

Impact on consumer purchasing decision Psychology in electronic products

C. Kathiravan¹, E. Chandramouli²

¹Associate Professor, Department of Business Administration, Annamalai University,

²Lecturer in Physiotherapy, Division of Physical Medicine and Rehabilitation, Annamalai University, Doctorial Research Scholar Department of Business Administration

Abstract

In the last few years, the trend in worldwide business has been the adoption of new marketing strategies that utilize the ever-advancing technology applications available today. One of the foremost technology application used in business promotion has been the use of social media. Social media has emerged as an Internet-based platform which is extremely dynamic and vibrant. It has proved to be an extremely useful platform where a person can communicate with hundreds or thousands. The main aim of this paper is to take a gander at the components which striving for online shopping and to build up a comprehension of the variables affecting the online shopping by the consumers. Keywords: Impulsive buying, consumer behaviour, online marketing. To find out the influence of select social media Activities on different stages of buying decision process.

Keywords: **Social Media**, consumer behaviour, online marketing, Consumer Behaviour, Shopping behavior

Introduction

Social media has been the most recent and booming technological innovations. It offers a wide range of benefits. Interest and curiosity to gain more knowledge in the field of social media has been the main ground for selecting the topic of Social media for the research purpose. Also much research has not been done on social media in the Indian context and more precisely in Tamil Nadu, therefore Social Media has been selected as the topic for research.

In today's technology driven world, social media has become an avenue where retailers can extend their marketing campaigns to a wider range of consumers. Evans, Jamal and Foxall (2009) observe that the growth of social media have become important communication channels and virtual communities have emerged that may never meet in the physical world but nevertheless can affect behavior including purchasing decisions. Social media is commonly associated with social networks such as Facebook, My Space, LinkedIn (Boyd & Ellison, 2007). Additionally, social media has recently outpaced email as the most popular online activity and has enabled consumers to connect with others by sharing information, opinions and thoughts about products and brands.

Consumer Decision Process

Inevitably, businesses encounter bottlenecks where the message is not reaching their consumers and prospects, with the fact that, at times, consumers and prospects are facing significant blocks in their decision process. If not, each of them should be fully committed, loyal, enthusiastic, repeated consumers; however, this is not the case. Today the accessibility and transparency of information has profoundly influenced the decision making process; therefore, it is important to examine what are the hurdles and fiction points that hold prospects becoming consumers, or keeps consumers hesitating from repurchasing. (Silverman 2001)

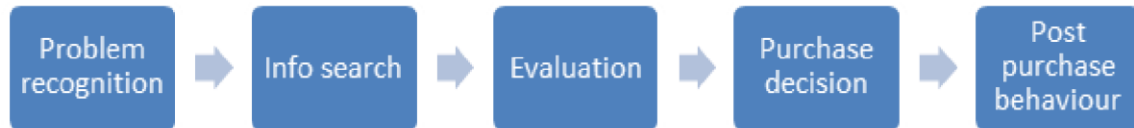


Figure 1: The 5-Stage Decision Making Model (Silverman 2001.)

Engel, Kollat, and Blackwell (EKB) have presented a comprehensive model dealing with ultimate consumer's behavior in 1978, which attempts to capture the critical aspects of individuals' consumption behavior. As the figure (Figure 1.1) shows, the model has interpreted consumer behavior into five stages - 1) Problem recognition, 2) search of information, 3) evaluation of alternatives, 4) final decision, and 5) post purchase decisions. (Sternthal and Craig 1982)

Types of Social Media

In the discussion regarding different categories of social media, five distinct types of social media outlets are focused on - 1) social networking sites, 2) social news, 3) media sharing, 4) blogs, and 5) microblogging. Each of these social media platforms has provided unique features and experiences to individuals and entities, for instance marketers and consumers, in the social media sphere.

The Characteristics of Social Media

With the mature of Web 2.0 technology, social media has reached almost everyone around the world as long as you have electronic devices connected to Internet. It has already been integrated into part of our daily life. Nevertheless, when people are discussing the widely-circulated term social media, very few have truly understood the essence of social media. Understanding the characteristics of social media is not only important for individuals but also crucial for companies who want to compete in the market. Consumers who have good command of social media skills and perception of social media characteristics will make their life easier and bring themselves additional value (personal marketing, product information seeking, job search, etc.). Companies employing social media as part of their marketing strategy without essentially understanding the characteristics of social media are doomed to failure. Even though thousands of articles and blog posts have been discussing social media from different aspects, there is quite little theoretical literature which systematically describes the properties of social media. To my delight, several articles still give great description of social media characteristics. Mayfield (2008) pointed out five fundamental characteristics that shared by almost all social media platforms: participation, openness, conversation, community and connectedness. Taprial and Kanwar (2012) identify five properties that are more powerful and distinguish the social media from the traditional media. They are accessibility, speed, interactivity, longevity and reach.

Social Media Marketing

Social Media Marketing is an umbrella term that can be described as the utilization of social media platforms as marketing tools. According to Weinberg (2009), he refers social media marketing as leveraging the 'social' through the 'media' to 'market' businesses' constituents; in other words, it is a process in empowering individuals to promote their websites, products, and/or services through online social channels, to interact with and to tap into a much larger community that may not have been available via traditional advertising channels.

It is no longer a striking fact that most of the advertisements via mass media are not as efficient as in the past, because by advertising through the mass, the message is generally reaching far more people than the potential customer intended to reach (Weber 2009; Weinberg 2009). Social web is where people with a common interest can gather to share thoughts, comments, and ideas; hence, instead of continuing as broadcasters, marketers should become aggregators of customer communities; that is, the Web should not be considered as a mere advertising channel, it is a place where marketers can listen and respond to communities, review contents, as well as promote a particular piece of content within the vast social sphere (community building) (Weber 2009).

Literature Review

According with **Sweeney and Craig (2011)** social networks are we-based on online communities where the users interact and share interest or activities. Companies applied the social media technology and the most popular social networks to create a stronger bond during the online interaction. Social media marketing is the mechanism to get attention and be more visited a website through social media network (Mashable.com, 2012). The online shopping can create more customer satisfaction and facilities to complete other activities than previous years without the internet they could not completed (Smith and Chaffey, 2007). Smith and Chaffey (2007) explain one of the main reasons that consumers buy online is from social networking. **Kathiravan, Kanthiah Alias Deepak, et al., (2019)** Corporate Image has direct influence on Purchase Intention. **Brassington and Pettitt (2007)** defined that buying decision problem is the logical flow of activities from problem recognition to post-purchase evaluation as a consumer behaviour model. **Baines et al. (2011)** defined the purchase is the real act that occurs on one stage from a mental and physical activities that can take place during a period of time. **Kathiravan et al., (2019)** The constructive outcome of financial variables of age, sexual orientation, pay and the consumer supposition about online impulsive buying conduct of Unconstrained buying fulfils me to shop impulsively,

Need For the Study

Today's society is highly influenced by social media. Social media allows deeper search for more available information by customers and causes the change of opinion about product and service. Even if customers who leave both positive and negative comments on social media sites might not have realized, their online interaction has significant impact on businesses. For instance, one simple message full of emotions, which is sent online to circle of close friends of the writer, can reach larger audience than is primarily intended. In most occasions, the reputation of the companies spread to others positively. Sometimes, the good reputation of companies might be damaged very quickly through negative word-of-mouth. Many a time, consumers use social media to gather information relating to purchase of several products.

Objectives of the Study

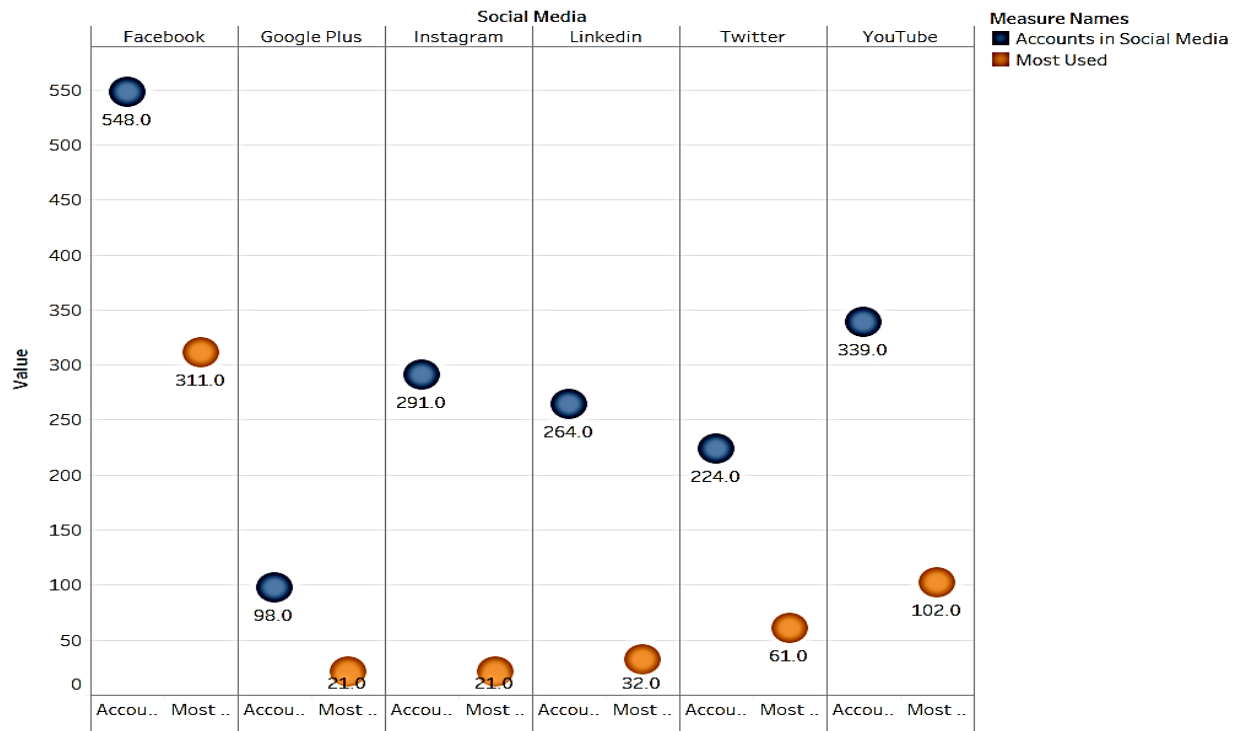
- To find out the influence of select social media Social Media Activities on different stages of buying decision process.
- To analyze consumers attitude towards shopping behavior through social media.

Operationalization of Variables

Social Media Activities, A well-defined research gives a detailed explanation about the variables, which will be useful for readers to know the construction and meaning of the variable. To find out the influence of select social media Activities on different stages of buying decision process. The following variables used in this research along with the

statements Likes, Friends Likes, Location based Check-in, Comment Posting, and Peer Customer Endorsement

Sheet 1



Accounts in Social Media and Most Used for each Social Media. Color shows details about Accounts in Social Media and Most Used.

Figure 2 Show the Respondents have an Accounts in Social Media & Show the Most used Social Media out of 548

CONCEPTUAL FRAMEWORK

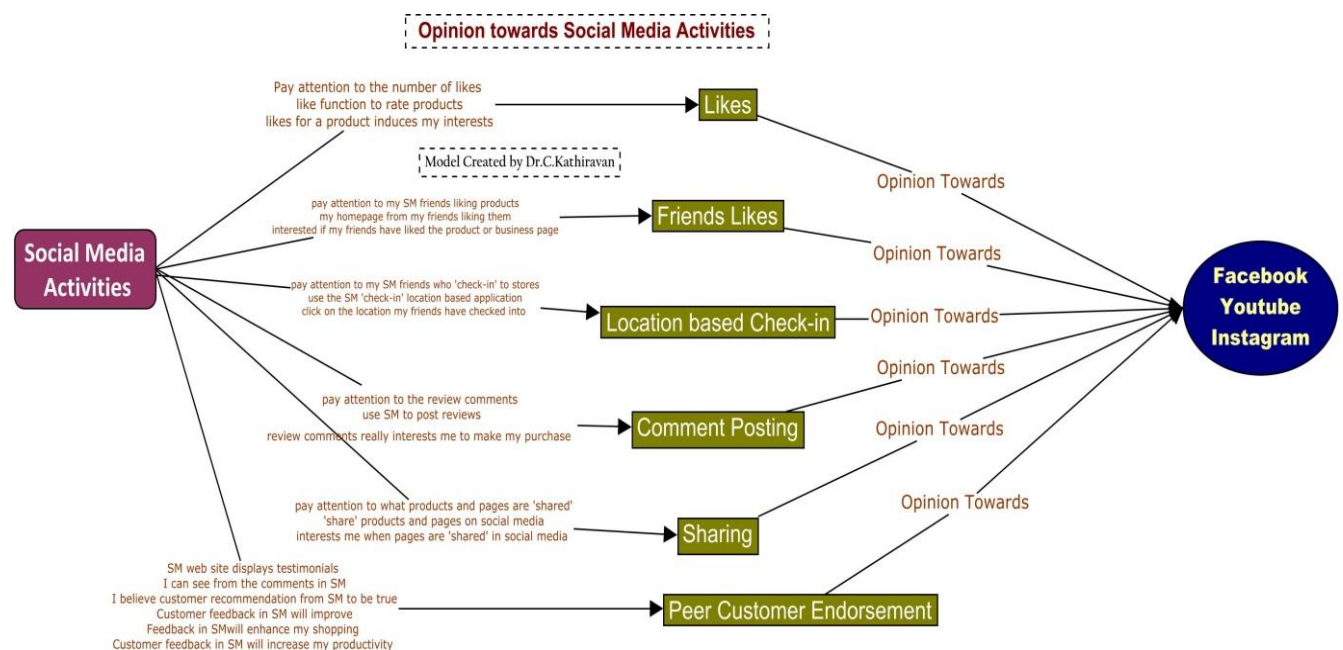


Figure 3 The influence of Social Media Activities on different stages of buying decision process (C.Kathiravan 2020.)

Methodology

The present research is a descriptive study which is used to determine the relationship among the study variable. This type of research is also a survey based study (Beri, 1983). The major strength of survey research has its wide scope and ability to collect the detailed information from a sample of large population. The present research focuses mainly on the influence of select social media on consumers' buying decision of electronic products. Consumers who use social media and purchase electronic products by seeing information from the social media are the target population of this study. As far as the present research is concerned, the members who have purchased electronic products through social media are considered as the respondents of this study. Sample size for the population of above one lakh, Schall (2003) suggested a minimum of 384 samples enough to be surveyed. Therefore, 384 respondents are required. To reduce the error rate and to increase the accuracy, an additional fifty percentage of samples have been included. Therefore, a total of 576 questionnaires need to be filled. 28 questionnaires were found to be improperly filled, and hence, 548 questionnaires were found to be fit for further analysis. The researcher sent the online questionnaire via Facebook message chat application and email. The researcher asked the respondents to suggest several others. Almost every seed respondent's participant in this study was able to direct the researcher to identify three or more new participants and every new participant become seed respondents. The data collection process was started during March 2017 and finished during July 2017. At the end of the data collection phase, the researcher received 691 questionnaires. Among 691, 143 questionnaires were found to be improperly filled and hence they were rejected and therefore 548 questionnaires were included for the research.

To find out the influence of select social media Activities on different stages of buying decision process.

Table 4.13 Respondents Opinion towards Social Media Activities

Sl. No	Social Media Activities	Facebook (N=269)		YouTube (N=121)		Instagram (N=158)	
		Mean	SD	Mean	SD	Mean	SD
I	Likes						
1	I pay attention to the number of likes a product has	4.13	1.049	3.46	1.354	4.33	.769
2	I use the like function to rate products	3.82	1.099	3.37	1.191	3.96	1.065
3	The amount of likes for a product induces my interests	3.59	1.307	2.93	1.383	3.37	1.404
II	Friends Likes						
1	I pay attention to my Social Media friends liking products and business pages	4.38	.795	2.71	1.294	4.25	.747
2	I click on photos of products or business pages that show up on my homepage from my friends liking them	4.36	.827	3.06	1.331	4.19	.725
3	I am interested if my friends have liked the product or business page	4.15	.958	3.43	1.377	3.72	1.252
III	Location based Check-in						
1	I pay attention to my social media friends who 'check-in' to stores	4.14	.928	2.80	1.282	3.84	1.138
2	I use the social media 'check-in'	3.77	1.171	2.61	1.267	3.67	1.235

Sl. No	Social Media Activities	Facebook (N=269)		YouTube (N=121)		Instagram (N=158)	
		Mean	SD	Mean	SD	Mean	SD
	location based application						
3	I click on the location my friends have checked into	3.99	1.038	3.41	1.339	4.14	1.009
IV	Comment Posting						
1	I pay attention to the review comments posted on social media	4.08	.896	3.53	1.362	3.84	1.102
2	I use social media to post reviews	4.24	.657	3.14	1.385	4.16	.832
3	Posting review comments really interests me to make my purchase	3.65	1.138	2.49	1.164	3.16	1.313
V	Sharing						
1	I pay attention to what products and pages are 'shared' on social media	4.29	.553	4.33	.722	4.37	.556
2	I 'share' products and pages on social media	4.07	.928	3.03	1.311	3.69	1.181
3	It interests me when pages are 'shared' in social media	3.90	.864	3.24	1.347	3.78	1.059
VI	Peer Customer Endorsement						
1	Social media web site displays testimonials from satisfied customers.	3.15	1.350	3.05	1.464	3.98	1.189
2	I can see from the comments in social media that existing customers are satisfied with the product they purchased.	4.25	1.029	2.89	1.585	3.87	1.239
3	I believe customer recommendation from social media to be true.	4.18	1.034	3.08	1.386	2.73	1.185
4	Customer feedback in social media will improve my online shopping performance.	3.73	1.297	4.16	.947	4.04	1.023
5	Customer feedback in social media will enhance my shopping effectiveness.	4.54	.571	4.09	.989	4.36	.815
6	Customer feedback in social media will increase my productivity when shopping online.	4.39	.774	3.88	1.140	4.49	.730

Table 4.13 shows the mean and standard deviation of the importance given to the factors of social media activities. With respect to the dimension 'likes' the respondents who got product information from facebook and purchased the same through online are giving more important to the statement like, I pay attention to the number of likes a product has - which has the highest mean score (mean = 4.12; SD = 1.048). The amount of likes for a product induces my interests (mean = 3.59; SD = 1.306) has comparatively less score. Similarly the respondents who got product information from youtube and purchased the same through online are giving more important to the statement like, I pay attention to the number of likes a product has - which has the highest mean score (mean = 3.46; SD = 1.354). The

amount of likes for a product induces my interests (mean = 2.93; SD = 1.383) has comparatively less score. Whereas the respondents who got product information from instagram and purchased the same through online are also giving more important to the statement like, I pay attention to the number of likes a product has - which has the highest mean score (mean = 4.33; SD = 0.769). The amount of likes for a product induces my interests (mean = 3.37; SD = 1.403) has comparatively less score.

With respect to the dimension 'friends likes' the respondents who got product information from facebook and purchased the same through online are giving more important to the statement like, I pay attention to my Social Media friends liking products and business pages which has the highest mean score (mean = 4.37; SD = 0.794). I am interested if my friends have liked the product or business page (mean = 4.14; SD = 0.957) has comparatively less score. Similarly the respondents who got product information from instagram and purchased the same through online are giving more important to the statement like, I pay attention to my Social Media friends liking products and business pages which has the highest mean score (mean = 4.25; SD = 0.746). I am interested if my friends have liked the product or business page (mean = 3.72; SD = 1.251) has comparatively less score. Whereas the respondents who got product information from youtube and purchased the same through online are also giving more important to the statement like, I am interested if my friends have liked the product or business page which has the highest mean score (mean = 3.43; SD = 1.377). The amount of likes for a product induces my interests (mean = 2.71; SD = 1.294) has comparatively less score.

With respect to the dimension 'location based check in' the respondents who got product information from facebook and purchased the same through online are giving more important to the statement like, I pay attention to my social media friends who 'check-in' to stores which has the highest mean score (mean = 4.13; SD = 0.927). I use the social media 'check-in' location based application (mean = 3.76; SD = 1.170) has comparatively less score. The respondents who got product information from youtube and purchased the same through online are giving more important to the statement like, I click on the location my friends have checked into which has the highest mean score (mean = 3.40; SD = 1.339). I use the social media 'check-in' location based application (mean = 2.61; SD = 1.267) has comparatively less score. Whereas the respondents who got product information from instagram and purchased the same through online are also giving more important to the statement like, I pay attention to my social media friends who 'check-in' to stores which has the highest mean score (mean = 3.84; SD = 1.137). I use the social media 'check-in' location based application (mean = 3.67; SD = 1.234) has comparatively less score.

With respect to the dimension 'comment posting' the respondents who got product information from facebook and purchased the same through online are giving more important to the statement like, I use social media to post reviews which has the highest mean score (mean = 4.23; SD = 0.656). Posting review comments really interests me to make my purchase (mean = 3.64; SD = 1.137) has comparatively less score. The respondents who got product information from youtube and purchased the same through online are giving more important to the statement like, I pay attention to the review comments posted on social media which has the highest mean score (mean = 3.52; SD = 1.361). I use social media to post reviews (mean = 3.13; SD = 1.384) has comparatively less score. Whereas the respondents who got product information from instagram and purchased the same through online are also giving more important to the statement like, I use social media to post reviews which has the highest mean score (mean = 4.15; SD = 0.831). Posting review comments really interests me to make my purchase (mean = 3.15; SD = 1.312) has comparatively less score.

With respect to the dimension 'sharing' the respondents who got product information from facebook and purchased the same through online are giving more important to the statement like, I pay attention to what products and pages are 'shared' on social media which has the highest mean score (mean = 4.28; SD = 0.552). It interests me when pages are 'shared' in social media (mean = 3.90; SD = 0.863) has comparatively less score. The respondents who got product information from youtube and purchased the same through online are giving more important to the statement like, I pay attention to what products and pages are 'shared' on social media which has the highest mean score (mean = 4.32; SD = 0.721). I 'share' products and pages on social media (mean = 3.02; SD = 1.310) has comparatively less score. Whereas the respondents who got product information from instagram and purchased the same through online are also giving more important to the statement like, I pay attention to what products and pages are 'shared' on social media which has the highest mean score (mean = 4.36; SD = 0.555). I 'share' products and pages on social media (mean = 3.68; SD = 1.180) has comparatively less score.

With respect to the dimension 'peer customer endorsement' the respondents who got product information from facebook and purchased the same through online are giving more important to the statement like, Customer feedback in social media will enhance my shopping effectiveness which has the highest mean score (mean = 4.53; SD = 0.570), followed by Customer feedback in social media will increase my productivity when shopping online (mean = 4.39; SD = 0.773) and I can see from the comments in social media that existing customers are satisfied with the product they purchased (mean = 4.24; SD = 1.028). Social media web site displays testimonials from satisfied customers (mean = 3.14; SD = 1.349) has comparatively less score. The respondents who got product information from youtube and purchased the same through online are giving more important to the statement like, Customer feedback in social media will improve my online shopping performance which has the highest mean score (mean = 4.15; SD = 0.946), followed by Customer feedback in social media will enhance my shopping effectiveness (mean = 4.08; SD = 0.988) and Customer feedback in social media will increase my productivity when shopping online (mean = 3.87; SD = 1.140). I can see from the comments in social media that existing customers are satisfied with the product they purchased (mean = 2.88; SD = 1.584) has comparatively less score. Whereas the respondents who got product information from instagram and purchased the same through online are also giving more important to the statement like, Customer feedback in social media will increase my productivity when shopping online which has the highest mean score (mean = 4.48; SD = 0.729), followed by Customer feedback in social media will enhance my shopping effectiveness (mean = 4.35; SD = 0.814) and Customer feedback in social media will improve my online shopping performance (mean = 4.03; SD = 1.022). I believe customer recommendation from social media to be true (mean = 2.72; SD = 1.184) has comparatively less score.

Result and Discussion

Result reveals that 100 percent respondents are having account in Facebook. Whereas 61.9 percent of the respondents are having account in Youtube, which is followed by 53.1 of them are using Instagram, 48.2 percent of them are having account in LinkedIn, and 40.9 percent of the respondents are using Twitter. Only 17.9 percent of the respondents are having account in Google plus. It is found from the result that 'argument quality', 'Interactivity', 'information Quality', 'Social Media Activities' and 'Perceived Risk' significantly influence 'need recognition'. That is, consumers' need are influenced by the quality of the reviews, interaction with other users, quality of the information, social media activities namely like, comment and share, and also the risk in purchasing a product. Since, quality of the information and reviews given by others are very much influence need recognition, it is

suggested that the corporate to send first quality product without any damages to the customers when they book any electronic products through online. As online customers easily spread negative e-word-of-mouth to others, one should be cautious about the quality, service and other terms and conditions. It is identified from the study that majority of the respondents are influenced by facebook, and get more information from facebook. Therefore, it is suggested to corporate to give advertisements and promotional activities in social media particularly in facebook.

Conclusion

Companies use social media to create awareness about their products and also want to sell it online through social media. This study was intended to know the influence of social media in buying decision of consumers towards electronic products. Consumers who purchased electronic products through online mode were selected as respondents by snowball sampling method. Questions related to online shopping, social media characteristics, and various stages of purchase decision process were asked. Result shows that Facebook is the main source of information, and consumers use Facebook to know about various products and their related information. Comparing the three social media taken for the study, If companies use social media effectively then the sale of electronic products will increase to a greater level as social media will be the future of many businesses.

Reference:

- Akrimi, Y., & Khemakhem, R. (2012). What Drive Consumers to Spread the Word in Social Media Journal of Marketing Research & Case Studies, 2012, 1-14. <http://dx.doi.org/10.5171/2012.969979>
- Al Kailani, M., & Kumar, R. (2011). Investigating Uncertainty Avoidance and Perceived Risk for Impacting Internet Buying: A Study in Three National Cultures. *International Journal of Business and Management*, 6(5), 76-92. <http://dx.doi.org/10.5539/ijbm.v6n5p76>
- Evans, M., Jamal, A. and Foxall, G. (2006) Consumer behaviour: Theory and practice. Chichester, United Kingdom: Wiley, John & Sons.
- Kathiravan, C., Kanthiah Alias Deepak, R., Suresh, V., & Mahalakshmi, P. (2019). Role of product cause fit in cause related marketing campaign decisions. *International Journal of Engineering and Advanced Technology*, 8(5 Special Issue 3), 406–413. <https://doi.org/10.35940/ijeat.E1087.0785S319>
- Kathiravan, C., Mahalakshmi, P., & Palanisamy, V. (2019). Online impulse buying behavior of consumer triggered by digital marketing. *International Journal of Recent Technology and Engineering*, 8(2 Special Issue 6). <https://doi.org/10.35940/ijrte.B1124.0782S619>
- Dittmar, H., Beattie, J., and Friese, S, "Objects Decision Considerations and self-image in men's and Women's impulse purchases", *Actapsychologia*, 93, pp.187–206(1996).
- John D. "Self-image- is it in the bay? A qualitative Comparison between „ordinary“ and „excessive“ consumers", *Journal of Economic Psychology*, 21, pp. 109–142, (2000)