

# IS RESEARCH PROPOSAL DEPARTMENT OF MANAGEMENT SCIENCES (MBA)

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# **Factors Influencing Consumer Buying Behavior through Social Media Marketing**

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# **ABSTRACT**

Social platforms such as Facebook, Twitter, LinkedIn, YouTube and Instagram etc. are amongst the most popularly used medium of communication and connectivity. In recent years, these social media platforms have been used by various companies and businesses alike as a means for marketing themselves and their offerings - reshaping E-Commerce model into a Socio-Commerce model of business for many companies.

Social media marketing has played a fundamental role in forming a brand's image, shaping perception around a product/service, and a business's existence; but most importantly, it has influenced consumer behavior. It has provided a social space for businesses to make their product review transparent for individuals by others who have used them prior - making one's purchase decision and evaluation process easier. Another aspect of social media marketing is the spread of awareness for different products and services via endorsements by popular/influential personalities.

In our study, the factors highlighted are social-media's influence on consumer behavior through building awareness, emergence of social proof – transparency on social platforms by brands in sharing reviews, comments, likes, tweets, tips, shares etc. and the abundance of various groups and forums available for consumers. We focus on how vitally afore mentioned factors play their role in influencing consumer behavior through marketing done on social media platforms and how such platforms prompt consumer into actually forming their purchase decision.

# INTRODUCTION

Social media, since its inception has captured individuals and businesses alike in an unprecedented manner. It is popularly used around the globe by billions of people and is the most popular online activity - a survey reports that an estimated 2.95 billion people were using such platforms in 2019 and the number will increase to 3.43 billion by 2023 (Clement, 2020).

With the advent of social sites such as Facebook, Instagram, YouTube, Twitter and LinkedIn; businesses have used these communication platforms as a marketing tool to reach their audience by sharing information, reviews, experiences, advices and tips - making this information as a source to influence consumer behavior in regards to their purchase decisions. In our study, we have highlighted such factors and explained in what ways they have influenced consumer buying behavior.

A Delottle report highlighted that social media's influence can be so high on consumers that 29% of them are more likely to make purchase the everyday of using social-media. Recent studies tell us that consumer behavior in terms of making purchase decisions has changed. A rapid shift from physical visits for purchases to using social media sites - businesses have starting using these communication platforms to influence consumer behavior by understanding their likes and dislikes and making relative information and product reviews widely available for consumers to feed on. We analyze how consumer behavior is influenced towards a certain purchase by marketing on social media.

Organizations find it necessary to use concrete promoting strategy that can help business grow. Advertising techniques used reflect self-actualization and contentment for consumers that influence their behavior and social media marketing is the way forward to do so. Social media marketing not only influences consumer behavior but also helps in achieving their confidence and trustworthiness in the brand (Jihyun, Fiore, & Lee, 2007).

Social media marketing is a promotion strategy that expands a business's ability to make new clients and build relationship with them. It has been established that online marketing using social media not only aims at wide-spread audience but also impacts consumer behavior (Zarella, 2009).

# 1.1. Background

Research background will have a brief outline on the most recent and important studies that have been conducted between marketing on social platforms and buying behavior of consumers – starting from previous findings related to such platforms.

For many industries and disciplines including behavior of consumers, social media has been a game changer. Society has shifted from retail purchases to digital centricity. Consumer's cycle to evaluate products to making purchases has been cut down significantly owing to social media, allowing access to consumer with information on services and products globally (Fejzagic, 2019).

# 1.2. Significance of Study

The significance of this study is to see how effectively a consumer goes towards making their purchase decision based on the promotion done on social platforms for adding value to businesses currently using social media for their businesses and for the ones who plan to utilize this platform in future.

In order to attain engagement between the brand and its consumers, businesses use social networks namely Facebook, YouTube and Twitter etc. to promote their products – helping to improve brand image and to increase web-traffic (Lopez, Rodriguez, Gascon, & Bernal, 2020). This research is being conducted to see how businesses can boost their revenue via swaying consumers into buying through social platforms.

# 1.3. Aim of Study

Aim of the study is to scrutinize the effectiveness of marketing campaigns on social media which leads to purchase decision via altering mindset or forming perception and buying intention based on the advertisement on such social platforms.

Social interaction on the internet by the consumers has provided businesses with new opportunities and benefits to be gained. Social media has helped businesses to expand themselves from e-commerce to social-commerce. Social media not only enable social interaction between the business and its consumers but also facilitates in building trust – this further leads to influencing consumer behavior towards buying intentions (Hajli, 2013).

With the information available readily of various products and services online, social media plays a role in consumer decision making. Influence on consumer behavior by social media through available information and substitute evaluation results in better satisfaction as the consumer goes onward with final-purchase decision and post-purchase evaluation (Klieb, Research Gate: Impact of Social Media on Consumer Behaviour, 2018).

#### 1.4. Problem Statement

With the advent of Web 2.0, internet has reshaped the way markets work for both businesses and consumers. In recent times, businesses have shifted their e-commerce focus towards using social media websites - a communication platform to be used as a marketing tool.

Businesses use social media platforms as marketing tools in building awareness of their products, influencing consumer behavior in relation to buying and decision making (Chivandi, Samuel, & Muchie, 2019). Thus with our study, our problem statement is as follows;

# "Determining whether or not consumer buying behavior is influenced by Social-Media Marketing."

# 1.5. Research Gap

Previous studies showed that the main focus was based on only one platform, Facebook – and not on other available social platforms such as Instagram, Twitter, YouTube and Google itself where many retail and trademarked businesses are also in existence (Andrews, 2018).

Our research study is aimed at examining how accurately businesses achieve their set goals, market share and/or competitive advantage through their influence on consumers using social media platforms.

# 1.6. Research Objectives

On the basis of our research problem, our research objectives are as follows;

- To find how brand creates its awareness through social-media marketing.
- To examine how accurately the audience is targeted.
- To understand how individuals are influenced into purchasing goods through social media marketing.
- To find how social media marketing influences customer behavior in terms of achieving satisfaction and the evolving interest over time.

# 1.7. Research Questions

Our study aims at understanding the shifts in consumer behavior regarding purchasing goods owing to marketing campaigns on social media platforms.

- Q1. How social media marketing help brands create awareness of a product or service?
- **Q2.** Is the audience targeted through social media marketing accurately done and if so, how is consumer behavior influenced into purchasing goods?
- **Q3.** How consumer behavior is influenced in terms of attaining satisfaction and moreover, how does social media marketing develop consumer interest over time?
- **Q4.** Is social media marketing the way forward in shaping consumer behavior towards a certain product or service?

### LITERATURE REVIEW

#### 2.1. Brand Image & Awareness

One of the most influential mode for marketing is social media – companies use such platforms to -engage and interact with their customers Social media marketing helps companies in creating brand image and product awareness. Social media not only affects perception and decision making but ultimately influences consumer behavior (Gulzar & Maqbool, 2018).

# 2.2. Buying Behavior/Purchase Decision

Businesses have improved exposure through social media marketing. Using social media as a marketing tool, business can generate interest of consumers through web traffic, search engine optimization and using social feed to target their audience. This technique of marketing through social media becomes influential on consumer behavior and effecting their buying behavior and purchase decisions respectively (Dephillips, 2014).

#### 2.3. Psychological & Cultural Factors

In the previous decades, buying was done traditionally but for a while it has been shifted to new ways which are through social media. Social media has become a trend today and changed the way of buying and seeing how people are shifting toward this mean shows that how much it is effecting consumers buying behavior. There are some factors in social media which are influencing the behaviors of consumers are design factors, product factors, psychological factors and cultural factors (Chitharanjan, 2016).

#### 2.4. Customer Satisfaction

Social media usage influences consumer satisfaction in the stages of information search and alternative evaluation, with satisfaction getting amplified as the consumer moves along the process towards the final purchase decision and post-purchase evaluation. Social media have empowered consumers, as marketers have no power over the content, timing or frequency of online conversations among consumers. 'eWOM' is also a valuable source of information on social media for consumer buying behavior and decisions where internet users provide reviews and ratings to all kinds of products, brands and services on review sites (Klieb, Impact of Social Media on COnsumer Behaviour, 2018).

# 2.5. Word-Of-Mouth

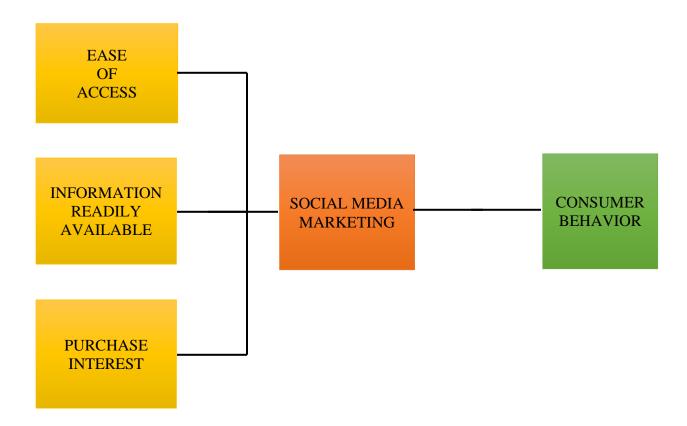
Social media provides the unique opportunity to use word-of-mouth marketing to a wide audience and consumer-to-consumer communications through a large-scale social network. Positive and negative comment of any product or service on social media can make an impact on the buying behavior of the consumer (Putter, 2017).

#### **HYPOTHESIS**

As shown by previous studies, we can conclude that "Consumers use of the social media affect their buying behavior and building consumer's trust through social media marketing." With our study, our hypothesis is as follows;

H1	Social media influences consumer behavior into making purchases.
H1(A)	Marketing on social platforms forms perceptions that later translate into purchase intention – ultimately forming consumer behavior.

# THEORETICAL FRAMEWORK



# INDEPENDANT VARIABLE

- Ease of Access.
- Information Readily Available.
- Purchase Interest.

# MEDIATOR

• Social Media Marketing.

# DEPENDANT VARIABLE

Consumer Behavior

# RESEARCH METHODOLOGY

# 3.1. Research Design

Our research objective is to determine whether or not consumer behavior is influenced by social media marketing and if so how effectively does it influence consumer buying or purchase decision.

Inductive approach will be used in this study.

As the study starts with observations on buying behaviors and the consumption pattern that changes through social media marketing on different media platforms. These platforms form patterns, resemblances and regularities in the consumer buying behaviors over time. The philosophy being used is the positivism research philosophy. This philosophy is characterized by;

- Only valid knowledge being science
- Object of knowledge is fact
- Philosophy based on scientific method

Positivism focuses on gathering knowledge that is factual and the studies are specific, scientific and evidence based. Using this, we will be able do research based on quantifiable findings and the data gathered can be conclusive as it can be produced in statistical form.

# 3.2. Population Frame

The study will be using its population that will include people with-in the age group of 18 years and above with both genders from different walks of life as minimum 18 years of age is required for anyone to operate a social-media account. Will be using survey based strategy – which makes variable quantifiable, resulting data in statistical form.

#### 3.3. Sample Selection

The study will consist of students and professionals in Rawalpindi and Islamabad – the selected sample will be used to measure the outcomes of the study using Non Probability (Convenience Sampling) will be used during collection of data owing to its convenience in gathering data and for generalizability of the findings.

#### 3.4. Sample Size

For our study, we are using a sample size between 30 to 500 individuals - the sampling size is more than 30 and less than 500 is required for most research (Roscoe, 1975).

This study will include "Mono-Method" with the unit of analysis being individuals of both genders from different walks of life and age group compromising of both Islamabad and Rawalpindi.

# 3.5. Unit of Analysis

All questions responded will be measured using "Likert Scale, 5 Point Representation" as "5 being Strongly Agree to 1 being Strongly Disagree" – unit of analysis being based on individual

# 3.6. Types of Study

For our research, data collection is being done through questionnaires – Quantitative Approach; helping to create a statistical model, explaining the relationship between IV's, Mediator and the DV's. Deduction method will be used to further establish relationship of all variables in the framework to deduct conclusion from the hypothesis.

#### 3.7. Time Horizon

The study conducted will be "Cross-Sectional" as the data being collected is for one-time. This method is helpful as it is less time consuming and minimum researcher's interference will be there. The preliminary data collection will be done through surveys/questionnaires among the proposed population of both cities and selected sample.

#### 3.8. Data Analysis

For the analysis of data on our study we will be using a statistical software, SPSS – Statistical Package for the Social Science.

### **QUESTIONNAIRE**

Mentioned below is a sample of a few questions that we will be using in our questionnaire based on Likert scale;

Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Disagree
You often encounter product or brand adv. on your social media account.					
Ads of different brands get your attention.					

Reviews on Social Media Platforms changes your opinion			
regarding a product.			
Sponsor videos of your favorite brand/product may			
encourage your purchase of a product.			
Social Media Marketing has the potential to form your			
buying decision			

Our study will be collecting data through questionnaires based on Likert scale. We will be using Non-Probability Sampling for our sampling design. Our population and sampling is based on individuals of both genders from different walks of life who fall in the age group of minimum 18 years of age in Rawalpindi and Islamabad. The research will focus on how does social media marketing influence the consumer behavior in terms of forming purchase decisions and understand to what extent businesses target their consumer based on their interests. We will ask questions related to how often do they receive or see advertising or promotions on their social account's feed and how likely are they intrigued to follow or visit a certain website based on those social media marketing. The results will show us how strongly the relationship lies between consumer behavior and social media marketing.

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