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## **A Study on the Influence of Social Media Marketing on Purchase Decision at MMA**

S. Sasirekha<sup>1</sup> & Karthikeyan L<sup>2</sup>

<sup>1</sup>Assistant Professor & <sup>2</sup>Master Student

Department of Management Studies, SRM Easwari Engineering College, Chennai, India

### **Abstract**

In today's scenario, social media became an awfully important tool in purchase decision making. It is influencing consumer in a dynamic manner. Now consumer is taking help of social media regarding purchasing of any product. Social media like face book, twitter Skype are going to play a very important role in consumer buying behaviour decision making. Social media becomes powerful and cost-free approach to promote product to consumer. Social Media was originally designed for people to share their thoughts and views about different topics with other members, and also share content, links, photos and videos etc. Social media also influences people's buying behaviours. People are apt to share their shopping experiences with others through social media tools, particularly if they are not satisfied with the product. Most consumers trust the opinion of friends and strangers more than official advertising. So, marketing strategies has started to look for ways to encourage positive news to spread about a brand online. The concept of Social Media is top of the agenda for many business executives today. Businesses are realizing that social media sites are invaluable for serving current customers and attracting new ones. The project aims at to study the influence of social media marketing on purchase decision at Madras management association. This study was undertaken to identify the factors influencing purchase decision of the consumers while selecting their course. Descriptive research design is used for this project. The population for the study comprised of the members and nonmembers of Madras management association. Primary data was collected through the Questionnaire. The statistical tools used were Regression, Correlation, friedman test, wilcoxon test, One-way ANOVA and Chi-Square. Based on the feedbacks received, some suggestions were given to improve social media strategies followed by the organization to improve their member base.

**Key Words:** Social media, purchase decision, marketing, Advertising.

## Introduction

New technology is growing very fast and digital business already plays an important role in many developing countries such as India. In the past few years, new technology development has enabled people to interact with each other in a virtual environment and has completely changed the use of the web service. According to O'Reilly (2009), Web 2.0 is "a new label for web technologies and consumer behaviors to facilitate user participation and interaction on the web". Thanks to social media platforms, people are more and more connected, taking down the geographical barrier, which primarily divided individuals.

According to the Cambridge dictionary (2017), social media can be defined as websites or applications, which allow users to participate in social networking by creating or sharing content. According to this definition, social media includes networking site such as Facebook, Twitter, Instagram and Youtube, for the most known. However, it also includes blogging sites, emails, chat rooms and forums. Previous researches from Statista, published in "Social Media usage worldwide"(2019) show that 56% of Indian population was using at least one social media networking platform in 2017. Moreover, 87% of people under 40 years are active on social media. Social media is not only used to catch up with people or engage chat with friends and family anymore. In the past few years, it also became a place where people, government and organizations can interact with each other. The growth of social media has not changed the purchase decision process of customers itself. However, it has completely changed the purchasing pattern. For example, it has empowered the word of mouth by becoming a place where customers can make recommendations and evaluate the products. How Social Are Social Media?, a study from Cambridge University prove that customers believe other people's opinion when they post it on social media. It means that customers' behaviors are not only influenced by friends and family anymore, but also by unknown people on social media. Therefore, it is an opportunity for companies to create brand visibility and make their customers become brand advocates. Brand advocates are committed customers with strong convictions about the given brand, whereas influencers show less passion for the brand. Brand advocates and influencers are different and should not be mingled. Human being is born to live in a society. People need to be member of a group in order to develop themselves. To be integrated in a group or a society, individuals need to correspond to the society (or group) criteria. In order to

answer positively to social criteria, individuals have to abide by social influence. There exist three different mode of social influence: identification, compliance and internalization. In order to understand the different social influences and their importance, it is essential to complete this thesis. Indeed social media network is a tool that enables people to edit and share content. Therefore, social network is a platform on which people openly claim what they think and what they believe in. Social influence is the reason why people are responsive to online review and online customers' opinion. By expanding the society border, social media networks also expand the impact and importance of social influence on individuals

There is a lot of previous research about how social media platforms can be used to influence purchase decision. A lot of information can be found online; thus, it is important to always check the sources. Most of available sources are recent and dated from less than four years ago. All basic principles about purchase decision process and marketing are available in books written by known and reliable authors such as Kotler and Keller (2012). This new era of social engagement and digital communication is paramount to business strategy.

### **Scope and Significance of the Study**

The research aims to study the relationship between social media marketing strategies and its influence on the purchase behaviour of the consumers. The researcher has made an attempt to investigate how the social media marketing strategies adopted by the organization has an influence on the purchase behaviour of its consumers. The study involves various factors like social media attributes, consumer behaviour and social media advertising. Understanding the factors that influence consumer purchase decision is vital because it will improve the funding for the organization as the whole. Suggestions to be followed are made to improve upon social media strategies that leads to Better sales. Finally, this study proposes to define the above said factors through a questionnaire-based sample survey through which efforts are made to correlate the relationship of social media marketing with purchase behaviour using Statistical techniques.

### **Objectives**

1. To analyse the impact of social media on consumer buying behavior.
2. To analyse social media usage effect on purchase decision.
3. To analyse consumer preference between social media and traditional marketing.
4. To find out which is the best social media platform is preferred by customers.

## Literature Review

Garima Gupta Asia-Pacific Marketing Review, II (1), 2013 Assessing the Influence of Social Media on Consumers' Purchase Intentions. The aim of this paper is to assess the impact of this new unconventional media on product evaluation and the resultant decision-making processes of Indian consumers. The study draws its implications for the use and effectiveness of social media in Indian context and provides areas for future research to investigate fundamental mechanisms driving user behavior on a social media platform.

Hutter, K., Hautz, J., Dennhardt, S. and Füller, J. (2013), The impact of user interactions in social media on brand awareness and purchase intention: the case of MINI on Facebook, Journal of Product & Brand Management, Vol. 22 No. 5/6, pp. 342-351. The purpose of this article is to analyze how social media activities, in specifically the Facebook page of a car manufacturer, and user interactions with these brand related activities affect the perception of brands and ultimately influence consumers purchase decision. From a theoretical standpoint the results of this study contribute to understanding of the value-enhancing potential of social media campaigns.

Bamini K.P.D. Balakrishnan, Mohd Irwan Dahnil, Wong Jiunn Yi Impact of Social Media Marketing Medium toward Purchase Intention and Brand Loyalty among Generation Y ☆ Procedia - Social and Behavioral Sciences Volume 148, 25 August 2014, Pages 177-185. This study attempts to study the impact of social media marketing medium toward brand loyalty and purchase intention in Generation Y. The result indicated that the online marketing communications, specifically, E- WOM, online communities and online advertisement are effective in promoting brand loyalty and product purchase intention through company website and social media platforms. This research provides a guideline for global brand players in considering applying social media marketing activities to promote their product, and brand.

Ismail Erkan, The influence of eWOM in social media on consumers' purchase intentions: An extended approach to information adoption, Computers in Human Behavior Volume 61, August 2016, Pages 47-55. The aim of this study is to examine the influence of electronic word of mouth (eWOM) conversations in social media on consumers' purchase intentions. The results confirm that quality, credibility, usefulness and adoption of information, needs of information and attitude towards information are the key factors of eWOM in social media that influence consumers' purchase intentions.

Ali Abdallah Alalwan, Investigating the impact of social media advertising features on customer purchase intention, International Journal of Information Management Volume 42, October 2018,

Pages 65-77. This study aims to identify and test the main factors related to social media advertising that could predict purchase intention.. The key results of structural equation modelling (SEM) largely supported the current model's validity and the significant impact of performance expectancy, hedonic motivation, interactivity, informativeness, and perceived relevance on purchase intentions. This study provides a number of theoretical and practical guidelines on how marketers can effectively plan and implement their ads over social media platforms.

## Research Methodology

For the purpose of this present study primary and secondary data has been collected. The primary data is collected through the questionnaire which includes closed format and likert scale questions. The research adopted in the study is a descriptive research, as it includes surveying and fact finding. The research was not done before for the organization. Simple random sampling method is adopted in the study. The sample size for the project is 60 members belonging to the Madras management association. Secondary data is collected by using books, articles, newspapers related to the topic.

## Summary of Findings

### Personal Background of Respondents

It is inferred that majority of the respondents are Male (75%), majority of the respondents belong to the to the age group of 40-60 years 33%. Majority of the respondents are Bachelor's degree holders (52%). Majority of the respondents have an account on Facebook (84%) compared to other social media sites. Majority of the respondents visit social media sites for viewing user reviews (75%), Majority of the respondents (72%) receive course promotions through Social media notifications (72%). Majority of the respondents (30%) use social media for less than 30min. Majority of the respondents (88%) are members of MMA.

### Role of Social media in consumer behaviour

Table 1 showing Correlations of Social Media And Consumer Behaviour

Correlations			
		Social media	Consumer behaviour
Social media	Pearson Correlation	1	.923**
	Sig. (2-tailed)		.000
	N	61	61
Consumer behaviour	Pearson Correlation	.923**	1
	Sig. (2-tailed)	.000	
	N	60	60

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**Inference:**

From the above table, the Pearson Correlation Coefficient, **r is 0.923**.

It indicates **positive correlation**.

Null hypothesis, **H<sub>0</sub> is Rejected** as p value is less than 0.05 (**p=0.000**).

Therefore, there is a significant relationship between Social media and Consumer behaviour.

**Role of Social media usage on purchase decision**

Table 2 showing the ANOVA table of Age and Consumer behaviour

**ANOVA**

Consumer behaviour					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.366	3	.789	.856	.469
Within Groups	52.508	57	.921		
Total	54.873	60			

**Inference:**

One-way Anova test was conducted between Age and Consumer behaviour.

Null Hypothesis, **H<sub>0</sub> is Accepted** as the p value is greater than 0.05 (p=0.469).

Therefore, there is no significant relationship between Age and Consumer behaviour.

**Analysis of consumer preference between social media and traditional marketing**

Table 3 showing the Wilcoxon Signed rank test of Social media marketing and Traditional marketing

Test Statistics <sup>a</sup>	
	Social media marketing - Traditional marketing
Z	-5.492 <sup>b</sup>
Asymp. Sig. (2-tailed)	.000
a. Wilcoxon Signed Ranks Test	
b. Based on negative ranks	
<b>Inference:</b>	
Wilcoxon signed rank test was conducted between Social media marketing and Traditional marketing.	
Null Hypothesis, <b>H<sub>0</sub> is Rejected</b> as the p value is less than 0.05 (p=0.000).	
Therefore, social media marketing is preferred by consumers over traditional channels of marketing.	

**Analysis for finding the best social media platform preferred by customers**

Table 4 showing the Descriptives table of Social Media preference

**Ranks**

	Mean Rank
Facebook	4.23
Twitter	4.16
Instagram	2.85
Linkedin	3.07
Youtube	4.03
Blog	2.65

Table 5 showing friedman test of Social Media preference

**Test Statistics<sup>a</sup>**

N	60
Chi-Square	48.571
df	5
Asymp. Sig.	.000

a. Friedman Test

**Inference:**

Friedman test was conducted between Social media networking sites for preference by consumers for buying decisions.

Null Hypothesis, **H<sub>0</sub> is Rejected** as the p value is less than 0.05 (p=0.000).

Therefore All social media types are equally preferred by consumers for buying decisions.

**Suggestions**

- Social media marketing has positive impact on Consumer purchase decision, steps has to be continued to increase the digital advertisements in social media sites of the organization and thereby increasing the revenue
- Social media marketing is more preferred by the respondents as compared to traditional marketing channels, the organizations should concentrate more towards social media channels and allocate more fund towards its improvement.
- There many social media networking sites available and some of these sites have more significance than others, these sites should be identified and given priority than others.
- As 72% of the respondents receive course promotions through Social media websites in the form of notifications the marketers should develop advertisements that focus on provoking the curiousness of viewers and motivate them to read the advertisement fully.

- As majority of the respondents use their favourite social media sites for less than 30 minutes per day, companies should device their advertisements in such a way that they should influence or impress the audience within 30 minutes. It is suggested to the brand release single frame advertisements, that appear more frequently in a short span of time. This would enhance the recall level among the viewers.
- Non-members of the organization can be identified through social media and personalized advertisements regarding membership and be sent to them to increase member base.
- Most of the respondents are willing to select and pay for their courses online instead of visiting the office, so it is important to design the purchase process in such a way that the customer completes the process without any difficulty.
- Feedback of the customer is very important as users tend to share their experience and reviews about the organization in social media sites, any queries of the customer should be addressed without any delays to avoid bad reputation to the organization.

### **Ending Remarks**

The main aim of the research was to explain social media's influences on Purchase decision process at MMA, Chennai. To satisfy the study Research questions were framed to find down the subject and to help the researcher to identify the explanations of the problem. To begin with, social media has brought profound changes to both consumers. Consumers seek their opinions about products via social media. Social media has changed the world of advertisement from the Mass Media advertising. The outcome of this study show clearly that the consumers who make purchase decision through Social media are satisfied with their purchase and also they have a propensity to commune others through electronic word of mouth in the form of user reviews. It is therefore strongly recommended that the companies should satisfy their customers during purchase which may result in addition of other customers. At the end of this research, it is suggested that social media got very much popularity in last decade and its users are increasing very rapidly. Now common people are using Facebook, YouTube, Instagram and other media not only for reason of entertainment and socialization but also for business contact. Organizations are using social media to promote their products, encouraging buyer to buy their products, increasing brand awareness, brand loyalty, brand trust and ultimately maximize their profits. Companies also getting feedback from consumer online and then develop their marketing mix accordingly. If companies adopt this social media marketing model, they will be succeeding in their business through online media and build a prospective customer base over years in future.

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