

Impact Of Social Media On Consumer Behaviour

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Abstract: Social media as a branch of internet has been a part of the day-to-day life in the world today, and within this context, a new form of communication as emerged in the recent years: social networks sites. It is presently the most significant and efficient means of connecting with the consumers used by the firms, and within the consumers themselves. This study shows the channels at which consumers considers before and after they make purchases. Facebook e-commerce as also been of great contribution to the consumer buying behaviour. As a result, marketers as explored the flexibility of the network channels to interact and influence the consumers through social media tools.

Keyword: Internet, Web

I. INTRODUCTION

Social media has been extensively used in recent years since its invention in the 1990s. It has been used for different business purposes to promote new products or services and to stay connected with the customers. The direct connection between communication and promotion has given a perfect opportunity for businesses to use social media to bridge this marketing field. Over the years, the marketing research industry has experienced difficulty in development in social media and social communication. With the adoption of social media usage as a means of marketing, it has had a positive effect on consumer behaviour. Social media has also given opportunities to the consumer enabling them to consult each other – consumer relationship, which puts the consumer in a better position to know all that is needed about their interest. Social media has also changed marketing by empowering the consumer in the way they share, evaluate and choose of information. The commonly used social media are online forum, blogs and social networks platform. Hence consumer is stronger in decision making and companies also realize that the marketing are technologically driven and it can be used as a two-way communication channel between the consumer and producer. This research will outline the changes in consumer behaviour pattern and also suggest how retailers can integrate social media in their business to improve service delivery.

II. CUSTOMER ENGAGEMENT, MARKETING CONCEPT, RELATION MARKETING CONCEPTS AND MARKET ORIENTATION

According to (Alsubagh, 2015), marketing concept has also always focused the attention on consumer needs and identifying activities which are necessary to meet these needs. While, consumer engagement studies focus on the consumers' need in order to interact with them. These concepts are both consumer-centric perspectives that give priority to the consumer. Producer can only meet the needs of the consumers, by identifying the added value required and the know-how, if they engage with their customers. Consumer one-time purchase or multiple purchase does not mean engagement with the buyer. It might mean that the consumer is satisfied with the good or services but satisfaction does not always mean customer engagement (Sashi, 2012). Consumer engagement is the process that the consumer becomes the advocate of the brand by recommending other to the product via social media, blogs and social networking sites and even word-of-mouth. The give information to the seller to attain their satisfaction and this helps the producer improve product development process. Social media platforms are also created by the organization to stay in touch with existing and potential consumer, during and after their transaction periods with promotions, and arrival of new products. The picture below (Picture 1) shows a print screen of Jeep Corp. Facebook page, where photos of the new

products are posted regularly and followers comment, like and also share.



Picture 1: Jeep Facebook page: Interaction between the producers and consumer

Relationships concepts are defined around trust, integrity, commitment and value creation. Producing firms needs to understand their consumer needs, and respond to them to develop relationship with engagement via social media. ‘Satisfying consumers by providing superior value than competitors to build trust and commitment in long term relationships’ (Sashi, 2012, p.260). With the integration of social media into business process, marketing strategies have now become customizable and cheaper to the targeted consumers.

Social network is a representation of the market orientation era in the marketing concept introduced by (Kotler, 2012). Interactive nature of social media has also created a two-way communication stream between the consumers and sellers which give opportunity for value creation and co-creation. Thus, leading to companies producing exactly what the consumer wants, and satisfying their needs.

III. CONSUMER BUYING DECISION PROCESS: FIVE STAGES MODEL

Over the years marketing scholars have developed a “stage model” of the consumer decision process (shown below).

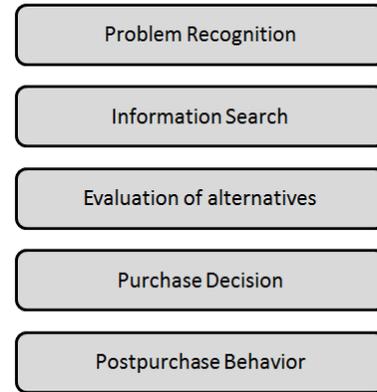


Figure 1: The five stage model in consumer behaviour by Kotler (2012)

All typical consumers pass through these five stages before purchases are completed: problem recognition, information search, evaluation of alternatives, purchase decision, and post purchase behaviour. This stages might be skipped or reversed depending on each consumer purchasing decision making process. Also, these steps may change between first time buyers and regular or loyal buyers. With the help of social media as an online-environment, the duration of each stage could be significantly faster.

IV. PROBLEM RECOGNITION

Consumer purchasing process starts immediately the need (hunger, thirst etc.) which is the problem is triggered internally or externally (for instance peer pressure). Consumer’s buying behaviour can be influenced by social, cultural, and personal factors. According to (Kotler, 2012), social class, culture and subculture are the main contributing factor of the consumer purchasing behaviour. Exposure to values such as material comfort, progress, success and achievement, freedom, family, social roles and status affects the human buying behaviours (Usunier, 2009). Reference groups can also have direct (face-to-face) or indirect influence on the consumer behaviour. In extension of this groups some are considered primary, thereby interacting continuously and indirectly, such as friends and family, co-workers and neighbours, which influences the consumer behaviour largely in the decision making process.

The secondary groups, such as professional, religious, trade union groups, influences consumer behaviour formally and it will require less continuous interaction. The two reference groups influence the consumer attitudes and self-concept, thereby creating pressures for satisfaction that may further affect brand and product choices (Lee, 2009). People buying decisions can also be influences by groups they do not belong, such as aspirational groups which is joined by the consumer wish. Marketers uses research to create which social media channel is best to attract new consumers and also to keep satisfying the old ones.

V. INFORMATION SEARCH

Seeking information via the social network has been on the rise as consumers are turning to using social media

channels for information sourcing phase in the purchasing decision making process. Social media influencers use this channels which is very significant on consumer behaviour without having any direct interaction or contact with the consumer visiting online (Nielsen, 2012)

Which is the preferred source for product and service information?

% Social Media Users

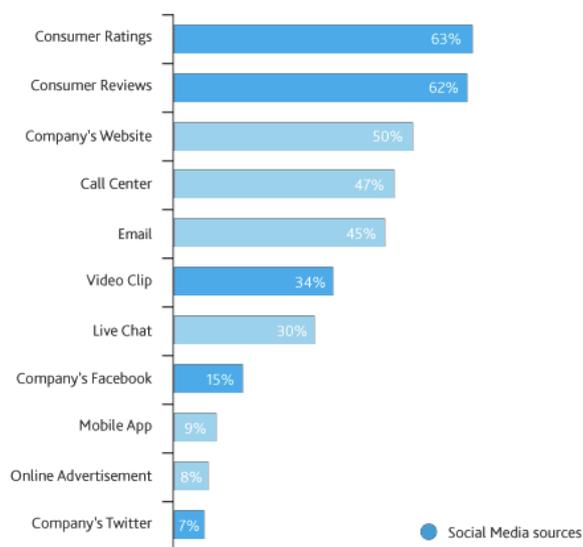


Figure 2: Preferred product and service sources by Nielsen (2012)

Marketers tries to contact the leaders of the strong influencer group and uses them to influence their audiences. Opinion leaders are also key in the information sharing process, which could be informally advising consumers about a particular product or service. Due to the social activeness of opinion leader, they have deep incite in the area of reference.

Furthermore, the industry has noticed the importance of social networking and by this as embraced innovation technologies to research and access consumer information which was not possible in the past (Nielsen (2012)). Social media has allowed companies to collect information about consumer easily, gather deep insights and encourage co-creation. According to (Nielsen, 2012), which shows that consumer invest lots of time on social media in search of useful and relevant information about products and services they are planning to buy.

VI. EVALUATION OF ALTERNATIVES

Market-generated content (MGC) are created by marketers on behave of the firm to generate social media about their consumer's reaction, interests, satisfaction and to engage them actively. Research has shown that engagement in social media brand communities as resulted in a positive increase in the consumer purchases. Furthermore, user-generated content (UGC) and market-generated content (MGC) via social media platforms effectively affects consumer behaviour through persuasion and embedded information (Goh et al., 2012). The engagement of the marketers and consumers through social media, consumer purchasing behaviour decision has been mostly influenced by

UGC and MGC. According to Dellarocas (2003) research, there is an increase in digitalized word-of-mouth (WOM) interaction with the marketers in co-creation via the social media platform to involve consumers and create WOM interaction by information sharing which directly increase sale output (Kozinets, 2002). Consumers are always delighted in sharing product experience concerning products and services among the brand community social media platform, and this could be satisfaction or dissatisfaction and also recommendations (Algesheimer et al., 2005). User-generated content (UGC) has higher persuasive effect on consumers unlike market-generated content (MGC). This is supported by (Escalas, 2007) which was of the view that, consumers have developed a tendency to not believe or be sceptical toward the marketing messages. Moreover, consumers are always of the believe that marketers would use their skills and trainings to convince them to buy a particular product or service without telling the whole truth. Hence, consumer is liable to trust UGC in evaluating products as they all have similar behaviour towards particular product or brand (Trusov et al. (2009); Gilly et al., (1998); Arazy et al., (2010)). However, in the case by which the marketer consistently engages with the consumers using unsolicited means of communication methods this will generate dissemination of negative WOM (Obermiller and Spangenberg, (1998); Smithee, (2011)).

VII. PURCHASING DECISION

Purchases of products and services through the use of internet as always been seen and considered to the risky because, there is no personal contact. This channel does not allow the consumer to evaluate products physically, in some case this leads to lack of transactional security and, but even physically evaluated product and contact could also lead to the same result too. Nevertheless, online transaction as evolved over the years and it is considered to be one of the fastest growing means of purchases. The fundamental issues of trust have been on the increase via social media platforms such as YouTube, Twitter, Facebook and blogs as they serve as the feeling of social presence (Karimov and Brengman, 2011) in sharing post product and service experiences needed to encourage new buyers via the comment section. Furthermore, consumer uses social media as a means of communication tool to decide what product and services that is best for them to buy. The company's technological advancement in integrating social media into their marketing strategy and introduction of applications (app) which allows users to conduct a more secure transaction within the social media platforms. This allow brands to reach more sales, which is the main purpose (make more profit as sales grows). Consumers purchases options is much better, because they can easily buy via social media app and with one click you are redirected to the brand website, example is shown in the picture 2 below.



Picture 2: E-commerce Flowers App. On Facebook

VIII. POST PURCHASE BEHAVIOR

Immediately purchase is made and the consumer can experience satisfaction or dissatisfaction because, they might have read only the positive comments about the brands which now may change the perception and expectation in the case of dissatisfaction and recommendation in satisfaction. Hence, marketers work is not completed after the transactional process, they have to reinforce consumer's choices to make them feel good and satisfied, and this is done through and Integrated Marketing Communications strategy.

Consumers satisfaction must be monitored after the transaction process and social media serves as a prefer platform for feedback in comment (which could be either positive or negative), or via integrated analytic software which provides analytic and statistics of the consumer behaviour. The social media analytics marketer's monitors post purchase behaviours of the consumers. Satisfied consumers are likely to purchase again and share positive comment of the brand on the social media platforms, and unsatisfied consumer could also do the same negatively.

Commenting are usually anonymous (nickname) or real names. The anonymity of the consumer on social media gives them more power to discourage potential brand consumers. Cases of social media hacking, creating fake corporate social network communities has been on the increase and thereby decreasing the brand reputation, trust and profitability. Negative comments and complains goes viral faster and has huge impact on the positive once and this is why companies react to them swiftly by either processing a return and refund. Deleting the comments, feedbacks or tweet is wrong action for the brand because, consumers should be treated equally with respect. Nevertheless, if the post-purchase period is managed properly via social media platform tools, it could build up a long time brand consumer loyalty.

IX. CONCLUSION

The impact of social media on consumer behaviour cannot be overlooked by businesses as it increasingly engenders the consumers' buying decision. While there appears a paucity of literature on the impact of social media on the consumer's buying decision process, it is noteworthy that

organisations should explore social media to showcase their products and services, as well as, deepening their brand equity. This exploration of social media to connect with the consumers will deepen consumer loyalty, improves their perception and in turn, offers avenue to learn about consumer's behaviour. Consequently, consumer will benefit from this social media's interaction as they will develop value before and post purchase of products or services. Hence, consumers will not only be satisfied but also loyal and develop an experience relationship with the brand and its community.

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