Influence of Social Media on Consumer Decisions: A Critical Study

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ABSTRACT

Different types of social media platforms are available to a user which have peculiar characteristics of their own. Also, this field being very dynamic, newer platforms keep on adding on a continuous basis. All this adds to more complexity and confusion. The core of all these platforms is network relationships. The major reason people take part in these activities is to build new relationships and sustain the existing ones. Initially, only a few organisations used social media, that too as a means for communicating with their customers, as they were unsure about the usefulness as a marketing tool. But in the last decade, they have woken up to the fact that social media can be used in a big way as a promotion tool to influence consumer behaviour. We see many companies creating their profiles on various social media platforms for engaging their present and prospective customers. The pace of change in this context is quite fast; that is why companies always have to look for new and innovative marketing strategies to match up with the changing trends in the market.

This paper aims to study the influence of social media on consumer decisions. The study will also assess how social media is being used as a promotion and marketing tool to impact consumer decision-making.

Key Words: Social Media; Consumer; Marketing; Strategies; Decision- Making; consumer purchase

INTRODUCTION

Making use of social media Websites is one of the most popular activities among individuals of all ages. Social media sites include social networking sites like Facebook, MySpace, and Twitter, as well as gaming and virtual worlds like Club Penguin, Second Life, and the Sims, video sites like YouTube, and blogs (O'Keeffe, 2011)

Social media has become an important part of the life of the majority of people for the last decade or so. "Social media are the online means of communication, conveyance, collaboration and cultivation among interconnected and interdependent networks of people, communities, and organisations enhanced by the technological capabilities and mobility." More than 90% of the youngsters are addicted to their smartphones and it is the first thing they want to see right in the morning they get up, according to a survey. They get stuck to their, Facebook, Twitter and LinkedIn accounts in order to get updates about their personal and professional networks. These people who always want to be connected to social media may be called Digital Natives (Prensky, M.,2001). The people born in this era are comfortable with technology because when they came into this world, the internet and digital technology were already prevailing.

The websites earlier were static and mostly allowed one-way communication. The devices used to access the internet were larger, like personal computers and laptops. But presently, we have shifted to a far more collaborative form of the internet - accessible and available to the consumers 24*7. People feel more comfortable accessing through their smartphones rather than a P.C or laptop. They can easily share the same content with others and anyone through cyberspace just with the click of a button, globally. One thing is sure that whichever age - group they belong to, they are all participants in the wired world (Barker et al., 2012).

Earlier, information flow used to take place from the corporations or the governments to the clients and consumers alone. But now, the information flow has become multidirectional, taking place just within a few seconds, thus saving time too. The credit goes to social media as a facilitator of this fast-paced communication to all the parts of the world universally

SOCIAL MEDIA

Media may be defined as a diverse means of communication. It may range from mass media to personal media. Mass media influences a larger number of audiences at the same time which includes TV broadcasts, newspapers, magazines, digital channels, etc. Personal media are small-scale two-way communication channel that includes email, phone calls, one to one conversations, etc. Social media surpasses the traditional, outdated media boundaries and enable people to communicate and interconnect in numerous ways.

Social media includes all categories of websites and mobile apps like blogs, social networking sites, picture or video sharing sites, etc. Many corporate managers have realised the importance and relevance of social media. They have identified the possibilities of utilising apps like Facebook, Twitter, Youtube, Wikipedia, etc., for business and commercial purposes, mainly for marketing activities (Kaplan and Haenlein, 2010)

The following data and statistics on social media usage are mind-boggling when seen in the light of the expanding popularity of social media.

• Social media sites attract more traffic than any other activity, including pornography. It is the most popular online pastime today.

• Linkedin is used as a recruiting site by more than 95% of organisations in the United States.

• On a daily basis, more than 4 billion posts are posted on Facebook, and 80 per cent of Twitter users use their phones to send more than 500 million tweets.

• There are almost 1.4 billion active Facebook users (Smith, 2015)

SOCIAL MEDIA vs. TRADITIONAL MEDIA

Social media refers to the content created by people for the consumption of friends, associates, and others who may be interested in getting to know about the creators of the content. For e.g. Facebook, Twitter, Linkedin etc. are all common social media platforms these days. On the other hand, traditional media includes advertisements, news entertainment etc. which is meant for the large masses.

Traditional media content is created with the deliberate intent of influencing a specific audience. Traditional media material is typically created by professionals, however social media content is not always created by committed professionals. Obviously, this results in a wide range of content quality. Because of the current technical connectivity of many individuals on various social media, social media accessibility is widespread. Our research believes that social media has a substantial role in influencing purchasing decisions. The value of social media is growing by the day. In comparison to traditional media, it is becoming increasingly significant.

The importance of social media is growing by the day. In comparison to traditional media, it is becoming increasingly significant. In reality, social networking may not be sufficient on its own. However, given the goal of social media, its role is supplemental, as conventional media has a direct function of influencing purchasing behaviour. According to Buettner (2015), social media allows users to share, develop, and exchange information, ideas, and photographs. Kaplan and Haenlein (2010), on the other hand, see social media as "a collection of interest-based applications that build on web 2.0's ideological and technological basis and enable the creation and exchange of user-generated content."

The differences between social media and traditional communication mediums can be summarised as follows: -

Cost: When compared to traditional media, social media is a low-cost solution.

The ability necessary is: Traditional media demands specialised skills and expertise. The production of social media is in the hands of regular non-professionals who may or may not have been taught or who may or may not possess the requisite skill.

Time to respond: Social media responses are typically fairly swift. When compared to traditional formal media, the time commitment is minimal.

Accessibility: Specific social media content may be accessible to a specific target group; conventional media accessibility, on the other hand, is for a different generic population.

Traditional media has several limitations when it comes to changing the content, but social media can be changed with comments, and feedback can lead to a shift in meaning.

Regulation: When compared to traditional media, social media is subject to less regulation.

Audience size: Traditional media caters to a bigger audience than social media, which caters to a smaller audience.

Popularity: In comparison to traditional media, which is more popular among the older generation, social media is more popular among the younger population.

Social media also provides Word of Mouth (WoM), which includes e-WoM, and gives marketers a significant advantage (Huang. J., 2014). There are some downsides to using social media as well. Organizational social media pages must be updated and improved regularly. This necessitates the ongoing presence of a specialised

team of domain and technical specialists, increasing the budgetary load. Because anyone can post on social media, it's possible that someone may post something maliciously, thus tarnishing the image of the company.

SOCIAL MEDIA MARKETING

Social media has evolved from a simple communication medium used by individuals to communicate with their friends and family to a much more complex phenomenon. Many businesses are attempting to use social media in their marketing strategies; social media has been found to influence many elements of consumer behaviour, including problem recognition, information seeking, evaluating alternatives, making a purchase choice, and post-purchase behaviour.

Marketing Mix decisions, which include Product, Price, Promotion, and Place/Distribution, help businesses achieve their marketing objectives.

Many authors believe that social media is an important aspect of their marketing strategy. At the same time, some believe that a new 'P,' namely participation, may be required. Companies are increasingly turning to social media platforms and apps to connect with their customers for a variety of reasons, including a. improving customer service; b. informing and disseminating information; c. improving customer relationships; d. gathering feedback for new product development; e. brand promotion; and f. improving perception and attitude toward a brand, among others.

Thus, social media marketing can be defined as the creation, communication, delivery, and exchange of products and services through social media technologies, platforms, applications, or software. Initially, social media was mainly utilised for brand promotion campaigns, but it is now being used for novel applications such as social fundraising, social indexing, and so on (Sung-Min, P., 2012)

Companies are currently utilising social media to impact each stage of the consumer decision-making process, including need identification, information gathering, alternative evaluation, purchase decision, and post-purchase behaviour.

Brands' ability to interact and engage with their customers is enhanced by social media marketing. Consumers communicate, discuss, and collaborate, not only with the marketers but also with the other consumers.

Most social media marketing efforts include at least three key elements: creating buzz, allowing for sharing, pushing a message, and supporting online discussions. Buzz is created by generating something that can attract attention and go viral, such as a video, a blog post, tweets, or an event. We do not need to spend money to buy an advertisement spot in the social media marketing arena, unlike traditional media, but the message is replicated by users and user-generated content.

In fact, the message may not even be about the product in many circumstances. Many successful viral marketing efforts are based on a message that is intriguing, entertaining, or captivating. At the same time, the logo, brand, or tagline of the company is tied to it.

Many organisations that use social media marketing develop pages on various platforms such as Facebook, Twitter, Instagram, and others, either internally or through a third party. At the same time, some people have built their own fan pages. The firm or fans make posts on these pages, which can be commented on and shared on various social media platforms.

All social media platforms are designed to encourage online dialogues, dialogue, and user interaction. The message must be created in such a way that it appeals to the target client group.

Nowadays, social media marketing has become one of the most widely accepted methods for businesses to reach out to potential clients and increase sales. Although social media has grown in popularity as a marketing tool, there are still some misconceptions about it.

Some people still believe social media marketing is a passing and transitory trend. The reality is somewhat different; a large population's social connection has shifted from physical to virtual space. All social media platforms are designed to encourage online dialogues, dialogue, and user interaction. The message is created in such a way that it appeals to the target client group.

People aged 65 and up are adopting Facebook at a faster rate than any other age group (Wortham, J., 2011). According to YouTube demographics, the majority of YouTube users are between the ages of 18 and 55, with both genders equally represented. People of various ages and socioeconomic backgrounds are increasingly using social media. Customers of various types can be discovered on social media sites because of the diversity of the user base.

Many marketers are sceptical about the benefits of social media marketing. Many organisations lack the resources and skills to measure the returns, which leads to distrust. That does not mean that there aren't any returns. There are currently several techniques for assessing the effectiveness of social media marketing efforts. Many more precise methods for quantifying influence are constantly being developed. Many companies have been able to successfully measure the results of their social media marketing. Dell, for example, was able to make more than $6.5 million in income from its Twitter account (Ostrow, A., 2009)

Lenovo reported that they could cut costs by 20% in customer service calls by adopting social media (Petouhoff, N. L. et al., 2009). In rare situations, a social media advertising or marketing effort may be directly responsible for the sale. In many other circumstances, though, it aids in the complementary distribution of other marketing initiatives. Brand awareness, promotion, and loyalty have all been positively influenced by social media marketing. Other advantages include improved word-of-mouth promotion, buzz marketing, and sales lead development.

There is a common notion that social media marketing is only appropriate for certain types of items. As a result, it may not be suitable for all sorts of items. Social media marketing, in reality, provides the potential for all types of enterprises. Social media contributes to a big part of word-of-mouth advertising since people voice their thoughts and discuss them on numerous social media platforms. A positive recommendation from friends or family enhances the likelihood of purchasing a specific product or from a specific retailer (Morpace omnibus report, 2010).

Companies and organisations that either do not have a presence on social media platforms or do not keep track of what is going on there face challenges. When consumers search for such entities, they often find out-of-date information, as well as material that is irrelevant or even misleading. It may result in a terrible consumer experience and a negative impression of the company. It implies that there is no way to avoid social media marketing.

Some marketers believe that social media marketing is too time-consuming. Thousands of mentions on social media occur every day for the more well-known organisations, and maintaining track of such interactions may necessitate significant human and financial resources. The amount of time required, however, is determined by the technique and strategy employed for social media management.

Small and medium businesses are more concerned about the issue of time and effort. It may take a few hours of effort per week beyond the initial setup and plan formulation phase. Underutilised employees may be diverted and used by the companies. They can utilise some of their time to promote themselves on social media. They may also use productivity apps like TweetDeck, HootSuite, and others. They make managing social media easier, more efficient, more streamlined. Furthermore, with the accessible and low-cost availability of cellphones, updating social media information is done considerably more quickly.

Because most social media platforms do not charge a usage fee, creating a profile on them is free. Some people mistakenly believe that social networking is free, which is not the case. To manage social media, one must devote time and resources. Not only does it cost money to post material, but it also costs money to create content. Social media, like traditional media, necessitates the creation of innovative material that has a favourable influence on the target customer group. Also, if in-house resources aren't accessible to handle the content and postings, outside consultants may be needed to assist and advise with the social media initiatives.

SOCIAL MEDIA: CONSUMERS' PERSPECTIVE

When using social media sites, marketers must be aware of the aspects that influence consumer attitudes and motivations. What factors influence consumer attitudes and motivations on social media sites? It's not very clear.

What characteristics of social media sites have an impact on customer attitudes and motivations? It's crucial to look at the characteristics of users who belong to social groups. What types of groups they belong to, as well as their participation and interaction with online marketing; these social groups are found to be useful in distributing brand information. They look online for ways to contact their social contacts in the future (Wang, 2012).

E.g., Users who are members of Facebook groups are more likely to divulge personal information about their involvement and interaction with online marketing, as well as their connections with other Facebook group members. They are also required to forward these advertisements to their friends and family. Facebook is the

most popular social media platform among college students. It has evolved into a potentially lucrative platform for online advertising campaigns aimed at a younger demographic.

Similarly, LinkedIn is a professional social media platform. When it comes to social media marketing, marketers must be aware of this type of linkage between each platform. This allows them to have a consistent message throughout a social media platform for social networking and a specific target audience.

Changes in users' behaviour as a result of their use of social media may occur over time. Marketers must be proactive in their analysis of such shifts. They must maintain track of the many types of consumers or users who use various social media platforms. For example, younger consumers aged 18 to 35 are switching from Facebook to Instagram. Users in their forties and fifties are flocking to it. Marketers will be able to ensure this by having a thorough understanding of how customers perceive social media marketing. When employing social media as a marketing tool, online marketing methods are effective.

Consumers can use social media platforms to promote their hobbies, present their personalities, or be value-seeking buyers for a variety of reasons. Many assume that marketers are aware of all of these customer motivations. In that instance, the marketers' brand content advertising content will be based on the customer motive, which will have the most impact on the consumer.

Consumer-generated advertising (CGA) is simply user-generated content in which customers create brand-focused messaging to inform, convince, or remind other customers; it is also known as unpaid advertising and marketing activities conducted by brand loyalists in social media marketing parlance (Mutum, 2011). Consumers engage in communication on behalf of the brand. It can range from one-to-one, one-to-many, and one-to-many business communications. This is the power of virtual brand communities to generate consumer-generated advertising, emphasising the marketing potential of social media.

Advertisements on Facebook, Instagram, Linked In, and other social media platforms are viewed as a type of produced advertising for brands and social media platform users. Consumer-generated advertising is turned from firm-generated advertising to consumer-generated advertising by discussing the ads' contents, participating in discussions, and exchanging knowledge with other consumers. Consumers' purchasing decisions are influenced by reading other consumers' comments as part of pre-purchase information. (Thompson and colleagues, 2012).

It can be concluded that CGA is so essential that it has a rapid impact in the case of internet marketing and spreads to all target consumers via email, etc. This becomes compelling marketing from the brand Loyalists, just like viral marketing. Many studies have demonstrated that if a company can establish a brand presence across a variety of social media platforms, it can expand its customer base.

Target customers can become message centres on social media sites like Facebook by forwarding adverts to their friends. The ability of the community to comment on the ads and even link them to the advertisers demonstrates the value of social media as a marketing tool.

With a social media presence, marketers have realised that they are not only engaging in brand marketing to their target consumer market via social media, but they are also in a position to stay informed about consumer-generated content surrounding their brands. (Faults et al., 2009).

Marketers may introduce consumer dialogues about their brands by learning about consumer-generated material about their brands. Companies may use social media platforms like Facebook groups to create virtual brand communities, which gives them additional opportunities to cultivate consumer-brand interactions. Also, whether or not these platforms are used for advertising. As a result, social media platforms have benefited greatly from a viral approach to internet advertising. The transmission of inflammatory content coming from a recognised sponsor is aided through unpaid peer-to-peer contact. They are relying on the audience's interest to urge them to share the content with others. Such is the power of using social media as a marketing tool.

Brand marketers have increased their use of social media as a marketing strategy. It has created a new platform for brand promotion, and consumers are actively involved in the process (Monica, 2014). They're doing it by promoting the brands through the process of becoming. They are innovative in their approach. As a result, the role of consumers in online marketing has shifted, with online consumers interacting with online ads to develop successful social media campaigns.

More shoppers are relying on social media for marketing and shopping decisions, such as Twitter, Facebook, Instagram, Linked In, and others. Brand promotion through various media has become crucial and has been found to be superior to other advertising avenues, whether offline or in-store (Al-Dhuhli & Ismael, 2013).

A marketer can utilise social media to estimate the likelihood of buy intent by first determining how many people use these social media. How many people have liked or followed their brand's page or profile; how many people have shared the content on their page with other social media users. This is how social media platforms anticipate their users' likelihood of making a purchase (Hollebeek et al., 2013).

Marketers may engage customers in more than just selling by using social media channels such as social networking sites. It's all about products and branding. Preferably a whole experience built on user-generated material regarding the products being replaced. Because all of this is available at a low cost to small businesses, social media usage via social networking sites has become the primary reason for their use. For example, many MSMEs use various social media platforms to promote their brands (Broekemier, 2015).

CONCLUSION :

The long and the short of everything is that social media is playing a very important role in influencing the consumer on their decision making roles. With social media introduction, consumers are highly influenced through Facebook, Twitter, Instagram, and other social media platforms, being open platforms where information can be shared online. And as buyers use the information to enlighten themselves about the company's products, facilities they provide, prices at which they are available, it greatly influences the consumers who use social media.

The advantage of social media sites is it is in their participatory nature and influencing the buyer behaviour of the consumers by influencing the consumer perception about the products shown on the social media sites; it has been found that consumers are progressively turning to social media in order to get more information about the product. Business organisations can no longer ignore the role of social media in improving brand awareness, more brand authority, improved brand loyalty in a cost-effective manner. It is going to help them in gaining marketplace insights leading to higher conversion rates and better customer satisfaction.

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