 1974). Significance value (P=0.000) under the Bartlett test of sphericity proved that data do not produce any identity matrix.

Table 2				
ROTATED COMPONENT MATRIXA				
	Component			
	1	2	3	4
S1				0.732
S2				0.684
S3	0.831			
S4	0.865			
S5			0.691	
S6	0.748			
S7			0.830	

S8			0.900	
S9				0.719
S10		0.706		
S11		0.746		
S12		0.664		
S13		0.659		
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 5 iterations				

Source: Primary data

Table 2 represents the Rotated component matrix, also called the Rotated Factor matrix in factor analysis. Varimax method has been used for rotation. Factor loading above 0.5 was considered appropriate for factor analysis. It depicts that S3, S4, and S6 comes under the first factor. Statement 10-13 comes under factor 2. Factor 3 includes S5, S7, and S8. The fourth factor includes S1, S2, and S9.

A new table is drawn based on the rotated component matrix that shows the factors' nomenclature with their items and loadings. The value of Cronbach's alpha is also shown in the table for measuring each factor's reliability.

Construct	Items related to social media shaping consumer behavior	Loadings	% of variance explained	Cumulative % variance	Cronbach's alpha
F1	Source of updates		16.971	16.971	0.772
SU1	Social media helps me to be aware of the newly launched products to shape my buying behaviour	0.831			
SU2	I enjoy updating my reviews over social media that may shape other's buying behavior	0.865			
SU3	I can get the information on the latest fashion through social media that shape my buying behavior	0.748			
F2	Influencer		16.320	33.291	0.674
I1	Reference links sent by my relatives over social media platforms motivates me to shop and shape my buying behaviour	0.706			
I2	I feel communication with the shopping community is easy through social media and this influence everyone's' behaviour	0.746			
I3	Social media helps me in finding a group of people of my taste who may shape my buying behavior	0.664			
I4	I can get good product information on social media to shape my buying behaviour	0.659			
F3	Convenience		15.766	49.057	0.667
C1	Social media makes me feel like I am in my universe of buying	0.691			
C2	I purchase through social media because I do not need to go to a shop affects my buying behaviour	0.830			
C3	Social media shopping allows me to save time and shape my buying behavior	0.900			
F4	Experience sharing		12.631	61.688	0.767
ES1	Through social media, I get update what my friends and relatives are experiencing in their purchases which have great control of shaping my buying behaviour	0.719			
ES2	Social media helps me to express my experience with the product which shape my buying behaviour	0.732			
	The information posted by the user of the product helps				

ES3	me to gather knowledge of the product and act as an influencer in buying decision.	0.684			
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Source: Primary data

As per the Table 3, Factor 1 is labeled as a source of updates that assesses the respondents' perception of social media's usefulness in shaping their behavior. The second factor is named influencer that shows the respondents' perception of social media influencing their buying behavior. The third factor, termed convenience, includes the variables related to the convenience of social media. Factor 4 is labeled as experience sharing that includes the variables related to social media's opportunity for posting the shopping experience. Cronbach alpha computed for each factor, and the value for each factor was above 0.6. Thus, all factors were considered reliable for further study.

To analyze the significance of social media's various roles in shaping the buying behavior, one-sample t-test and descriptive statistics (mean and standard deviation) have been used.

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Source of updates	47.475	131	0.000	3.56566	3.4171	3.7142
Influencer	92.073	131	0.000	4.10606	4.0178	4.1943
Convenience	40.329	131	0.000	2.78030	2.6439	2.9167
Experience sharing	77.383	131	0.000	3.90657	3.8067	4.0064

Source: Primary data

Table 4 shows the results of the one-sample t-test. The observed t statistic for each factor is represented by the "t" column in table. "df" column represents the degree of freedom. Based on a one-sample t-test, it was found that all the identified roles of social media like the source of updates, influencer, experience sharing, and convenience, significantly influence consumer buying behavior.

	N	Mean	Std. Deviation	Std. Error Mean
Source of updates	132	3.5657	0.86290	0.07511
Influencer	132	4.1061	0.51237	0.04460
Convenience	132	2.7803	0.79206	0.06894
Experience sharing	132	3.9066	0.58001	0.05048

Source: Primary data

Table 5 represents the mean values, and standard deviation of social media's various roles in shaping consumer buying behaviour was significant. The mean value depicts the level of significance, and the standard deviation represents the variations of responses. The influencer role of social media was found the most contributing factor in shaping the buying behaviour with a mean value (\bar{x}) 4.1061 followed by convenience (\bar{x} = 3.9066), source of updates (\bar{x} = 3.8264).

The experience sharing role was the least significant factor with a mean value ($\bar{x} = 2.7803$). Table 5 also shows that the source of updates role has the highest variations in the responses shown by the highest value of standard deviation, i.e., 0.86290 followed by convenience (0.79206), and experience sharing (0.58001). The influencer role shows the highest consistency in the responses with a standard deviation value of 0.51237.

CONCLUSION

To conclude, four social media roles, namely, source of updates, influencers, experience sharing, and convenience that shapes consumer buying behaviour, were explored. All the identified social media roles like the source of updates, influencer, experience sharing, and convenience significantly influence consumer buying behaviour. Based on the mean value of the roles, social media's influencer role was the most contributing factor in shaping the buying behaviour, followed by convenience and source of updates. The experience sharing role was the least significant factor.

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