

# Impact of Social Media Channels on Consumer Buying Behavior in Delhi/NCR

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### Abstract

The Internet is boosting efficiency and enhancing market integration in developing countries. For B2C transactions especially, the Internet sets up a potential opportunity and a revolution in global commerce. It gives consumers the ability to conduct a transaction directly with a foreign seller without travelling to seller's country. The internet allows to put their storefronts, in the form of web pages, in front of the consumers all over the world. The study has examined the effect that social media has on consumer buying behaviour. The study is done to study the impact of social media on consumer buying stages and to study the perception of consumers towards social media. The survey was conducted in Delhi/NCR. The study used detailed survey questionnaire which were administered to respondents over electronic medium. The consumer responded towards the statements in questionnaire and the data was collected and was analyzed using descriptive statistics.

**Keywords:** E-Commerce, Social Media Marketing, Digital Marketing, Technology Management, Business Management

### Introduction

Social media can be seen as a collection of online communication channels which involves creation of communities and interaction between the individuals or group within that ecosystem. These types of channels could be seen as a third party tools/ online softwares to interact with wider audience. Example as we see are FaceBook, Twitter, Instagram, Youtube and many more. These tools have found traction in recent years only and with more penetration of internet in the society. These tools have evolved as one of the foremost channels to reach wider set of audience and marketers have been using these tools to interact with the customers in the buying journey.

In the last few years people have been spending a lot more time on social platform when compared to traditional information platforms like TV, newspaper, radio etc. This is the prime reason that advertisers have shifted their marketing budgets towards these platforms and try to engage with users more using these platforms.

### Top 3 Social Media In Terms of Active Subscriber Base Facebook

Its is a social networking website where an individual can create his/ her profile and connect with his friends, relatives and even strangers. Once connected, they can post comments, share photographs and post links to news or other interesting content on the web, chat live, and watch short-form video. One can share content with all the people in the public or just make it limited to certain set of people.

#### Key features of Facebook

1. Free for all, no charge to make profile or post content
2. Novice level knowledge required to open and operate the account
3. High level security with content with various options to layer the profile and content on it
4. Facebook supports interactive online chat
5. Facebook supports group pages, fan pages, and business pages
6. You can stream video live using Facebook Live

#### How do advertisers use Facebook

The business can create business pages on the platform which could be liked by the public and which will enable them to receive updates from the business directly on their news feed. This allows the businesses to promote their product and services organically as well as the comprehensive advertisement platform allows the business to target the users using the platform through image, video and other types of ads.

Active monthly subscriber base: 2.3 Billion

#### **Youtube**

YouTube is a video sharing service. A person can watch, like, share, comment and upload their own videos and can see the videos uploaded by other users. Youtube is one of the channels which has seen tremendous increase in subscribership and viewership after large countries like India saw decrease in internet rates. Also this has attributed due to increase on mobile phone penetration in the market.

#### **Key features of Youtube**

1. Users can upload their video and search for videos uploaded by other users.
2. Create your own personal Youtube account.
3. Upload videos to your channel.
4. Like/Comment/share videos of other users.
5. Users can subscribe/follow other YouTube channels.
6. Create playlists to organize videos relating to specific categories.

#### **Youtube**

The business can create their own channel on the platform which could be subscribed by the user and which will enable them to receive updates from the business directly as notification when a new video is added. This allows the businesses to promote their product and services organically as well as the comprehensive advertisement platform allows the business to target the users using the platform through image, video and other types of ads. The video ads could be before and in between the playing video.

Active monthly subscriber base: 1.9 Billion

#### **Twitter**

Twitter is an online short message/ micro blogging social networking site where people communicate in short messages called tweets. Tweeting is posting short messages for anyone who follows you on Twitter, with the hope that your messages are useful and interesting to someone in your audience. The user follow the person they want to hear from and in return gets updates from the accounts they have

Some people use Twitter to discover interesting people and companies online, opting to follow their tweets. Twitter is easy to use as either broadcaster or receiver. One can join Twitter for free and select his own unique twitter name. A tweet consists of 280 characters including spaces. People who follow you, and potentially others who don't, will see your tweet.

A growing number of Twitter users send out useful content, and that's the real value of Twitter. It provides a stream of quick updates from friends, family, scholars, news journalists, and experts. It empowers people to become amateur journalists of life, describing and sharing something that they found interesting about their day.

#### **Key features of Twitter**

1. Short and crisp messages
2. Used by political honchos and celebrities to individuals

3. Seen as a credible source of ones thought process
4. Number of followers has become a measurement of one's credibility
5. Limited ad exposure and very clean interface

#### **How do advertisers use Twitter**

The business can create their own twitter account on the platform which could be followed by the users and which will enable them to receive updates from the business directly as notification when a new tweet is been done. This allows the businesses to promote their product and services organically as well as the comprehensive advertisement platform allows the business to target the users using the platform through image, video and other types of ads. One can target followers of particular twitter handle which is a unique feature for twitter advertising

Active monthly subscriber base: 330 Million.

#### **Review of Literature**

Several authors have recently studied the influence of social media on consumer behaviour, although generally not from the point of view of the decision process (e.g., Xie and Lee, 2015; Chu and Kim, 2011). Consumers use social media for the benefit of immediate access to information at their convenience (Mangold and Faulds, 2009), helping them to decide what to buy or to know more about new products or brands, when and where they want (Powers et al., 2012). Examples are given by Goh et al. (2013) and Xiang and Gretzel (2010).

Online consumer reviews have been shown to have a causal impact on product choice and purchase behaviour by consumers (Yayli and Bayram, 2012). Social media has brought on a 'participatory culture' where users network with other like-minded individuals to engage in an unending loop of sharing information, monitoring updates, and requesting opinions and ratings on all kinds of products, services and activities (Ashman et al., 2015).

The quality of online product reviews, characterised by perceived informativeness and persuasiveness, together with the perceived quantity of reviews, are found to have a significant positive influence on consumers' purchase intentions (Zhou et al., 2013; Zhang et al., 2014). Social media is perceived as a more trustworthy source of information when compared to corporate communications and advertisements. According to Constantinides (2014), there is a general feeling of mistrust towards mainstream media. Therefore, consumers are turning away from traditional media such as television, magazines, and newspapers as sources to guide their purchases (Mangold and Faulds, 2009).

Social media has evolved with time and in present scenario it has become one of the most important marketing channel in the online world. Social media started with advent of internet in early 2000 with creation of Youtube and similar platforms like Orkut. Facebook came into existence in and around 2002 and ever since then became one of the most largely accessed platform in the world.

The growth of social media can also be attributed to growth in internet penetration across the

world. The data prices have come down drastically in the last one decade. Mobile penetration in the developing countries like India has also contributed to this growth.

The technology as overall has changed the information consumption behaviour of the public. People have moved from spending their time to catch news from TV or newspaper to read the news on mobile app or listen to podcast while they are on the go.

As the life of the people have become fast so has their information consumption pattern. The people these days tend to take information on the move and social media/ mobile devices provides an easy way to do so.

Social media in particular tends to play multiple roles and helps the user to gain access to multiple information at a single place. Interacting with friends and family, checking latest offerings by companies products & services and receiving latest news have made these platforms so popular.

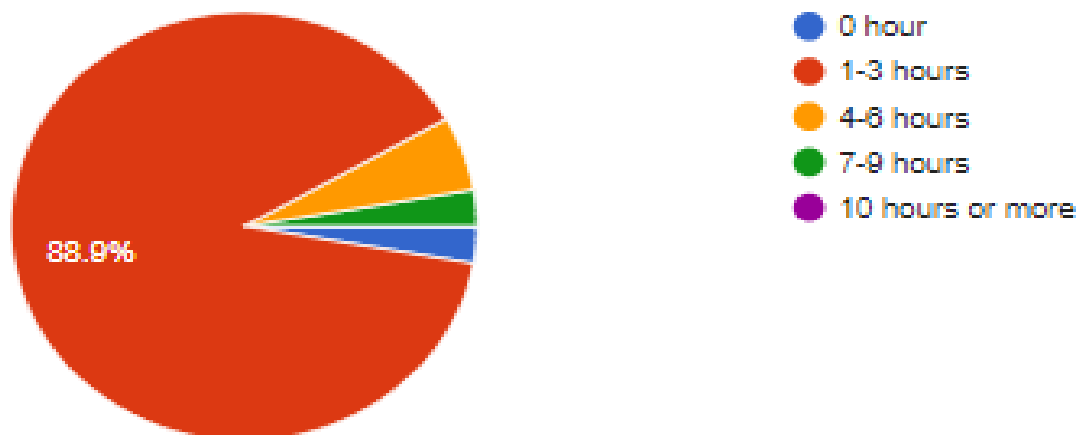
Various studies have been conducted in the past around the current topic of the report, but with ever changing social media behaviour and more and more penetration of the internet, the study needs a fresh look to study the contemporary standings in terms of influence in users on the buying behaviour pattern.

This study has been done in Delhi NCR region within urban audience, mostly in the age group from 25-40 years and who are active user of social media. This current study focuses on how the social media information consumption and usage tend to change the buying intent or how it influences the behaviour of the user given other conditions remain same.

This study also focuses on how the user sees the social media information as compared to traditional methods of marketing like print, TV and radio etc.

**Results and Interpretation**

**Table 1: Time Spent on Social Media Sites Per Day**



**Objectives of the Research**

Consumer behaviour is a general and broad topic. Thus, the focus of the research is limited to effect of social media on decision making process.

The objective of the research is to answer the three basic questions how, why and when social media affect the consumer decision making process.

**Research Questions**

1. How do consumers view, analyse, process, and filter the information before a purchase?
2. What are the differences between marketing on social media and through mass media?
3. What are the changes social media has brought to consumers in different stages of their decision making?

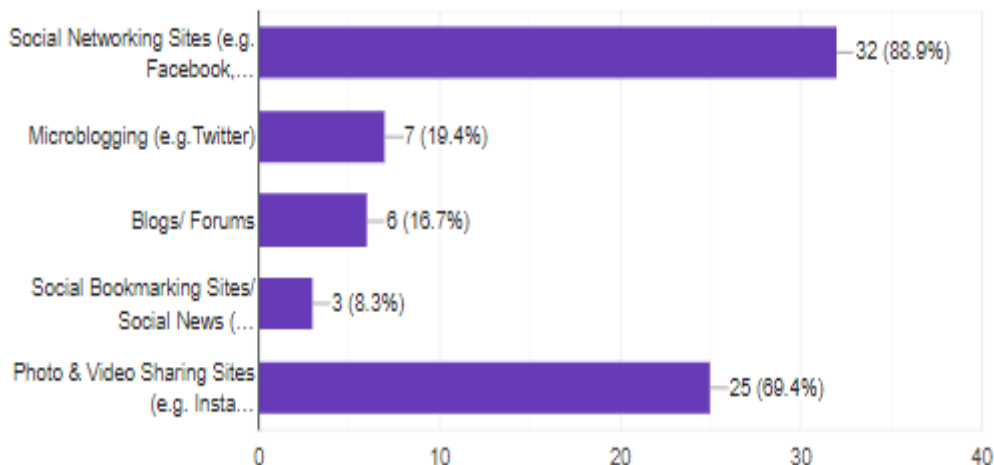
This research strives to provide a clearer, and perhaps a better, understanding to both consumers and companies of why, when, and how social media has impacted on decision making process. It will help in building insights about the strengths and weaknesses in the present marketing strategies.

**Data Analysis**

Analysis made on the data collected from the questionnaire. The set of questions were designed based on the basic marketing theories and were sent to all possible individuals who are currently living in Delhi/NCR. Each question and responses options associates with components of theories, and they have been designed in such a way that they are clear to understand easily and to avoid any potential error in misunderstanding.

In total the questionnaire contains 19 questions. Questions were based on 6 major factors that affects the consumer decision making process: awareness/exposure, need recognition, search for alternatives, evaluation of alternatives, purchase decision, and post purchase evaluation. In the below section, analysis and the findings are presented.

**Table 2: Social Media Sites You Are Using On A Daily Basis**



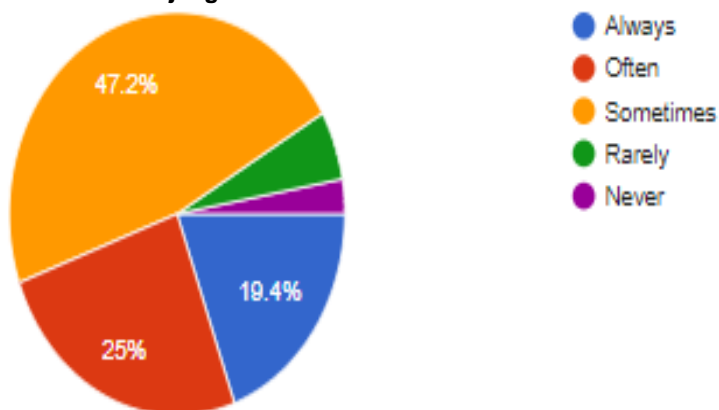
**Intent**

Questions in this section were aimed to find out how individuals are exposed to information on social media platforms. By identifying which channels or platforms are mostly used, it can help to understand how consumers are actually exposed to information and the type of source they are exposed to.

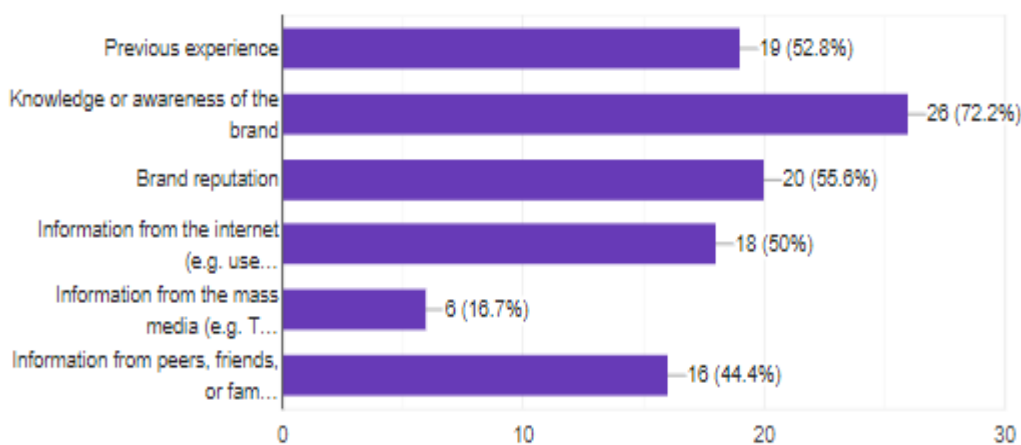
**Interpretation**

Major of the respondents ( ) spend 1-3 hours daily on social media. Of all the platforms, social networking sites and photo/video sharing platforms were the most extensively used and most preferred platforms.

**Table 3: Prejudgment Towards Product And/Or Service**



**Table 4: Causes of Your Prejudgment**



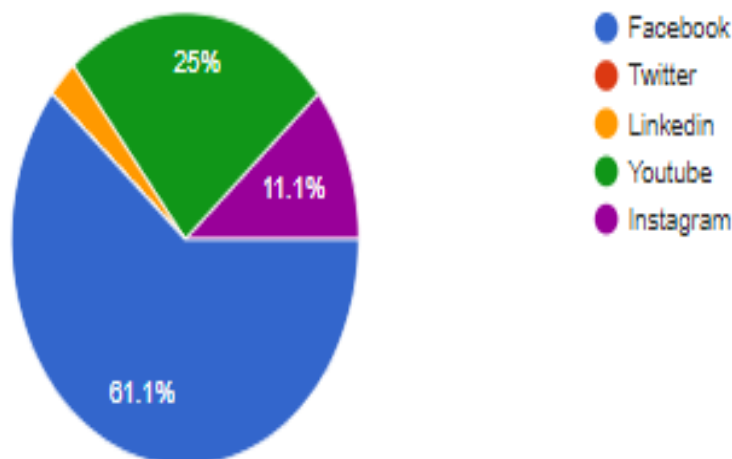
**Intent**

Attitude of individuals is one of the critical factor which has an effect on consumer buying decision. In order to understand better the factors which cause attitude, and how attitudes affects and altered during the course of decision making process, several questions were asked.

**Interpretation**

The data shows that consumers, most of the times have a prejudgment about a particular product or a brand which is majorly based on his general awareness/knowledge of the brand, followed by previous experiences and reputation that a brand has built. Information from internet comes at fourth rank as a basis in forming a prejudgment for a consumer.

**Table 5: Social Media Platform**



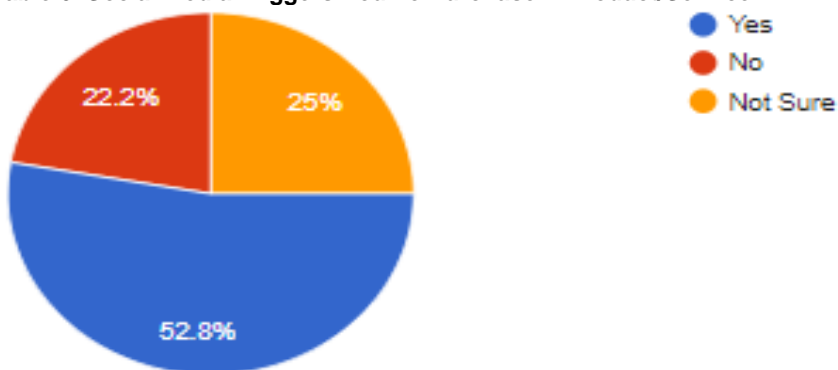
**Intent**

The intent for the question is to know the consumer perception about the efficiency of social media platform to target the consumers for the products

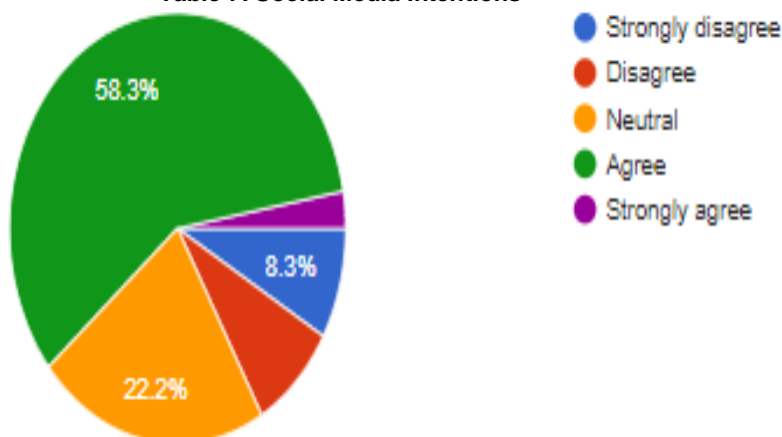
**Interpretation**

Of the data available, Facebook was found to most efficient in exposing the prospective consumer with relevant information. You Tube was the second one followed by instagram.

**Table 6: Social Media Triggers You To Purchase A Product/Service**



**Table 7: Social Media Intentions**



**Intent**

At the stage of need recognition, an individual may be influenced by an internal or external stimuli. Social media and mass media channels, both, are an external stimuli which through the content of the advertisements tend to manipulate the consumer beliefs of his needs.

**Interpretation**

The data indicates that respondents believe that social media content make them try new products, brands and act as stimuli to purchase goods.

**Conclusion**

Social media has brought profound changes to both consumers and businesses, the findings of this research are consistent with the theories presented in the theoretical framework. The collected data from the survey is elaborated in association with the presented theories in Data Analysis of the research.

Consumers are highly critical about attending, processing, and selecting the information before a purchase takes place. Information exposure is highly selective in the initial stage of information, because consumers have the selections of information source, which determinates the type of information that consumer will be exposed to.

To be noted, personal attitude is a crucial factor which underlines during the course of information acquisition and evaluation. As a result, not only judgments regarding products or services are presumably based, but also it is a vital determinant of the information consumers will seek out, in which it eventually affects the extent of the information reception.

At the essence, all platforms available on social media have offered a two-way communication flow, which is highlighted theoretically and practically. Consequently, this principle feature of social media has created a new landscape in supporting the socialization of information, and has forced marketers to give up what they old mindset in dealing with mass media marketing.

As the collected feedbacks from the individuals, it has emphasized that, in particular with social media, consumers are able to access to customer experiences and word of mouth, in which surpasses the marketing and advertising mumbo-jumbo or polished slogans.

Moreover, marketing through social media focuses on building relationships between consumers and companies. The research findings have shown that the position of the consumer in the new marketing approach is the centralized gravity, because consumers are empowered. As many respondents have reflected that social media has provided a more

effective platforms to communicate with one another and with the company.

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