

THE EFFECT OF SOCIAL MEDIA ON BUYING CHOICE

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ABSTRACT

Social media have recently represent a new way for consumer behavior by developing a range of user generated content platforms and social interactive tools and created the term of social media (Kaplan and Heinlein, 2010). As the usage of the social media has become more popular, these tools are perceived as a source by consumers to search information about the products during their buying decision process. The aim of this research is to explore how social interactive tools have an influence on buying decision process and how others' product-related opinions collected from social and digital environment are influential on buying decisions.

A case study was designed in this research to study buying decision process of three FMCG Product at different prices. The interviews were made with a buyer and also related people with whom the buyer contacted in his buying processes. Furthermore, social interactive tools which the buyer used to collect information about the products were displayed as a secondary data. This research explored that social interactive tools are effectively used to collect information about products at different prices and other's product-related opinions are perceived as a trustworthy source in the buying decision process. It also suggested that social factors, especially family opinions have a strong influence on the buying decisions while buying an expensive product.

Key word – Fast moving consumer goods, Social media buying choice.

Introduction of social media

Social media are interactive technologies that allow the creation or sharing / exchange of information, ideas, career interests, and other forms of expression via virtual communities and networks. While challenges to the definition of *social media* arise due to the broad variety of stand-alone and built-in social-media services currently available, there are some common features:[[]

1. Social media are interactive Web 2.0 Internet-based applications.
2. User-generated content - such as text posts or comments, digital photos or videos, and data generated through all online interactions—is the lifeblood of social media.
3. Users create service-specific profiles for the website or app that are designed and maintained by the social-media organization.
4. Social media helps the development of online social networks by connecting a user's profile with those of other individuals or groups.

Users usually access social media services via web based apps on desktops and laptops, or download services that offer social media functionality to their mobile devices (e.g., smart phones and tablets). As users engage with these electronic services, they create highly interactive platforms through which individuals, communities, and organizations can share, co-create, discuss, participate, and modify user-generated content or self - curated content posted online. Additionally, social media are used to document memories; learn about and explore things; advertise oneself; and form friendships along with the growth of ideas from the creation of blogs, podcasts, videos, and gaming sites.[[]This changing relationship between human and technology is the focus of the emerging field of technoself studies.

Some of the most popular social media websites, with over 100 million registered users, include Facebook (and its associated Facebook Messenger), TikTok, WeChat, Instagram, QZone, Weibo, Twitter, Tumblr, Baidu Tieba, and Linked In. Depending on interpretation, other popular platforms that are

sometimes referred to as social media services include: YouTube, QQ, Quora, Telegram, WhatsApp, LINE, Snapchat, Pinterest, Viber, Reddit, Discord, VK, Microsoft Teams, and more. Wikis are examples of collaborative content creation.

Many social media outlets differ from traditional media (e.g., print magazines and newspapers, and TV and radio broadcasting) in a variety of ways, including quality, reach, frequency, usability, immediacy, and permanence.^[10] Additionally, social media outlets operate in a *dialogic* transmission system, i.e., many sources to many receivers, while traditional media outlets operate under a *monologic* transmission model (i.e., one source to many receivers). For instance, a newspaper is delivered to many subscribers and a radio station broadcasts the same programs to an entire city.

Since the dramatic expansion of the Internet, digital media or digital rhetoric can be used to represent or identify a culture. Studying how the rhetoric that exists in the digital environment has become a crucial new process for many scholars.

Observers have noted a wide range of positive and negative impacts of social media use. Social media can help to improve an individual's sense of connectedness with real or online communities and can be an effective communication (or marketing) tool for corporations, entrepreneurs, non-profit organizations, advocacy groups, political parties, and governments. Observers have also seen that there has been a rise in social movements using social media as a tool for communicating and organizing in times of political unrest.

How social media influences consumer buying decisions

1. The shortened customer journey

The first thing that you notice when it comes to customers on social media is the shortened customer journey. It used to be that people found out about a product, saw an ad on TV multiple times, and next week they may have gone shopping and finally bought the product. Now, this process can take minutes.

According to the Deloitte report, 29% of social media users are more likely to make a purchase on the same day of using social media. That means that once they see a product, they simply click on the link and buy it: there's no need to wait before they go shopping. Moreover, the same report states that consumers who are influenced by social media are four times more likely to spend more on purchases.

The customer journey is not just shorter but it's also more complicated now. Social media has made product research more accessible to users. For example, if your customer sees a product on Instagram, they can immediately search the hashtag to look up other reviews and decide whether they should buy it or not. As a result, customers spend more time on research and check more sources for reviews.

62% of customers say they share bad customer experiences with other people. Thus it's extremely important to keep an eye on your online reputation and seek out reviews on social media. Remember that every review on social media is important — and that fits nicely with my next point.

2. The influence of social proof

Admittedly, social proof is not a new concept: man is a social animal, and we've been giving each other recommendations for centuries. The thing is, these recommendations and anti-recommendations can now be heard by hundreds of people.

Every time you tweet or post about this amazing cafe or the shampoo that did wonders to your hair, your social media followers see it and might be moved to try it as well. The same goes for negative opinions and rants. As per Forbes, 81% of consumers' purchasing choices are influenced by their friends' posts on social media.

Moreover, people proactively ask for recommendations on social media (and brands unfortunately often ignore them). According to this study by Awario, only 9% of brand conversations are answers to customer questions, however, depending on the industry, there can be more than 100 people asking for recommendations on social media in one month.

As I mentioned above, social proof mostly impacts your friends and the people you know. But more and more people on social media don't just follow their friends - they also follow influencers. That's where influencer marketing comes into play.

3. The power of influencers on consumer buying decisions

Influencers are the social media users that have a robust loyal audience that often shares the same interests. Their opinions are naturally seen by a bigger number of people, people that trust them.

According to a study by the Influencer Marketing Hub, almost 50% of Twitter users have made purchases as a direct result of a Tweet from an influence.

Micro-Influencers are especially effective in persuading their audience since they are usually experts in some niche and specific topic, which makes them a natural source of recommendations for this topic. If you're selling a niche product, finding social media influencers in your niche - Instagram bloggers, vloggers, TikTokers, or Facebook group admins - is a great way to reach your audience.

Gen Z and Millennials are more likely to be influenced, with 84% of millennials saying user-generated content from strangers has at least some influence on how they spend their money.

The influence of Stories on consumer buying decisions

Ephemeral content is a relatively recent trend but it's already winning over social media users and brands alike. Snap chat was the first to use Stories as a format, but it's Instagram that popularized it and now boasts more than 500 million daily active users.

The content shared via Instagram Stories is typically more raw and unfiltered, which allows brands to create a more genuine image. It enables companies to take people behind the scenes and show how they operate, their work culture, and the team behind the products. All this helps to foster an authentic connection to a brand.

So these are the features exclusive to social media that shape customer behavior today. But as you probably know, every social media platform is a little

different. Oftentimes, brands wonder which social media platform they should focus on.

Most popular social media platforms

1. Facebook

Facebook remains the biggest social media platform in the world (with almost 1.7 billion users), even though it had its fair share of scandals and controversies in recent years.

The sheer size of the network means that you'll be able to reach more people on there but be careful — Facebook is not as popular as it used to be. Edison Research's Infinite Dial study from early 2019 showed that 62% of India's 12–34 year-olds are Facebook users, down from 67% in 2018 and 79% in 2017. This decrease is particularly notable as 35–54 and 55+ age group usage has been constant or even increased.

Still, Facebook accounts for 50% of total social referrals and a further 64% of overall social revenue, shows Business Insider.

In 2015, Facebook was responsible for influencing more than half, 52% of consumers' online and offline purchases, shows DigitasLBi Commerce.

Lately, the company has been trying to fix its reputation by introducing more control over advertising and data management.

2. Instagram

Instagram is an amazing platform for brands since it gives you so many opportunities to show off your product: photos, videos, Stories, galleries, filters, and more. It now boasts more than one billion monthly active users.

What's great about the platform is that it's popular among all generations in all countries. 80% of Instagram users follow a business account. 73% of Indian teens say Instagram is the best way for brands to reach them with new products or promotions.

Moreover, the platform itself facilitates shopping by adding shopping tags and checkout options to the posts. 130 million Instagram accounts tap on a shopping post to learn more about products every month.

3. TikTok

Although TikTok is a relatively new platform, its rapid growth made it an important source of brand awareness for social media users, especially Gen Z.

TikTok now has 800 million active users worldwide, and 41 percent of these users are aged between 16 and 24. So, if you want to reach a younger audience, TikTok is the place to be.

TikTok's algorithm is also amazing for niche and specific products since it curates your feed based on your interests. It makes your job of finding new followers easier - the algorithm will push your content into the feeds of your potential audience. Moreover, TikTok recently launched new ways to advertise on the app, giving brands more opportunities to attract customers.

4. Twitter

According to Hubspot, Twitter is a source of product discoveries for many people. Because of its quick nature and ability to connect to basically anyone, it's a perfect place to ask for recommendations. Sprout Social shows that 53% of consumers recommend businesses or products in tweets while a further 48% follow through to purchase those products or services.

5. YouTube

There's a debate on whether YouTube is actually a social media platform or more of a streaming platform or content platform. Nevertheless, it's one of the most popular platforms out there.

More and more people are looking up product reviews on the platform. Keep in mind that 80% of people who said that they watched a YouTube video related to a product they want to buy said that they did so at the beginning of their buying process.

If you're ready to invest your time in creating content for YouTube, it can be a highly rewarding task. Just look at the BonAppetit channel that belongs to the magazine of the same name. It has almost 6 million subscribers and more than 1,3 billion views when the total circulation for the magazine doesn't exceed 1,600,000 copies in a year.

Conclusion :

As you see, the data and our daily experience on the Internet show that it's hard to argue that social media influence purchase decisions. The impact of social media on customer purchase decisions can be explained by many factors: social proof, the penetration of social media, and the availability of online retail.

However, it's getting more and more difficult to make your brand stand out on social media. Focusing on the right platform, building creative social media marketing campaigns, and using up-to-date technologies will help you with that.

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