

#### Assessment of the Relationship between Social Media Characteristics and Consumer Buying Decision Process: The Case of St. Mary University Students

A Master's Thesis Submitted to School of Graduate Studies of St.

Marry University in Partial Fulfillment for the Requirement of

Masters of Art Degree in Marketing Management

By: Tisha Shiferaw

June 2021 Addis Ababa, Ethiopia

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By: Tisha Shiferaw

Advisor: Dr. Getie Andualem

**June 2021** 

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#### **Student Declaration**

I hereby declare that this master's thesis report entitled "Assessment of the Relationship between Social Media Characteristics and Customers Buying Decision-Making Process" submitted in partial fulfillment of the requirements for Masters of Art Degree in Marketing Management in the Graduate Studies of St. Marry University, is my original work that has not been submitted for any degree program in this or any other institution and all resources are accordingly acknowledged.

Tisha Shiferaw	
Date:	
Signature:	

### ST. MARY UNIVERSITY SCHOOL OF GRADUATE STUDIES

# ASSESMENT OF THE RELAIONSHIP BEWEEN SOCIAL MEDIA CHARACERSTICS AND CONSUMER BUYING DECISION PROCESS: THE CASE OF ST. MARY UNIVERSTIY STUDENTS

#### $\mathbf{BY}$

#### TISHA SHIFERAW

#### APPROVED BY BOARD OF EXAMINERS

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#### **ABSTRACT**

Consumer buying behavior is known also as consumer decision making is the process by which individuals search for, select, purchase, use, and dispose of goods and services to satisfy require needs. This study has been conducted with general aim of assessing the relationship between social media characteristics and the various stages of consumers' purchasing decision-making process in case of St. Mary University students. The study also employed descriptive research design to identify and describe the relationships between the social media characteristics and consumer purchasing decision making with quantitative research approach so as to gain a better understanding about the research problem. For this study all the relevant quantitative and qualitative data were used, collected from both primary and secondary data sources, and different quantitative data analysis methods were used. The overall findings and results of the study reveal that there is strong relationship between social media characteristics and the various stages of consumers' purchasing decision-making process. Each of the specific features of social media has also clear relationships and impacts with the related five stages of buyers purchase decision making stages. More specifically, the openness nature of social media encourage consumer or respondents of the study to identify their need, and has a role on attaining once need for something and also lead to the way how to get goods. The study finding also indicates that the participation feature of various social media has clear relationship and impact on the customers'/respondents' information search for a product or service, and the majority of customers'/respondents' searched for product's information in social media before a purchasing it. With regard to connectedness feature of social media, social media helped respondents to compare and evaluate alternatives in terms of products features and their desires through social media before making a purchase. In addition, the majority of respondents were found to be motivated to buy products that are advertised on social media, and feedbacks on social media affect future purchase as well and that social media conveys the study respondent's satisfaction and dissatisfaction to the manufacturers. This study concluded that social media does encourage one to recognize a need for something before buying it, information search in social media is straightforward and easy compared to other mass media platforms, and it is more reliable if one has doubts regarding a purchase.

**Key word:** social media characteristics, consumer decision making process

#### **CHAPTER ONE**

#### 1.1 INTRODUCTION

In today's technology driven world, social media has become an avenue where companies can extend their marketing campaigns to a wider range of consumers. 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 (Jamal and Foxall, 2009). Social media is commonly associated with social networks, and it 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.

#### 1.2 Background of the Study

Social media can be defined as "a group of Internet-based applications that build on the ideological and technological foundations of web 2.0, and that allow the creation and exchange of User Generated content" (Kaplan & Haenlein, 2010). This definition makes clear that many Internet applications are in fact social media, including blogs, social networking sites (e.g. Facebook), virtual social worlds (e.g. Second Life), collaborative Internet projects (e.g. Wikipedia), content communities (e.g. YouTube) and virtual game worlds (e.g. World of Warcraft) (Kaplan & Haenlein, 2010).

While social media is a generic term covering different online platforms with various attributes, communication formats, and sociability functions, there are certain characteristics that all social media applications fundamentally share. Mayfield (2008) identified five specific characteristics that underline the operations of all social media: participation, openness, conversation, community, and connectedness.

Rational consumers normally pass through a process of stages in taking their buying decision as they deserve supreme benefits for the cost they incurred. According to (Kotler, 2012), the typical buying process involves five stages; Problem Recognition, Information Search, Evaluation of Alternatives, Purchase Decision and Post Purchase Behavior. Mangold and Faulds (2009) opined that social media has great influence on every stage of consumer

decision making processes. However, Andualem (2019) argues that one of these buying processes is information gathering stage. In this stage customer if they don't have any idea or knowledge about whether the company has social media page or not, they couldn't gather information from the social media page. Therefore the social media page of firm has no influence on information gathering process of customer. If they don't have any information they can't see the alternative. Therefore the customer can't make purchase decision by using social media.

Nowadays consumers trust more user reviews and online consumer recommendations on social media websites rather than traditional media before making a purchase decision. Social media has become an important source for consumers who are seeking to obtain product information and created a platform for them to share their opinions about products and brands (Chung & Buhalis, 2008). In this new order created by new social media, companies have started to integrate systems and adapt social media programs to meet the needs of their individual organization. The social media concept, which is the name of the whole social networking sites such as Facebook, Twitter, WhatsApp, Flickr and blogs, has been one of the important fields for businesses.

More than 4 billion people around the world now use social media each month, and averages of nearly 2 million new users are joining them every day. The world is spending more time on social media too, with the typical user now spending roughly 15 percent of their waking life using social platforms. There are 5.2 billion mobile phone user, 4.66 billion internet users and 4.14 billion active social media user in the world (digital, 2020). To put these numbers in perspective, more than two-thirds of the world now uses a mobile phone (67 percent), while almost 60 percent of all the people on Earth now use the internet. Social media user occupied 53 percent of world population. More than 9 in 10 internet users around the world connect via mobile devices, but two-thirds still connect via computers too. However, when it comes to social media, users clearly prefer mobile devices.

There are 21.14 million internet user, 6.20 million social media user and 46.75 million mobile users in Ethiopian (Digital, 2020). To interpret the above report the number of mobile user in Ethiopia are 41 percent of total population. According to the date internet user and active social media user are increase from time to time by 2.6 percent and 4.0 percent, respectively.

Heinonen (2011) describes that the relationship between social media and consumer decision-making present that social media affects attitudes, brand attitudes, and purchasing intentions of consumer. Social media influences the way youth behave during the different stages of their purchase decision-making processes. It has changed the way consumers' behave in their consumption.

However, the growth of social media marketing practices and absence of assessment on the impact of social media characteristics from Ethiopian context triggered the researcher to investigate this research subject. Addressing of this gap is significant for the customer in different stage of buying process to make social media a unique communication tool. Social media users are content creators so this enables users to be active participants in the communication process. Audiences are more engaged with brand messages because they can provide feedback to companies, creating a two-way conversation.

Social media is characterized by instant communication. Audiences do not have to wait until scheduled news broadcasts to receive information because reporters and media outlets can bring the news directly to social media platforms. Furthermore, people can easily share and post news content on their networks. Social media also foster a sense of interconnectedness and community by bringing people across the globe together online. According to Valentini and Kruckeberg (2012), social media could not exist without their users, given that the participative characteristics create a community feeling.

Social media characteristics significantly impact on consumer buying decision making process. The relationship between social media and consumer decision-making present that social media affects advertising attitudes, brand attitudes, and purchasing intentions of consumer. It will not necessarily affect consumer's decision-making, but might possess a mediating effect (Taining, 2012). Social media can build brand attitudes that affect buying behavior. The good image of brand or product can lead the consumer to make decision on their purchases. When consumer's friend on social media shares or recommends services or products on their social media, it affects brand attitude and influences their decision-making.

To this end, by taking St. Mary University as a case in point, this study conducted to examine and understand the relationship between social media characteristics and consumer (i.e. students of this University) buying decision process. Accordingly, the study assessed how

social media characteristics relates the different stages of consumer buying decision processes in case of students of St. Mary University.

#### 1.3 Statement of the Problem

Social media has revolutionized the ways of communication and sharing information and interests and that the rapid growth of social media and social networking sites, especially, in developing country like Ethiopia is providing marketer a new avenue to contact customers (Boyd & Ellison, 2007). In other words, in today's world, the number of people who uses social media as a platform for business activities has increased rapidly. Especially in Ethiopia, the exposure into social media has been growing, and this has led to an emergence of various social media marketing practices by companies for reaching their customers. With the numerous option available to consumers and ever changing nature of market, it's crucial for companies to get insight about customer purchase decision process in order to realign their strategies and to live up to customer's expectations.

Among different types of social media this study gave due attention for social networking site (e.g. Facebook). Such type of Social Media is used to associate with individuals and brands on the web. It helps business via branding, social awareness, relationship building, customer service, lead generation, and conversion. There is a highly internet user in Ethiopia especially Facebook but they are not using it to make purchase decision by analysis the characteristics of social media. Also the marketer does not gather feedback to creating a two-way conversation.

The study focused on a fact that many companies in Ethiopia are still not aware of the importance and the role of social networking sites on consumer decision making. It tries to explain the exact role played by social media characteristics at different stages of consumer buying decision process to consume shopping good. Shopping goods are goods that consumers do not buy frequently but it needs to compare feature, price and other factor before purchase.

Therefore, an assessment of the relationship between social media characteristic and consumer purchase decision making process is important to set out which stages of purchase process affect the consumer product choice.

#### 1.4 Research Question

With the consideration of the research problem, the study tried to answer the following research questions:

- 1. How do consumers attend, process, and select the information before a purchase?
- 2. What is the relationship between of social media on consumer buying decision process?
- 3. What are the changes social media has brought to consumers in different stages of their decision making?

#### 1.5 Objectives of the Study

#### A. General Objective

The general objective of this study was to examine the relationship between social media characteristics and the various stages of consumers' purchasing decision-making process in case of St. Mary University students.

#### B. Specific Objectives

More specifically, the research also addressed and achieved the following specific objectives.

- 1. To examine the relationship between social media characteristics and need recognition;
- 2. To explore the relationship between social media and information search;
- 3. To find out the relationship between social media characteristics and alternative evaluation:
- 4. To find out the relationship between social media characteristics and buying decision making;
- 5. To assess the relationship between social media characteristics and post purchase stage;

#### 1.6 Scope of the Study

The social media is extensive and dynamic. In relation to this, the study focused on the assessment of relationship between social media characteristic and consumer purchase decision making process, converging St. Mary University students Addis Ababa Campus. Data collection was delimited to graduate students of St. Mary University due to time constraint and financial limitation. Furthermore, in order to provide a more comprehensive perspective concerning the decision making process, the researcher has discussed in Chapter

Two the five-stages buying model and the information processing theory, because the former theory explains the stages in decision making process clearly whereas the latter one denotes the psychological factors during the process, as they are closely linked with one another based on their objectives.

#### 1.7 Significance of the Study

The final findings and results of the study have its own significance. First, other researchers can use this study to facilitate further research on other sectors especially those that are related to social media platforms. The study provides baseline data that assists people to carry out similar studies among other organizations where the business environment is similar. Secondly, since most consumers interact with social media in making decision relating to purchases of their choice, the findings of this study can be used to help the consumer establish the factors that impact on their choices based on the different stages of buyer decisions. It would also help customers/students to view their ability to gather unbiased information, to seek, find, and obtain a wider range of products and services, and to talk with others about actual experiences both before and after purchase. Last but not least, marketer can easily get people to talk about their positive experiences and to accelerate the spread of these contents around the communities.

#### 1.8 Organization of the Study Paper

This study paper is organized in five chapters. Accordingly, the *First Chapter* deals with the introductory part of the study, consisting of an introduction and background of the study, statement of the problem, objective of the study, scope and significant of the study. The *Second Chapter* presents literature and empirical reviews related to the subject matter under investigation. In this chapter, the fundamental concepts of social media and marketing management, the theoretical concepts related to marketing management, customers' expectations and perceptions, purchasing decision making process with respect to social media, empirical reviews and related literatures as well as the theoretical and conceptual framework of the study are covered and discussed.

Further, the *Third Chapter* deal with the methodology of the study covering the research design and approach, the study population, sampling methods and size, type and sources of data, techniques for the data collection and the data analysis methods. The presentation of the

study data, interpretation and discussions of the findings and results are presented under *Chapter Four*. Finally, the last chapter covers the major findings, conclusions and recommendations of the study.

#### **CHAPTER TWO**

#### 2. LITERATURE REVIEW

In this chapter various theoretical concepts related with social media and buying decision process, empirical research which is other research findings and also conceptual framework including the dependent variable and independent variable of the study are discussed.

#### 2.1 Theoretical Review

#### 2.1.1 Social Media: Definition and Concepts

Social media is a newly emerged media, as any other social study the term has no universally adopted definition, however, some literature defined social medial in different context. For example, Kaplan and Haenleni (2010) defined social media as "A group of internet based application that builds on the ideology and technological foundation of web 2.0 that allow the creation and exchange of user generated context. Web 2.0 is a collection of open-source, interactive and user-controlled online applications expanding the experiences, knowledge and market power of the users as participants in business and social processes. Web 2.0 applications support the creation of informal users' networks facilitating the flows of ideas and knowledge by allowing the efficient generation, dissemination, sharing and editing of informational content. It is a more collaborative use of the Web that enhances creativity and knowledge exchange. It is a more interactive and user-driven way to help users participate and collaborate over the Web through open applications and services. It is critical, therefore, that content is accessible to the user; the user should be able to create, share, remix, and repurpose content.

In regards of the term Web 2.0, Tim O'Reilly, the founder of O'Reilly media, has coined that "Web 2.0 is the business revolution in the computer industry caused by the move to the Internet as platform, and an attempt to understand the rules for success on that new platform." He has further provided a general business aspect in relations of Web 2.0 as the "harnessing of collective intelligence", in which Web 2.0 provides platforms and fills the Web with usergenerated content where all individuals, the former audience are able to take part in instead of important decisions made by a few people (O'Reilly, 2006.) Alternatively, Web 2.0 is a platform whereby content and applications are continuously modified and exchanged by all users in participatory and collaborative manner, and no longer merely created and published by individuals (Kaplan and Haenlein 2009).

According to Strauss and Frost, "social media is a network tool and platform, where users can jointly investigate network content, share their opinions and experiences, and build up relations for commercial activities or amusement activities". Social media is a collective term for websites and applications which focus on communication, community-based input, interaction, content-sharing and collaboration. Forums, micro blogging, social networking, social bookmarking, social curation, and wikis are among the different types of social media.

Many individuals will use social media to stay in touch and interact with friends and family, while others use it to communicate with different communities. Many businesses will use social media as a way to market and promote their products. In addition, business to consumer (B2C) websites includes social components, such as comment fields for users. Other tools have been created to aid in tracking the number of mentions and brand perception. Social media has become larger and more accessible thanks to access to mobile applications, with some examples of social media including Twitter, Facebook and LinkedIn.

#### 2.1.2 The Expansion of Social Media

According to The Digital Report made by "We are social" and "Hootsuite" (January 2018), there were more than one million new users in the top social platform every day. In total, there are more than three billion active social media users in the world, which represents 42% of the world's population and an increase of 13% compared to 2019. This high numbers are even more impressive when we realize it only started a couple of decades ago (We are social and Hootsuite, 2018).

The first social media platform was created in 1997 under the name "Six Degrees". It was named after a theory called "six degrees of separation". This platform enabled users to communicate one with another through blogs and instant messaging. However, at the time not everyone had an easy access to the internet and it was not common for people to socially engage online. This Six Degrees was ended in 2001.

In the early 2000's, more and more people started to use instant messaging in order to make friends, engage discussions with them and even dating people. Social media became more popular thanks to the creation of MySpace and Linkedin in 2003. One year later, Mark Zuckerberg created Facebook but only as private social media for Cambridge University. When he realized Facebook was a success, he decided to release the website to the public and

gave the entire world access to his service. Another surge in social media came in 2010, when dozens of other websites also provided social media services.

According to the new digital report (2018), more than four billion of people are nowadays using Internet. This report also shows that people are spending more and more time using the internet. Indeed, users spend in average around 6 hours per day (which means one quarter of their time) online (Digital, 2018).

Social media is more and more accessible because of affordable smart-phones and smart devices. Moreover, mobile data plan that are sometime almost unlimited allows people to enjoy the internet wherever they are. There exist thousands of social media platforms, each one catering a different type of user. According to the Digital report (2018), the world top five social media platform are Facebook (2.061 billion users), Youtube (1.5B), WhatsApp (1.3B), WeChat (963M) and QQ (850M).

#### 2.1.3 Theories related to Social Media

This section reviews major theoretical frameworks which are applicable to the study and understanding of social media. Theories related to social media can be categorized and separated into three schools: a) micro-theories deal with those frameworks studying the dynamics of contribution of information online and communication of individual social actors; b) macro-theories are those theories looking at the structure and dynamics of social actors and social media content through global or abstract views; and c) pseudo-theories include the recent conceptual frameworks in marketing and social media proposed mostly by non-academics. These theories and frameworks contributes to the understanding of the nature of social media, why people contribute, how they form relationships, and how one can discover the opinion leaders and valuable social media content.

#### I. Micro-Theories

#### A. Word of Mouth/Psychological Ownership Theory and Perceived Control

Asatryan and Oh (2008) applied Psychological Ownership Theory in explaining why former customer is motivated to offer WOM feedbacks. On one level, some customers develop feelings of connections with firms they are loyal to that manifest into a sense of ownership, as evidenced by the 'mine', 'my', 'our' language they use in their reviews. In such circumstances, one would assume that a loyal customer would provide positive feedback to others, directing their negative feedback to management (Mattila, 2001).

However, where no such loyalty exists, the motive to write either a negative or positive review may be a desire to control or influence the business indirectly by communicating with its future potential customers. Loyal consumers' motives in posting positive reviews on blogs are attempts to reward firms; the motives of non-loyal customers are based on the satisfaction of being helpful to other consumers. According to Pierce, Kostova, and Dirks (2003), the desire by the consumer to control through such communications may result in feelings of efficacy, intrinsic pleasure, and extrinsic satisfaction in providing such advice to others.

These propositions point to strategies in which a firm can leverage customer feedback and social media for a firm's strategic benefit. On one hand, firms should enhance the perception of psychological ownership and control among their customer base through loyalty and customer feedback and service recovery programs; they should keep more negative evaluations internal and positive feedback external. On the other hand, firms that do not emphasize customer loyalty or customer feedback should expect customers to both reward and punish their performance through social media.

#### **B.** Social Exchange Theory

Given that all social media are dependent on users providing content, an understanding of the motives of why individuals participate appears fundamental. Social exchange theory was originated from sociology studies exploring exchange between individuals or small groups (Emerson 1976). The theory mainly uses cost-benefit framework and comparison of alternatives to explain how human beings communicate with each other, how they form relationships and bonds, and how communities are formed through communication exchanges (Homans, 1958). The theory states that individuals engage in behaviors they find rewarding and avoid behaviors that have too high a cost. In other words, all social behavior is based on each actor's subjective assessment of the cost-benefit of contributing to a social exchange. They communicate or exchange with each other contingent on reciprocal actions from the other communicating party (Emerson, 1976). The mutual reinforcement could be analyzed through a microeconomic framework, though many times the rewards are not monetary but social, such as opportunity, prestige, conformity, or acceptance (Emerson, 1976).

#### C. Social Penetration Theory

Similar to social exchange theory, social penetration theory explains how human exchange forms relationships (Altman and Taylor, 1973). However, the latter focuses more on the individual and dyadic levels while the former could explain behavior at aggregated and organizational levels. Social exchange theory states that human beings form close relationships through self-disclosure. Using an analogy of peeling of the layers in an onion, one must disclose him or herself through the continuing process of expose one's inner self and identity. It starts with public, visible, and superficial information, such as gender, clothing preferences, and ethnicity; slowly, as the relationship progresses, one starts to share his or her feelings; in the deepest level, one will expose his or her goals, ambition, and beliefs (Altman et al. 1981).

#### II. Macro-Theories

#### A. Social Network Analysis

Social network theory views the community of individuals as connected actors, and uses mathematical models to study its structure, development, and evolution (Wasserman and Faust 1994). Social network analysis treats individual actors in a community as nodes; the communications between those actors are deemed as ties, edges, links, or connections. Social networks can form in many levels, from individual people, to families, communities, and nations. Those ties could be communication frequency, friendship, kinship, financial exchange, sexual relationships, or common interests or beliefs. Together they form a complex graph structure. Mathematical calculation on many indices could be performed on this complex graph, including the following: Betweenness: the extent of a node lying between other nodes; Centrality: how connected is a node to the network; Closeness: how one node is near all other nodes in the network; Density: all the ties in a network in proportion to all the possible ties; Structural hole: the node which connects other nodes. Those nodes are disconnected without the first node. These measurements determine the importance and structural positions of individual actors, and the characteristics of the partial or whole networks. The measurements could be used to study the social network, improve the network structure, and help increase the efficiency of information flows in the network. Network analysis software such as UCINET could be used to measure those indices (Borgatti et al. 1992). Traditional social network analysis views individuals or organizations as nodes in the network, and the communication between them as edges.

However, social media content is exactly the materialization and solidification of the chatter, comments, or reviews. The recent emergence of multi-dimensional social network framework is crucial in studying the interaction between social actors and information artifacts (Contractor 2009). By treating social media content as nodes, one can perform mathematical calculation on those information artifacts, such as what are the important pieces shared by many people, how one can connect users through artifacts, where are the structure holes of social media by connecting which the network could be more tightly integrated. Buckner's (1965) theory on rumor transmission indicates the accuracy and speed of rumor passing were affected by the structure of the network and the mental sets of individual actors in the network. Connecting this line of research with social network analysis of those online social network sites could inform businesses of the methods on promoting themselves through organic word-of-mouth. Recent applications of multidimensional social network analysis to web 2.0 have generated some fruitful results (Kazienko et al. 2010).

#### B. McLuhan's Media Theory

McLuhan is a Canadian philosopher and educator, the author of the famous quote "the media is the message" (McLuhan, 1995). He argued that the media itself, rather the actual content of the media, will transform people and society. The actual messages people are communicating won't be any different on the new media; the interactivity and frequency of new communication pattern will change our behavior forever. Thus, the media's effects on society are much greater than the content of the media. He separates media into "cool" media and "hot" media. The former one requires a viewer to exert much effort and participation in understanding the content, such as television, seminars, or cartoons; the latter refers to those media that enhance one sense, so the viewers do not need to exert much effort, such as films, radio, and photography (McLuhan 1995). If we use McLuhan's arguments, social media will transform the users not due to the content it contains, but due to the mode of communication it entails. For example, Twitter is only a micro-blogging service with a limitation of 140 characters. Theoretically one can perform all the functions of Twitter through a blog service. However, it is exactly its limiting factor which made Twitter more nimble and real-time. Many breaking news stories were spread out on Twitter, such as China's Sichuan earthquake and Mumbai's terrorist attack in 2008 (Parr 2009). As business managers and consumers, one needs to realize the changing behavior due to the usage of new social media services and adopt an attitude of acceptance toward those technologies and behavior.

#### III. Pseudo-Theories

Social media landscape is fast changing due to the low cost of innovation in the era of open-source movement. The disconnection of academia from the industry and the slow process of formal publishing cycle pose a challenge for researchers in academic institutions. Many social media and online marketing agencies actually are more innovative and ahead of the curve of social media for marketing purposes. This section views two frameworks trying to make sense of social media landscape.

Carlene Li and Jeremiah Owyang from Altimeter Group are the major contributors to the social-graphics framework (JOwyang, 2010). They argued that instead of studying the demographic, geographic, or psychographic profiles of your customers, businesses also need to develop social strategy termed social-graphics. Marketers and managers needs to ask the following questions: which websites are my customers on? What are my customers' social behaviors online? What social information or people do my customers rely on? What is my customers' social influence? The answers to these questions could separate your customers into layers of engagements: from curating, producing, commenting, and sharing, to watching. The businesses then need to separate their customers into these layers and provide tools and platforms to facilitate their social interaction. Another line of framework, Social Feedback Loop, links consumer purchase funnel with social media. Dave Evans (2008) has argued that traditional purchase funnel has three stages (awareness, consideration, and purchases) during which a marketer could influence a consumer's decision making. However, the purchase funnel concept treats customers like living in a vacuum. A customer, after purchase, will use the product, form opinions, and talk about it later in the stage. Some of the experience after purchase will be materialized and posted online, which will loop back to other customers' purchase decision making process. This social feedback cycle is driven mostly by word-ofmouth; the word-of-mouth is further driven by actual use, trial, or sampling experience. Harnessing this feedback loop might be even more important than marketing on the mass media through the first three stages of consumer decision making.

These two frameworks make intuitive sense: marketers should switch focus from effects of mass media on pre-purchase decision making to post-purchase word-of-mouth; one needs to study the different levels of engagement your customers have in order to adopt different strategies for encouraging the spread of social media and influence the direction of consumer conversation. However, the frameworks do not specify the exact methods in segmenting

engagement groups and the ways to adopt in order to differentiate stages of pre-purchase decision making and post-consumption and the ways to influence them.

#### 2.1.4 Information Processing Theory

Information processing theory is a cognitive theory that focuses on how information is encoded into our memory. Developed by American psychologists including George Miller in the 1950s; Information Processing Theory has in recent years compared the human brain to a computer. The 'input' is the information give to the computer - or to our brains - while the CPU is likened to our short-term memory, and the hard-drive is our long-term memory. Information processing theory regarding the consumer choice has denoted how information is preformed, evaluated, and post-evaluated during the course of the decision process. The framework is interpreted into six dominant components; processing capacity, motivation, attention and perceptual encoding, information acquisition and evaluation, decision processes, and effects of consumption and learning (Bettman, 1979).

#### A. Exposure

When consumers are exposed to information via mass media, it is considered as a passive process in respect of information processing. However, since the information is delivered in a faster rate, it tends to decrease consumers' attention and disrupt cognitive elaboration (Moore, Hausknecht, and Thamodaran, 1986). Adversely, in situations where consumers typically seek out information initiatively, the perspective in viewing information is considered as an active approach (Sternthal and Craig, 1982).

Information overload makes businesses harder to draw the attention of potential customers and to encode messages in their memories (Shapiro and Varian, 1998). Buying decisions are often made very quickly, such as consumers are likely to reduce the dimensions they consider during brand choice under the pressure of time (Ratneshwar, Mike and Reitinger 1990). At this stage, it is crucial to outbreak the clutter/ noise. Individuals' attention must be drawn to the incoming information (Sliverman 2001), in which attention serves as an essential "tuning" mechanism in the active selection of information for additional processing (Ratneshwar et al. 1990).

Further, the fact that human beings have a limited capacity for processing information is a very important notion, because it impacts the various components in the decision process; such components as motivation, attention, information search and retrieval, and so on are subjected to the constraints imposed by the processing capacity limitation (Bettman, 1979).

#### B. Motivation

According to Bettman (1979), choices are made to accomplish certain goals or purposes; thus, it is a crucial concept in any theory of consumer behavior. Since individuals make choices continually, therefore motivation impacts not only on the direction (affecting choice of one behavior over another) but also on the intensity of behavior (the capacity allocations on a particular activity).

#### C. Attention and Perceptual Encoding

Attention and perception are essence elements in explaining, partially, the selection of information to attend to. Once an individual is physically exposed to the presented information, the extent of the information reception depends upon the recipient's attention regarding the incoming information (Sternthal and Craig, 1982). According to Sliverman (2001), in order for the information to be processed, the recipient must pay attention to it; in like manner to selective information exposure, attention is selective. Individuals are highly selective in the kinds of stimuli that they pay attention to focal attention, and tend to neglect stimuli that are non-focal (Fennis and Stroebe 2010).

Individual tends to look for and see what they have expected, because interpretations of information are quickly constructed in consistent with concepts in memory, and interpretation of stimuli requires an actively analysis utilizing information stored in memory (Bettman, 1979). People tend to be drawn towards environment where a disproportionate amount of information is consistent with their initial opinion. Namely, individual typically live in a community with individuals who share the similar values and perspectives, and it caters to their lifestyle; hence, it is not surprising that individuals are unlikely be aware of information that is contradicted to their lifestyles.

Perceptual interpretation of stimuli will often influence the subsequent direction of attention, they are continually interacting. Since consumers are likely to respond to a louder noise, such as a novel stimulus, such events then lead to interruptions of current information processing.

Bettman (1979) has further proposed two types of interrupting events, which seems most relevant to attention, and perceptual encoding, conflicts and learning about the environment.

#### D. Information Acquisition and Evaluation

Often times the consumers' media selections of the information source are determinants of the information to which the consumers will be exposed; that is, in the situation, consumers may have their preferences regarding which online communities or blogs or so on whenever they seek for information (Howard and Ostlund, 1973).

There are many circumstances that will impact the decision regarding when the information search should be stopped, such as the perceived costs of obtaining information (e.g. time costs, effort required, or financial costs), the information availability, and the value of the information in helping to make a choice (e.g. credibility, experts' advice). Individuals may often learn about the environment, in which results in information intake unconsciously; in other words, individual is not actively searching for the piece of information. Advertising in this case is considered as an interruption that leads to a goal reordering, for instance, consumer may purchase a product, which is broadcasted on television.

Organizing the acquired information entails the combination of the bits of information that the consumer has acquired (Sternthal and Craig 1982). During this stage, consumer relates incoming information to his or her existing structure of beliefs and values (Bettman 1979). Many studies (Bettman 1979; Sternthal and Craig 1982; Fennis and Stroebe 2010) have proposed that the consumers' responses and reactions to the incoming information can affect the eventual impact of the information on the existing structure, in which whether the piece of information will be integrated, ignored, distorted, and so on. Howard (1977) postulated that if the alternative desired is identified, then the consumer may search for information about prices and stores where that alternative is available, for instance the price levels, locations, service capabilities, and so on.

#### **E.** Decision Processes

Decision process takes place throughout the course of selecting information and comparing purchase alternatives. Bettman (1979) has indicated that the decision process does not follow a sequential flow, but rather a cycling procedure; that is, if conflict arouses, attention and perceptual encoding may be redirected regarding the solution of the conflict, eventually it may result in a change of decision choice.

#### F. Effects of Consumption and Learning

The consumption of the purchased products will most likely serve as a source of information to the individual on future purchase decisions. Depending upon how consumers interpret the outcomes they experienced, different inferences may developed accordingly regarding the cause of the outcome, which can result in differing actions on future purchases (Bettman, 1979).

#### 2.1.5 Characteristics of Social Media

Social media is best understood as a group of new kinds of online media, which share most or all of the following characteristics:

- → Openness: most social media services are open to feedback and participation. They encourage voting, comments and the sharing of information. There are rarely any barriers to accessing and making use of content-password-protected content is frowned on.
- → **Participation:** social media encourages contributions and feedback from everyone who is interested. It blurs the line between media and audience.
- → Conversation: whereas traditional media is about "broadcast" (content transmitted or distributed to an audience) social media is better seen as a two-way conversation.
- → Community: social media allows communities to form quickly and communicate effectively. Communities share common interests, such as a love of photography, a political issue or a favorite TV show.
- → Connectedness: Most kinds of social media thrive on their connectedness, making use of links to other sites, resources and people.

#### 2.1.6 Consumer Buying 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).

The information generated as a result of user interactions on social networking sites influences the decision-making process of consumers (Wang & Chang, 2013). According to Li (2011), users' behaviors are affected not only by their own motivations but also by other users of the consumers' online network. As stated by Wang and Lin (2011), people tend to follow others' choices instead of making their own decisions to reduce the cognitive effort when faced with too much online information. In addition, consumers search for product and company information on social media sites because they find these sources more reliable than information provided by marketers (Sinclaire & Vogus, 2011).

Consumer decision making process comprises five stages: need recognition, information search, and evaluation of alternatives, purchase and post-purchase behavior. Marketing managers attempt to influence consumer behavior during each of these stages as it has been discussed below in a greater detail.

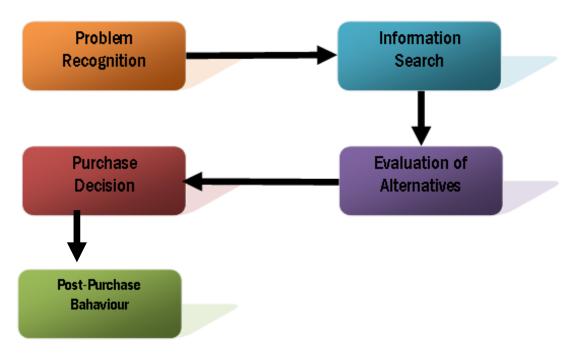


Figure 1: The 5-Stage Decision Making Model (Silverman, 2001)

#### A. Need Recognition

Need recognition is the first stage of consumer decision making process and it can be explained as a result of an imbalance between actual and desired needs (Lamb et al, 2011). Interestingly, need recognition may relate to actual need of a perspective customer to a specific product or service, as well as, 'perceived' customer need imposed by businesses through effective marketing communication strategies.

Specifically, the emergence of the latter form of customer need plays an integral role in customer impulse shopping, and accordingly retailers attempt to create a 'need' in customer's mind for the products and services they are offering. For instance, 'imposed' needs in retail environment may include 'need' to be refreshed and energized by consuming a range of soft drinks and energy drinks sold by retailers, as well as, 'need' to follow fashion trends by purchasing specific items sold by retailers. Need is activated with internal or external stimulants (Roberts & Lilien, 1993). Hence, the magnitude and importance of the problem or need are first determined (Schwarz et al., 2013; Shank, 2009).

#### **B.** Information Search

The second stage of consumer decision making process relates to information search. Once a need is recognized by a perspective customer, he would seek for information about the available ways to satisfy the need. It is important to stress that the extent to which the consumer needs to search for information depends on his current information levels and the perceived value of the additional information (Pradhan, 2009).

Customers are greatly influenced by marketing strategies of retailers during this stage of the decision, making process as well. Namely, retailers communicate information about the brand through various communication channels that might include any combination of advertising, direct marketing, public relations and publicity, personal selling, events and experiences and sales promotion (Kotler and Keller, 2009).

Information is either actively searched or passively gathered with high awareness (Roberts & Lilien, 1993). According to Bettman et al. (1991), information can be searched in two forms a) from consumer's existing memory, which is usually used in routine decisions or b) from external environment, which is used because of consumers' realization of the risk of purchase. External sources have four types: A) Personal sources including friends, peers, followers from social networks, and others (Schwarz et al., 2013; Shank, 2009); B) Nonpersonal sources including articles in newspapers, consumer reports, efficient bloggers, and others (Schwarz et al., 2013; Shank, 2009); C) Experiential sources including watching the games in different sports leagues and deciding (Shank, 2009); and D) Social conformity including deciding based on others' purchases and peer/reference group pressure (Schwarz et al., 2013).

#### C. Evaluation of Alternatives

During the third stage of consumer decision making process perspective customers are engaged in evaluation of alternatives. In other words, during this stage consumers consider the relative importance of each attribute of the product-service mix (Reid and Bojanic, 2009). Influencing customer behavior at this stage of decision making process is critical for retailers in terms of improving their levels of customer attraction and retention. Accordingly, retailers attempt to attract customers with their competitive edges that are usually based in one or more elements of marketing mix.

It worth to be noted that, "the marketing mix principles are controllable variables which have to be carefully managed and must meet the needs of the defined target group" (Kumar, 2010). Depending on the nature of their chosen strategy retailers might decide to base their competitive advantages on product (Marks and Spencer, Waitrose), price (Lidl, Netto), promotion (Tesco, Siansbury's), and/or place (Tesco, Siansbury's). It consist two components (Roberts & Lilien, 1993): perception formation (based on the beliefs about products' features) and preference formation (based on the perceptions). The alternatives in the evoked set are evaluated according to the evaluation criteria. The role of social media in this stage is as source of evaluation alternative and important to find the right alternative.

#### D. Purchase Final Decision

Making the purchase corresponds to the fourth stage of customer decision making process. Factors playing significant role on the choice of retailer to make a purchase from at this stage include the level of satisfaction from past shopping experiences, product return policy, store atmosphere and the intensity of time pressure associated with the purchase. Moreover, it has to be stated that if the need is not great and the solutions the consumer finds are not desirable enough to motivate a purchase, the consumer may postpone the purchase until a satisfactory opportunity presents itself (Lake, 2009).

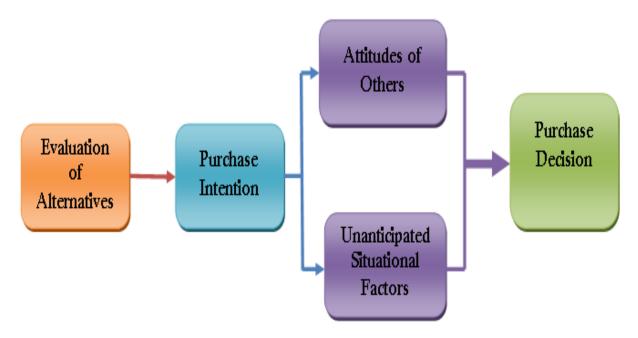


Figure 2: Steps between Evaluation of Alternatives and a Purchase Decision (Koter & Keller, 2009)

Kotler and Keller (2009) also suggested that, during the course of evaluation, consumer eventually forms preferences among the brands in the choice desk. However, there are two factors, which can interfere between the purchase intension and purchase decision-attitude of the others and unanticipated situational factors. Attitudes of others is the extent to which another person's negative attitude towards the preferred alternatives or reluctance to meet the terms of supporting the purchase intention, this may result in a readjustment of the consumer's purchase intention (Kotler and Keller, 2009).

Likewise, Kotler (2009) has also stated that consumers are undoubtedly influenced by the infomediaries who publish their evaluations. Unanticipated situational factors refer to those may erupt to alter the purchase intention, for instance, there might come an unexpected purchase that is more urgent compared to the purchase the consumer was firstly stimulated to buy; in other words, preferences and purchase intentions cannot be served as completely reliable predictors of purchase behavior (Kotler and Keller, 2009).

The stages in the decision process are not followed sequentially, but rather in a cyclically order; that is, in reality there are loops, for instance between information search and evaluation, consumer learns about new criteria not previously considered (Bettman, 1979).

#### E. Post-Purchase Behavior

The last stage of customer decision making process involves post- purchase behavior of customers. It goes without saying that the post-purchase phase of the decision-making process is essential for marketers to ensure that consumers are satisfied after the purchase (Ramesh, 2008). The level of satisfaction or dissatisfaction associated with specific shopping experience customer value brand perceptions and the nature of their repeat-purchase behavior.

Accordingly, a range of retailers invest in post-purchase communications among customers that can be done through follow-up calls or e-mails from salespeople. However, such types of practices are usually exercised in relation to high value items and it is not very popular among the majority of retailers.

Satisfaction level will affect the future participation and the positive word-of-mouth about the product/event (Shank, 2009). Continuous purchase is ensured if cognitive unconformity is eliminated (Schwarz et al., 2013).

#### 2.1.7 Type of Buying Behaviors

Wants are unlimited and the resources to satisfy these wants are limited. So the consumers think rationally before buying any product. The more expensive the good is the more information is required by the consumer. According to Kardes (2011), customer behavior refers to "all activities associated with the purchase, use and disposal of goods and services". This also includes "the consumer's emotional, mental and behavioral responses that precede or follow these activities". There are four types of consumer buying behavior on the basis of buyer involvement while purchasing any product.

- → **High Involvement**: This means when the consumer is highly involved while buying a product. Generally this situation happens in case of expensive or luxuries goods. Like while buying a diamond necklace a consumer is highly involved.
- → **Low Involvement**: This means when the consumer is not highly involved while buying a product. It happens in case of low price goods. Like while buying toothpaste a consumer is not highly involved.
- → **Significant differences between Brands**: It means when there are significant differences between brands.

→ Few differences between Brands: It means when there are very little differences between brands.

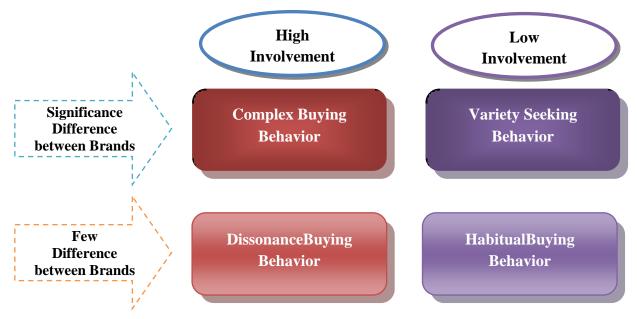


Figure 3: Type of Buying Behaviors (Pearson Education, 2012)

- **A. Complex Buying Behavior**: When a consumer is highly involved in the buying and there is a significant difference between brands then it is called complex buying behavior. So, in this case the consumer must collect proper information about the product features and the marketer must provide detailed information regarding the product attributes.
- **B.** Variety Seeking Behavior: In this case consumer involvement is low while buying the product but there are significant differences between brands. Consumers generally buy different products not due to dissatisfaction from the earlier product but due to seek variety. Like every time they buy different washing detergent just for variety. So, it is the duty of the marketer to encourage the consumer to buy the product by offering them discounts, free samples and by advertising the product a lot.
- **C. Dissonance Buying Behavior**: Here consumer is highly involved in the purchase but there are few differences between brands. Like consumer while buying a floor tiles buy them quickly as there are few differences between brands.
- **D.** Habitual Buying Behavior: In this case there is low involvement of the consumer and there are few differences between brands. The consumer buys the product quickly.

#### 2.1.8 Social Media as a New Marketing Tool

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.

Marketing, which was at first considered as a creative branch, is nowadays considered as a science, which requires studies and market research. As marketing evolves in time, it expands in order to create different types of marketing. Digital marketing is one of them. With more than four billion people connected, online for six hours each per day in average (Statista, 2018), digital has become an important part of our lives. Indeed, this connectivity is used for chatting with friends, tracking information etc. Therefore, brands have to be well integrated into this digital world in order to be recognized by their audiences.

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 (Weber, 2009).

Moreover, social media marketing is part of digital marketing. It refers to all tools and activity used on social media in order to increase brand awareness and start and manage conversations and exchanges insight one or several target group. Social media marketing was created with the emergence of the Web 2.0 and the increase of social media users. The aim of social media marketing is to share high valued content with the company's customers and prospects. The more valued is the message for the customer, the more s/he will share it back with his own network. According to this, social media marketing can be seen working as a

giant word of mouth process. Social media marketing allows companies to integrate some existing community by starting conversations and listen directly their customers and prospects. However, more and more companies are using social media marketing as a marketing tool. Therefore, it becomes more and more difficult to stand out from competitors.

The reason why so many companies use social media marketing strategy is that there are many benefits. Indeed, social media marketing allows companies to collect customers' experiences through review chat and rating systems. It is also easier to identify and reach influencers' groups and customers' communities, which can become brand ambassadors and contribute to the growth of its awareness. One more benefit, and maybe one of the most impacting ones, is that social media marketing costs are very low. In reality, it is one of the less expensive ways to do marketing as most of social media channels are free of charge.

#### 2.1.9 The Influences of Social Media on Decision Making Process

As the business world re-centers around serving and delighting customers, managers are confident that social media impacts sales, brand awareness, and loyalty (Olenski 2012). As a result, social media data impacts their decisions while making predictions or forecasts. According to social media marketing industry report, the social media realm is not a mere fads in which marketers are increasingly attracted and 83% of them place high value high value on social media of their businesses (Stelzner, 2012).

Social media, as a new component, has further complicated the time-honored buying behavior process theory wherein the buying attitudes are not impacted merely by the traditional channels but extend to the online platforms. Preferences and decision-marking are prompted depend upon the inputs provided by parties beyond the control of online marketers, such as peer reviews, referrals, blogs, social networks, and other forms of user-generated content.

Constantinides and Fountain (2008) have suggested an innovative Stimuli and Response model based on Kotler's (1994) framework, due to the increasing usage of social media. Within a traditional shopping environment, consumers are most likely to be affected by the traditional marketing mix (e.g. ads on radio, newspaper, television, and so on) and other uncontrollable stimuli (e.g. values, societies, demographics, perceptions, and so on); however, with social media and Web 2.0, it extends to online marketing mix (e.g. emails,

banners, cooperate websites, and so on) and the social media experiences, which are far beyond the marketer's control (Constantinides and Fountain, 2008).

#### 2.2 Empirical Review

According to Andualem (2019) conclusion one of consumer buying processes is information gathering stage. In this stage customer if they don't have any idea or knowledge about whether the company has social media page or not, they couldn't gather information from the social media page. Therefore the social media page of firm has no influence on information gathering process of customer. If they don't have any information they can't see the alternative. Therefore the customer can't make purchase decision by using social media.

Mainye Assumpter Nyagucha (2017), studied on social media and consumer decision making process among the youth in Nairobi. The objective of the study was to establish the impact of social media on consumer's decision making process among the youth in Nairobi. A descriptive research design was used for the study. A quantitative approach was adopted to collect data using questionnaires that were administered physically and collected. The population of this study was youth in Nairobi County aged 18-35 years. The study was undertaken using random sampling technique.

The results of the findings indicated that the social media has an impact on the respondent's pre-purchase stage; the respondents agreed that social media provides them with external stimuli to recognize a need for something before purchasing, it does trigger their need to purchase through advertisements it displays, provides them with ideas or solutions to address what to buy, where to buy, why to buy through interaction with peers/friends, influences them to try new brands/products/services based on the reviews by peers/friends, and provides enhanced easy information search about different products and services.

Findings of the study also established that during purchase stage, social media is more reliable if one has uncertainties regarding a purchase, it contributes towards changing initial purchase preference after attaining relevant information available on social media, social media platforms contribute towards one's perception of quality of the products and services they want to purchase based on their updated information on the same platforms, and that social media motivates one's direction towards a product based on comments from friends/family.

The findings of the research also established that post-purchase behavior is influenced by social media since the study's results revealed that feedbacks on social media affect future purchase, that information regarding product/service has a higher credibility on social media than on other media channels and that social media does enable them to convey their satisfaction and dissatisfaction directly to the service providers and manufacturers.

Wickrama Hewage Thejani Madhuhansi (2019) studied on impact of social media on consumer buying decision process in Western Province, Sri Lanka. The study intends to investigate how social media characteristics impact on each stage of the consumer buying decision process in the Sri Lankan context. For the study, a quantitative research method was used, and a sample of 147 respondents was selected by snowball sampling method. Primary data was used for achieving research objectives and self-administered, structured questionnaires were used for the data collection. The research reveals that social media characteristics influence on all the stages of consumer buying decision process while the biggest impacts are on post-purchase stage, information stage and evaluation stage respectively. The research explains the role of social media as a current trend, impact of social media on consumer buying decision process and implication for marketers.

In study conducted by Fahed Khatib (2016) to explain how the influence of social media is reflected on consumers' purchasing decision-making process and if this influence differs at the various stages of decision process quantitative research method is adapted for the purpose of this research. The primary data was gathered by sending out questionnaire to a convenient sample of 310 individuals in Aseer Region in Saudi Arabia. The study finds that the influence of social media differs according to the various stages of the consumers' purchasing decision making-process. The influence was more on information post-purchase stage, followed by purchase decision stage. The study also highlights implications for marketers that have the opportunities to seize the power of influence of social media.

According to the Deloitte report (2020), 29% of social media users are more likely to make a purchase on the same day of using social media. That means that once they see a product, they simply click on the link and buy it: there's no need to wait before they go shopping. Moreover, the same report states that consumers who are influenced by social media are four times more likely to spend more on purchases.

For the need recognition phase, as Kim and Srivastava (2007) pointed out, it is important for companies to predict consumers' latent purchase needs based on social groups to which consumers belong and the relationships among group members. The risks that Yadav et al. (2013) mentioned (functional, social, and financial) are one of the main issues that consumers try to reduce in the information search phase of the decision making process. Consumers should be turned into active users who use platform activities such as like, comment or share; rather than just being passive observers. Marketers can organize Facebook campaigns to increase the amount of information sharing (i.e., a present for every tenth like or comment on the sports product).

As Kim and Srivastava (2007) indicated, consumers need more help in the information search and evaluation of alternatives phases than in other phases of the decision-making process. Consumers would like to reduce the list of products in the evoked set. Companies or team pages on Facebook should provide valuable and accurate product information and try to encourage consumers, who made a purchase and are satisfied, to share information about their knowledge and experience about sports products or events. A Nielsen report stated that friends and peers are more trustworthy than anyone else for consumers when they make purchasing decisions (Gibs & Bruich, 2010). The study revealed that the percentage of social media users surveyed who were at least somewhat likely to make a purchase after seeing a friend's post was 68% for 18- to 34-year-olds, 53% for 35- to 44-year-olds, 40% for 450 to 54-year-olds, and 32% for 55- to 64-year-olds (e-Marketer, 2014). Therefore, in the actual purchase phase, companies should pay more attention to encourage consumers' likes, shares, and comments on Facebook rather than their own advertisements. Information provided by Facebook activities helps consumers coordinate the purchase process (choosing the product and brand, the time and place of the purchase). During the post-purchase evaluation phase, consumers endeavor to confirm that their purchasing decisions are correct, and they tend to compare post-purchase experiences with others on Facebook. A Carat and Microsoft research (2010) stated, these post-purchase experiences can create word-of-mouth and influence future and succeeding purchases.

# 2.3 Conceptual Framework of the Study

In order to materialize and achieve the objectives of the study (i.e. to examine the impact of social media characteristics on customer purchase decision making process), the theoretical and conceptual perspective as well as the empirical studies of social media and customer

purchase decision making process are reviewed. The theoretical review covered the concept of and related theories of social media and the steps and components constituting the consumer decision making process in a potential market transaction before, during, and after the purchase. The essence of social media marketing in which clarification on the change of the nature in today's marketing approach and its effects on purchasing decision is also discussed and reviewed in Chapter Two. Moreover, the empirical review also conducted covering some study findings on how customers' in Ethiopia and other countries process information on social media before a purchase, the actions carried out after a consumption, as well as what are their perspectives regarding social media.

In view of that, based on the above detailed literature and empirical review results, the conceptual framework was develop which includes social media characteristics and consumer buying process. This theoretical and conceptual framework was used to measure the relationship between dependent and independent variable. Accordingly, the identified five specific characteristics that underline the operations of all social media: participation, openness, conversation, community, and connectedness which are independent variables of the concept and consumer buying decision process were the independent variable.

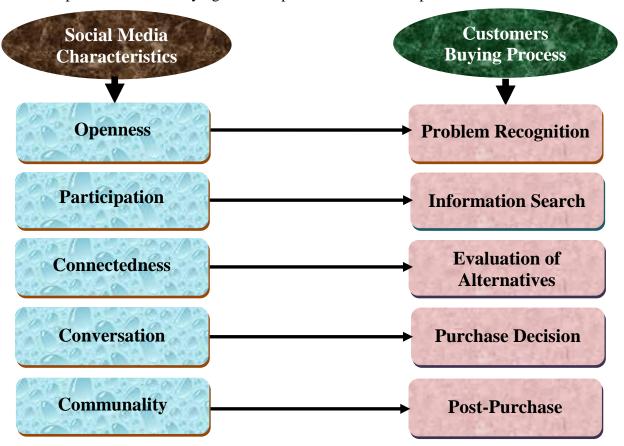


Figure 4: Theoretical and Conceptual Framework

# **CHAPTER THREE**

### 3. METHODOLOGY OF THE RESEARCH

#### 3.1 Introduction

This chapter presents the study methodology that applied and used in conducting this research. Accordingly, this chapter covers the research approach and design, the study target population, sampling procedure and sample size, the type and sources of data to be collected, the data collection procedures and data collection techniques, and data analysis methods used in the study.

### 3.2 Research Design

Regarding the study design, Burns and Grove (2003), described research design as a "blueprint for conducting a study with maximum control over factors that may interfere with the validity of the findings". In this regard, the objective of this study was to examine the relationship between social media characteristics and consumers purchasing decision making, and thus this study used descriptive research designs. The very reason to employee a descriptive research design is that, this research design involves direct exploration, analysis and description of phenomena as free as possible from unexplained presumptions, aiming at maximum intuitive presentations (Cooper and Schindler, 2014).

Hence, applying a descriptive research design served to identify and describe the relationships between the social media characteristics and its impact on consumer purchasing decision making with respect to the study target population as it is used to document a study phenomenon in its real situation, without the interference of the researcher.

# 3.3 Research Approach

There are three research approaches or methods in conducting a research study including qualitative, quantitative and mixed methods. To undertake and materialize the study objective quantitative research approach was used so as to gain a better understanding about the research problem with respect to how social media characteristics impacts on customers purchasing decision making process.

# 3.4 Target Population of the Study

As described by Burns and Grove (2003), study population consist all the study elements that meet the criteria for inclusion in a study. On the other hand, the target population for a survey is the entire set of units for which the study data are to be used so as to make inferences. Accordingly, the target population of this study was all St. Mary University graduate students as consumers. The table below shows the total size of the current St. Mary University graduate students.

Enter Voor E C	Size of St. Mary University Graduate Students						
Entry Year E.C	Male	Female	Total				
2012A	251	265	516				
2012B	47	57	104				
2013A	309	256	565				
Total	607	578	1185				

Table 1: Total Size of Current St Mary University Graduate Student

# 3.5 Sampling Design and Sample Size

Burns and Grove (2001) define purposive sampling as "judgmental sampling that makes the conscious selection by the researcher of certain subjects or elements to include in the study". In view of that, most of this study target population or St. Mary University graduate students have access for social media. Thus, in order to conduct this study, respondents were selected using purposive sampling method.

To determine the study sample size from the target population of St. Mary University graduate students, the following sample size determination formula was used as developed by Taro Yamane (1967) to determine the sample size from the target population.

$$n = \frac{N}{1 + N * (e)^2}$$

- n The sample size
- N The population size
- e The acceptable sampling error (0.1)

By using the above formula the sample size will be 99.95 ~100. From the 100 questionnaires distributed 80 were respond and 20 was not returned. This makes the response rate 80%. Purposive sampling technique chosen among the sampling techniques to find the exact user of social media for shopping and clearly identify the dimensions stated in the questionnaire.

### 3.6 Data Type and Sources

For this study all the relevant quantitative and qualitative data were used, collected from both primary and secondary data sources. Primary data are firsthand information or data obtained originally by the researcher on the variables of interest for the specific purpose of the study (Sekaranand Bougie, 2009). According to Naresh (2010), primary data are organized for the specific purpose of addressing the problem on hand.

Accordingly, data from primary data sources were gathered and used with the aim of achieving the objectives and to maintain control over extraneous variables. In this context thus, the primary data were collected from consumers of St. Mary University graduate students. In addition, all the relevant data from secondary sources were also gathered and utilized, including published articles, research works, previous studies, book, and other sources will be reviewed.

# 3.7 Data Collection Techniques

As described by Karim (2013), accurate and systematic data collection is critical to conducting scientific research. The questions for the questionnaire was prepared and built closely upon the theoretical and conceptual framework to address decision making process, information processing theory and social media marketing. The structure and logical sequence order of the questions will be based on the steps carried out during the decision making process, namely problem recognition, search of information, evaluation of alternatives, final decision, and post purchase behavior, and the major elements of information processing theory was also be integrated in the questions. Hence, this structured questionnaire was designed consisting of closed-ended questions so as to gather relevant responses and address the research objectives. No need of translating the questioners from English to the local language Amharic because the participants are at least BA Degree holders.

In addition, the questionnaire was prepared consisting of all the relevant questions categorized into three parts. The first part of the questionnaire included socio-demographic questions. The second part of the questionnaire included questions related to the impact of social media characteristics on customers' purchase decision-making process.

### 3.8 Data Analysis Methods

After collecting the data, different quantitative data analysis methods were used. The study data are presented and interpreted using simple statistical measures such as percentage, ratios and proportions to make frequency distribution tables. Finally, generalizations are made based on the result of the study.

# 3.9 Validity and Reliability of the Study

**Validity**: A conclusion of any study can be affected by either a researcher's bias or subjective judgment in the data collection process (Yin, 1994). Accordingly, the researcher must provide supporting evidence that a measuring instrument does in fact measure what it appears to measure. Preparing questionnaires to customer of social media marketing will be a way of maintaining validity.

**Reliability**: On the other hand, is the central concern to social scientists because the measuring instruments they employ are rarely completely valid. Reliability is the extent to which a measuring instrument contains variable errors, that is, errors that appear inconsistently from observation during any one measurement attempt or that vary each time a given unit is measured by the same instrument.

#### 3.10 Ethical Consideration

In this study all participant and data collected remain confidential and identities of respondents remain anonymous. Moreover, the privacy of the respondents is respected in reporting of this research. No details of individual involved in this research. Informed consent is a written statement that explained aspects of a study to participant and asks for their voluntary agreements to participate before the study begins (Neuman, 2006). In this study, participants were provided with an information sheet at the beginning of the research questions explaining the purpose of the research prior to each questionnaire. And the research got consent from the participants before the surveys and interview was made.

# **CHA PTER FOUR**

# 4. DATA ANALYSIS, FINDINGS AND DISCUSSIONS

#### 4.1 Introduction

This chapter presents and discusses the findings of the study the data collected through the structured questionnaire and document review, and are structured and analyzed in relation to the research objectives. From the distributed 100 questionnaires, 80 questionnaires were collected and were useable for the analysis. Accordingly, the section below presents the study data analysis, findings and discussions.

# 4.2 General Profile of the Respondents

#### A. Age Profile of the Respondents

As shown in the figure below, 52.5% of the respondents were between 18-25 age categories, 41.25% of them fall between 26-35, and 6.25 % of the respondents fall between 36-45 age categories, and none of the respondents were 46-55 years. This indicates that social media sites were highly visited by younger societal group (from 18-25).

■ 18-25 (N=42) ■ 26-35 (N=33) ■ 36-45 (N=5) ■ 46-55 (N=0)

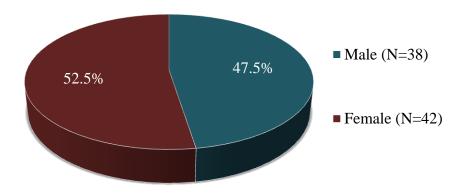
Figure 5: Age Profile of the Respondents

Source: Own Study Data (2021)

#### B. Gender Profile

As depicted in the figure below, majority of the respondents (52.5%) were female students, while about 47.5% of the respondents were male students.

Figure 6: Gender Profile of the Respondents



#### 4.3 Preference and Access of Social Media Platform

The expansion of social media since 1997 the creation of the first social media platform had brought new era among marketers. Since then social network sites represent an ideal tool for consumers to exchange their product-related opinions and information. It has also become an important source for consumers who are seeking to obtain product information and created a platform for them to share their opinions about products and brands (Buhalis, 2008). In this regard, this study examined the social media sites or platforms usually preferred and accessed by the respondents.

The study finding shows that the majority of the respondents (86.25%) preferred and mostly used Telegram, while about 46.25% and 35% of them usually accessed and used YouTube and Facebook, respectively, as a social media in their purchase decision-making process. Whereas, only 15% of respondents frequently chosen and accessed Twitter. This indicates that, Telegram, YouTube and Facebook were most preferred and regularly and used social media platforms in the purchase decision-making processes of the majority of the study respondents.

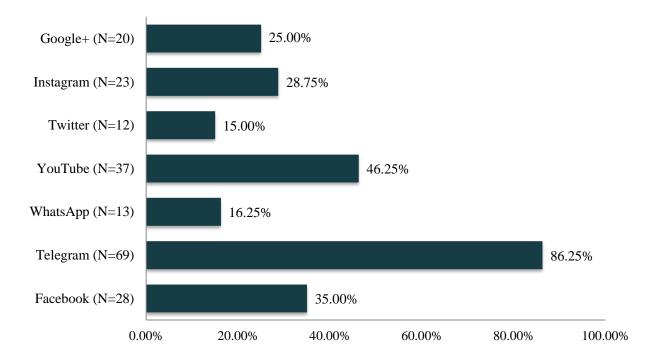


Figure 7: Preferred and Accessed Social Media Platforms

# 4.4 Frequency of Social Media Platforms Usage

In order to examine the relationship between social media characteristics and customers purchase decision-making process, the study assessed the frequency of usage of the respondents' social media platforms. As argued by Adcock (2002), social media serves to customers' together information and process it to allow consumer to move towards a purchase decision (Adcock, 2002). Therefore, it was important for this study to found out the frequency of social media platforms usage by the study respondents in order to establish the relevance of the study.

Accordingly, the overall results of the study show that almost all of the study respondents (91.25%) used social media platforms every-day, whereas 7.5% of the respondents used various social media platforms every two-days. On the other hand, none of the respondents used once a week and once a month as shown on the figure below. Thus, this indicates that the majority of the study respondents frequently used various social media platforms every-day for their different purposes.

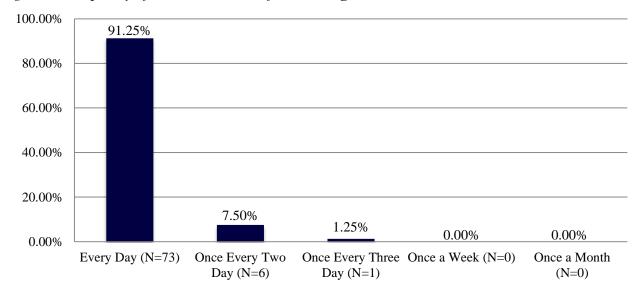


Figure 8: Frequency of Social Media Platforms' Usage

# 4.5 Purchasing Products Using Social Media Platform

The study also assessed the purpose and the type of products usually bought by the respondents using social media platforms so as to establish the relevance of the study and to examine the relationship between social media characteristics and customers purchase decision-making process. In view of that, the study findings reveal that about 46.25% of the respondent frequently bought cloth by using various social media platforms, followed by 25% respondents who usually bought electronics products, and 13.75% of them used social media to purchase food products from different companies. Therefore, this implies that the study respondents used various types of social media platforms as mean to purchase different products advertised through social media by different companies.

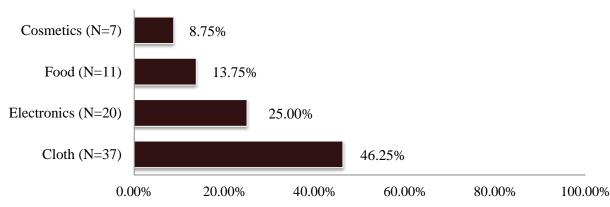


Figure 9: Type of Products Purchased Using Social Media Platforms

Source: Own Study Data (2021)

# 4.6 The Relationship between Social Media Characteristics and Customer Buying Decision-Making Process

As discussed under the Literature Review section of Chapter Two, the emergence of Web 2.0 is one of the biggest developments in the history of commerce and marketing came along with Social Media as an evolution based on the Web 2.0. This development also resulting enormous impacts in the traditional marketing approach, and brought new era among marketers, an era where social media changed the relationships between marketers and customers (Adnan and Ahmad, 2016). As a result, social media platforms are shifting the power from marketers to consumers, because social media platforms allows all users as consumers can now be in contact with each other exchanging the information about products and services, which push marketers changing their old methods to match the new needs of consumers, and contact with them in individual as possible as they can, especially in their buying behavior by using social media as marketing channel in both free as word-of-mouth and paid as social media advertising.

Furthermore, customers consume daily guided by their needs, preferences, and buying power, which open the door for too many questions about what to buy? How we buy? Where and when we buy? To this end, in order to examine the relationship between social media characteristics and customer buying decision-making process, this study found it relevant and necessary to assess how consumers making their buying decisions, and respondents were asked about how they be acquainted with their needs/problems, look for information, evaluate and decide upon what product to buy, and their post-purchase evaluation. Therefore, this study assessed the relationship using the five-step of need recognition starting from the first feeling of need to take the buying decision through searching for information and evaluate the other alternatives, then finally after purchase behavior.

Accordingly, the following sections present findings and discussions of the study regarding the relationship between social media characteristics and customer buying decision-making process based on the five-step customers buying behavior model. The study variables and the relationship were measured and assessed using closed-ended question statements in an attempt to found out the extent to which the study respondents' agreed or disagreed to these assessment statements.

# 4.6.1 Problem Recognition and Openness of Social Media

As a first stage of customers buying behavior, the customers buying process starts when they recognized that they have unsatisfied need, while unsatisfied need actually arises when consumer satisfaction differ from his/her present level of satisfaction (Levy, 2004). In addition, the customers' need arousal can be triggered by external environment or internally from the buyer itself, needs themselves arise from either physiological or psychological states, and once a need has been aroused the buyer seek out way to satisfy it. on top of this, consumers, as human being, have certain fundamental needs that can be satisfied in quite simple ways but when it needs some complex requirements it is become a problem, the natural response to this problem is to seek a solution which lead to search of information, in other words it is reasonable to suggest that consumers are looking to satisfy needs when they buy products or services (Cox and Brittan, 2004).

On the other hand, the openness feature of social media also helps customers to recognizing their needs or problems as most social media services are open to feedback and participation. Now days, various social media services encourages voting, comments and the sharing of information. In view of that, this study examined how customers determines their need or problem in relation to their social media use, by assessing the *openness* feature of social media with the customers need recognition behavior as the first and starting pre-purchase stage of the customers buying decision-making process.

Accordingly, the study finding shows that the majority (81.25%) of the respondents' agrees to the fact that social media motivates them to recognize a need for something before buying a product or service, while about 62.5 % of the respondents also indicated that social media triggers them to purchase a product through advertisement of products or services by marketers. In addition, 65% of the study respondents said that they always achieve a desire for something new through social media in their need recognition process. Interestingly, most of the respondents (76.25%) also confirmed the situation where various social media platforms provided them with solution regarding what to buy, where to buy and why to buy.

Table 2: Need Recognition and Openness Characteristics of Social Media

No	Need Recognition and Openness of Social Media		Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
1	Social media motivates you to	No	22	43	13	1	1	80
	recognize a need for something before buying it	%	27.5	53.75	16.25	1.25	1.25	100
2	Social media triggers you to purchase	No	17	33	28	2	0	80
	a product through its advertisement	%	21.25	41.25	35	2.5	0.00	100
3	You always achieve a desire for	No	19	33	18	8	2	80
	something new through social media	%	23.75	41.25	22.5	10	2.5	100
4	Social media provides solution on what to buy, where to buy and why to	No	32	29	12	6	1	80
	buy	%	40	36.25	15	7.5	1.25	100

In conclusion, based on the overall findings of the study, it can be concluded that the openness characteristics of social media has clear relationship with the customer need or problem recognition buying behavior as confirmed by the majority of the study respondents. It also implies that the openness nature of social media encourage consumer or respondents of the study to identify their need, and has a role on attaining once need for something and also lead to the way how to get goods. Thus, this shows that the openness feature of social media has great influence on need recognition behavior of the customers or respondents of the study.

This finding also goes in tandem with Chu and Kim (2011) argument that states the great influence of social media on every stage of consumer decision making processes (Chu and Kim, 2011). Besides, the study findings also corroborate the general literature that indicates social media has a social interactive tool or openness and it motivates consumers to recognize their needs and make a purchase decision as noted by Heinonen (2011).

# 4.6.2 Information Search and Participation Feature of Social Media

As indicated in Chapter Two of literature review, consumer after recognizing a need, it is often not obvious what the best way to satisfy that need would be. In other words, the second

stage in the customers buying decision-making process focus on searching and collecting information and processing it to allow consumer to move towards a purchase decision, and this search can involve information retrieval from the buyer memory (internal) as well as external search if internal information is insufficient (Semenik, 2002). When the internal information search is insufficient, it is important for promotion function in this stage to focus on beliefs and attitude of consumers, but when it is not enough the external information search will be important to help consumers collecting information they need which most of the time will be by searching about others experiences like friends and relatives, nowadays social media become the major tool for this kind of research to read and see what other people writing and saying about other brands.

Thus, the participation nature of social media coupled with marketing efforts at this stage should increase the amount of information available to consumers about products they are searching for. To this end, this study explored the customers'/respondents' information search buying behavior in terms of the *participation* feature of social media with the view that social media encourages contributions and feedback from everyone who is interested and it blurs the line between media and audience.

The study overall finding reveals that the participation characteristics of social media has clear relationship and encourages customers/respondents to search and gather information through social media so as to move towards a purchase decision. More specifically, the majority (82.5%) of the study respondents expressed that their information search and gathering regarding a product is easier in social media. About 73.75% of the study respondents indicated the fact that social media influences them to try new products based on the reviews by their friends. Moreover, social media has been found to be an effective tool for different opinion about new and existing products, and customers/respondents searched for product's information in social media before a purchasing it as agreed by 81.25% and 71.25% of the study respondents. The table below also shows the overall findings of the study regarding the relationship between the customers'/respondents' information search and the participation feature of various social media.

Table 3: Information Search and Participation Feature of Social Media

No	Information Search and Participation Feature of Social Media	on	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
1	Information search about a product	No	47	19	10	3	1	80
	is easier in social media	%	58.75	23.75	12.5	3.75	1.25	100
2	Social media influences you to try	No	23	36	13	4	4	80
	new products based on the reviews by friends	%	28.75	45	16.25	5	5	100
3	Social media is an effective tool for different opinion about new and	No	21	44	11	3	1	80
	existing products	%	26.25	55	13.75	3.75	1.25	100
4	You search for product's information in social media before a	No	19	38	19	4	0	80
	purchasing it	%	23.75	47.5	23.75	5	0.00	100

In general, the study overall finding indicates that the participation feature of various social media has clear relationship on the customers'/respondents' information search for a product or service. In addition, it can also be concluded that the customers'/respondents' information gathering about a product is easier using social media with a clear influences of social media on them to try new products based on the reviews by their friends. The study result also shows that the majority of customers'/respondents' searched for product's information in social media before a purchasing it. Thus, the participation feature of social media has clear relationship with the information search stage of consumer decision-making process.

Further, the study findings also substantiate what Kotler et al (2009) described i.e. buyer enters in an active information search to learn about the product before making a decision whether to purchase it or not. It also confirms Kosavinta, et al. (2017) that indicated; social media offers information exposition and verified the strong relationship between how easier information search in social media and influence of social media to consumers.

#### 4.6.3 Evaluation Alternative and Connectedness Feature of Social Media

This study explored the customers/respondents alternatives evaluation buying behaviors in terms of its relationship with the connectedness feature of social media. This stage is an extension of the information search stage, once the required information is available, the buyer will begin to evaluate each purchase option with the aim of gradually reducing the list of possible purchases to one. This process also develops a strong purchase intention within the mind of buyer, which lead to expected purchase unless some problems arise in the period between intention development and final purchase as noted by Sullivon and Adcock (2002). Furthermore, the connectedness characteristics of social media also help consumers to compare and evaluate several alternatives in terms of products features and their desires through social media before making a purchase.

In view of that, the study findings show that the connectedness feature of social media has huge relationship with the alternatives evaluation stage of the customers/respondents buying decision-making process. Hence, social media has a higher credibility and it is more reliable if one has uncertainties regarding a purchase. In specific terms, 53.75% of respondents expressed that social media has a higher credibility than traditional media, while 21.25% of them believed that social media is not credibility than traditional media. For 67.5% of respondents social media is more reliable if they have uncertainties regarding a purchase.

Moreover, the social media changed 54% of the study respondents' initial purchase choice after attaining relevant information, while social media allowed the majority of respondents to filter any information of a product based on chat forum as agreed by 67.5% of them. With regard to the connectedness feature of social media, the majority of respondents (71.25%) confirmed that interaction with friends on social media assisted them in evaluating a product. Therefore, this implies that after identifying suitable options through information gathered, consumers/respondents evaluate alternatives through social media as a result of the connectedness feature of social media, and they formulated beliefs about the alternatives which guide their attitudes, intentions and choice.

Table 4: Evaluation of Alternatives and Connectedness Feature of Social Media

No	Evaluation of Alternatives and Connectedness Feature of Social M		Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
1	Social media has a higher	No	17	26	20	10	7	80
	credibility than traditional media	%	21.25	32.5	25	12.5	8.75	100
2	Social media is more reliable if you	No	12	34	20	10	4	80
	have uncertainties on a purchase	%	15	42.5	25	12.5	5	100
3	Social media changes your initial	No	14	40	20	6	0	80
	purchase choice after attaining relevant information	%	17.5	50	25	7.5	0.00	100
4	Social media allows to filter information of a product based on	No	11	38	25	6	0	80
	chat forum	%	13.75	47.5	31.25	7.5	0.00	100
5	Interaction with friends on social	NO	22	35	17	3	3	80
	media assist in evaluating a product	%	27.5	43.75	21.25	3.75	3.75	100

In summary, the study overall findings show that the connectedness feature of social media has huge relationship with the alternatives evaluation stage of the customers/respondents buying decision-making process. Social media also helped respondents to compare and evaluate alternatives in terms of products features and their desires through social media before making a purchase. Therefore, the study concluded that social media has a higher credibility and it is more reliable if one has uncertainties regarding a purchase.

#### 4.6.4 Purchase Decision and Conversation Feature of Social Media

The purchase decision of buyers corresponds to the fourth stage of customer decision making process. It is not a single decision but a bundle of decisions, any one of which can result in a change of mind and an alternative route being followed (Brittan, 2004). Factors playing significant role on the choice of buyers to make a purchase from at this stage include the level of satisfaction from past shopping experiences, product return policy, store atmosphere and the intensity of time pressure associated with the purchase. Also, if the need is not great and the solutions the consumer finds are not desirable enough to motivate a purchase, the consumer may postpone the purchase until a satisfactory opportunity presents itself. On the

other hand, the conversation feature of social media provides and allows better a two-way conversation, while traditional media is about "broadcast" (content transmitted or distributed to an audience).

Accordingly, it was deemed relevant to examine the relationship between the purchase decision of buyer and the conversation feature of social media. In this regard, the study finding reveals the existence of relationship between the buyers' purchase decision and the social media conversation feature. As shows in the table below, comments from social media has changed about 72.5% of respondents' attitude towards a brand or product. Unpleasing advertisements on social media makes the majority of respondents (63.75%) to have a bad attitude towards a product or brand.

Further, the majority of respondents (61.25%) also indicated that rating by friends of a product contributes in shaping their attitudes the same. 80% of respondents agrees that social media motivates their direction towards a product based on comments from friends or family. The study finding also indicates that social media tools have features that entice respondents to ask for recommendation of a product as confirmed by 68.75% of respondents.

In general, the majority of respondents (65%) were found to be motivated to buy products that are advertised on social media. This implies that the social media conversation feature has impact on the respondents purchase decision. Therefore, the study concluded that unpleasing advertisements on social media makes the study respondents to have a bad attitude towards a product and social media motivated them direction towards a product based on comments from friends/family, and thus motivated the study respondents to develop a purchasing behaviors based on interactions.

Table 5: Purchase Decision and Conversation Feature of Social Media

No	Purchase Decision and Conversation Featur Social Media	re of	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
1	Comments from social media changes your	No	25	33	16	4	2	80
	attitude towards a brand/product/services	%	31.25	41.25	20	5	2.5	100
2	Unpleasing advertisements on social media	No	19	32	24	4	1	80

	make you have a bad attitude towards a	%	23.75	40	30	5	1.25	100
	product/brand/service							
3	Rating by friends of a product contributes	No	17	36	22	5		80
	in shaping your attitudes the same	%	21.25	45	27.5	6.25		100
4	Social media tools make you a positive or	No	19	37	18	6		80
	negative attitude towards a product based on information accessed about it	%	23.75	46.25	22.5	7.5		100
5	Social media motivates your direction	NO	22	42	11	2	3	80
	towards a product based on comments from friends/family	%	27.5	52.5	13.75	2.5	3.75	100
6	Social media tools have features that entice	NO	17	38	16	8	1	80
	you to ask for recommendation of a products	%	21.25	47.5	20	10	1.25	100
7	You get motivated to buy products that are	NO	20	32	16	5	3	80
	advertised on social media	%	25	40	20	6.25	3.75	100

# 4.6.5 Post-Purchase and Communality Feature of Social Media

The study also assessed the relationship of social media characteristics and buyers decisions-making process in terms of their post-purchase behavior and the communality feature of social media. Once the purchase has been made, evaluations continues as a result consumer can feel that he made the right decision which meet the expectations as we called it post-purchase satisfaction or post-purchase dissatisfaction if the evaluations does not meet the expectations (Adcock, 2002). Again promotion can play very good role in this case to make sure that consumers will be satisfied by creating appropriate expectations for a brand's performance before a purchase and by helping the consumer who has already bought the advertised brand to feel good about doing so. In other words, the post-purchase phase of the decision-making process is essential for marketers to ensure that consumers are satisfied after the purchase (Ramesh, 2008). In relation to this, social media allows buyers or communities to form quickly and communicate effectively. Communities share common interests, such as a love of photography, a political issue or a favorite TV show.

The overall findings of the study indicate the existence of strong relationship between the social media communality feature and buyers post-purchase behavior. For example, 66.25% of respondents were found to be affected by feedback on social media regarding their

purchase and future purchase as well, and social media allowed 57.5% of respondents to communicate with companies that produce product directly. This shows that social media with its communality nature has clear relationship with the feedback loop during the post-purchase stage.

Regarding the buyers'/respondents' satisfaction and dissatisfaction during pos-purchase, the findings reveal that social media allowed 43.75% of respondents' to conveyed satisfaction and dissatisfaction directly to manufacturers. Social media also allowed 52.5% of respondents' to voice your opinion after a purchase. In addition, 46.25% of them expressed that their repurchase of a product was affected by the satisfaction and dissatisfaction reports from social media.

Looking at the product ownership as part of the buyers' pos-purchase behavior, social media allowed 61.25% of respondents to review a products expectation and performance after buying, while 68.75% of them agree that they owned the value of purchasing a product that pleased them through social media. Finally, the majority of the study respondents (71.25%) have purchased a product because their friends or family like it and recommended it to them.

Table 6: Post-Purchase and Communality Feature of Social Media

No	Post-Purchase and Communality Feature Social Media	re of	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
1	Feedback on social media affects your	No	22	31	17	8	2	80
	purchase and future purchase as well	%	27.5	38.75	21.25	10	2.5	100
2	Social media allow you to communicate	No	21	25	15	11	8	80
	with companies that produce product directly	%	26.25	31.25	18.75	13.75	10	100
3	Social media conveys your satisfaction	No	12	23	26	14	5	80
	and dissatisfaction directly to manufacturers	%	15	28.75	32.5	17.5	6.25	100
4	Social media tools allow you to voice	No	17	25	23	11	4	80
	your opinion after a purchase	%	21.25	31.25	28.75	13.75	5	100
5	You repurchase of a product is affected	NO	13	24	32	7	4	80
	by the satisfaction and dissatisfaction reports from social media	%	16.25	30	40	8.75	5	100

6	Social media allows you to review a	NO	18	31	15	13	3	80
	products expectation and performance after buying	%	22.5	38.75	18.75	16.25	3.75	100
7	Via social media, you own the value of	NO	16	39	18	6	1	80
	purchasing a product that pleases you	%	20	48.75	22.5	7.5	1.25	100
8	You have purchased a product because	NO	20	37	14	5	4	80
	your friends/family like it and recommended it	%	25	46.25	17.5	6.25	5	100

In conclusion, feedbacks on social media affect future purchase as well and that social media conveys consumers or the study respondent's satisfaction and dissatisfaction to the manufacturers. It can also be concluded that social media tools allows for one to voice their opinion after a purchase has been made and to review a product's expectation and performance after buying. Thus, this implies that there is strong relationship between the social media communality feature and the buyers' post-purchase behavior as part of the overall buyers purchase decision-making process.

# **CHAPTER FIVE**

# 5. CONCLUSION AND RECOMMENDATION

#### 5.1 Conclusions

The study was conducted with the general objective to examine the relationship between social media characteristics and the various stages of consumers' purchasing decision-making process in case of St. Mary University students. The study assessed the relationship using the five stage of consumer decision making process model and five basic features of social media. These are problem recognition (contain four item), information search (contain four item), alternative evaluation (contain five item), purchase decision, (contain seven item) and post purchase (contain eight item).

The overall findings and results of the study reveal that there is strong relationship between social media characteristics and the various stages of consumers' purchasing decision-making process. Each of the specific features of social media has also clear relationships and impacts with the related five stages of buyers purchase decision making stages. More specifically, the following are the major conclusions of the study.

- → Need Recognition and Openness Characteristic of Social Media: The openness characteristic of social media has relationship with the customer need or problem recognition buying behavior as confirmed by the majority of the study respondents. It also implies that the openness nature of social media encourage consumer or respondents of the study to identify their need, and has a role on attaining once need for something and also lead to the way how to get goods. Thus, the openness feature of social media has great influence on need recognition behavior of the customers or respondents of the study.
- → Information Search and Participation Characteristic of Social Media: The study overall finding indicates that the participation feature of various social media has clear relationship and impact on the customers'/respondents' information search for a product or service. In addition, it can also be concluded that the customers'/respondents' information gathering about a product is easier using social media with a clear influences of social media on them to try new products based on the reviews by their friends. The study result also shows that the majority of customers'/respondents' searched for product's information in social media before a purchasing it. Thus, the participation

- feature of social media has clear relationship with the information search stage of consumer decision-making process.
- → Evaluation of Alternatives and Connectedness Characteristic of Social Media: The study overall findings show that the connectedness feature of social media has huge relationship with the alternatives evaluation stage of the customers/respondents buying decision-making process. Social media also helped respondents to compare and evaluate alternatives in terms of products features and their desires through social media before making a purchase. Therefore, the study concluded that social media has a higher credibility and it is more reliable if one has uncertainties regarding a purchase.
- → Purchase Decision and Conversation Characteristic of Social Media: The majority of respondents were found to be motivated to buy products that are advertised on social media. This implies that the social media conversation feature has impact on the respondents purchase decision. Therefore, the study concluded that unpleasing advertisements on social media makes the study respondents to have a bad attitude towards a product and social media motivated them direction towards a product based on comments from friends/family, and thus motivated the study respondents to develop a purchasing behaviors based on interactions.
- Post-Purchase Decision and Communality Characteristic of Social Media:

  Feedbacks on social media affect future purchase as well and that social media conveys the study respondent's satisfaction and dissatisfaction to the manufacturers. It can also be concluded that social media tools allows for one to voice their opinion after a purchase has been made and to review a product's expectation and performance after buying. Thus, this implies that there is strong relationship between the social media communality feature and the buyers' post-purchase behavior as part of the overall buyers purchase decision-making process.

#### **5.2 Recommendations**

- According to the finding of this study majority of social media user for purchase of goods are female so that the marketer need to work on attraction of male customer
- It was also found that majority of the social media user to purchase goods age has between 18-25 years. The marketer have to focus on this age groups.

- The Most accessed social media sites by the respondent are telegram according to the analyzed data the marketer can use this site as the first selected media to promote their goods.
- Cloth is one of the most consumable goods through social media. Others goods suppliers have to advertise in order to attract buyers on social media.
- The impact of social media on consumer buying decision making process is high so
  the researchers recommend that marketer need to examine each steps of the process to
  expand their market and to increase profit.

#### Reference

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# APPENDIX: THE QUESTIONNAIRE



# ST.MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES DEPARTMENT OF MARKETING MANAGEMENT

# **QUESTIONNAIRE**

Dear Respondent,

I am currently doing a Research study on "Assessment of the Relationship between Social Media Characteristics and Consumer Buying Decision Process: The Case of St. Mary University Students". Accordingly, I kindly request you to fill in this questioner. All the information provided will be purely used for academic purpose and your identity will be treated with utmost confidentially. Your feedback will be kept confidential your answers are valuable to my research.

Your assistance will be highly appreciated and thank you in advance.

# **Part one General Information**

1.	Gender
	O Male
	O Female
2.	Age
	O 18 - 25
	O 26 - 35
	O 36 - 45
	O 46 - 55
3.	Which of the following social media sites do you mostly access (indicate more than
	one where applicable)
	□ Facebook
	☐ Twitter
	□ YouTube
	□ WhatsApp
	□ Google+
	☐ Instagram
	□ Other (s)
4.	How often do you use social media
	a) Every day
	b) Once every two day
	c) One every three day
	d) Once a week
	e) Once a month
5.	Which one of the following goods do you buy using social media
	<ul><li>□ Cloth</li><li>□ Electronics</li><li>□ Food</li></ul>
	□ Other

# Part Two social media Influences on Consumer Buying Decision Process

Kindly indicate the extent to which you agree with the following regarding the social media influences during consumer buying decision making process ( $\sqrt{\ }$ ) tick appropriately on scale of 1-5. 1- Strongly Disagree, 2- Disagree, 3- uncertain, 4- Agree, 5- Strongly Agree

Problem Recognition	5	4	3	2	1
Social media stimulates you to recognize a need for					
something before buying it					
Social media triggers you to purchase a product					
through its advertisements					
You always achieve a desire for something new					
through social media					
Social media provides solution on what to buy,					
where to buy and why to buy					
Information Search	5	4	3	2	1
Information search about a product is easier in social					
media					
Social media influences you to try new products					
based on the reviews by friends					
Social media is an effective tool for different opinion					
about new and existing products					
You search for product's information in social media					
before a purchasing it					
<b>Evaluation of Alternative</b>	5	4	3	2	1
Social media has a higher credibility than traditional					
media					
Social media is more reliable if you have					
uncertainties regarding a purchase					
Social media changes your initial purchase choice					
after attaining relevant information					
Social media allows you to filter any information of					
a product based on chat forums					
Interaction with friends on social media assist you in					

evaluating a prduct					
Purchase Decision	5	4	3	2	1
Consumer attitude					
Comments from social media changes your attitude					
towards a brand/product/services					
Unpleasing advertisements on social media make					
you have a bad attitude towards a					
product/brand/service					
Rating by friends of a product contributes in shaping					
your attitudes the same					
Social media tools make you a +ve/-ve attitude					
towards a product based on information accessed					
about it					
Consumer motivation					
Social media motivates your direction towards a					
product based on comments from friends/family					
Social media tools have features that entice you to					
ask for recommendation of a products					
You get motivated to buy products that are					
advertised on social media					
Post-purchase					
Feedback loop					
Feedback on social media affects your purchase and					
future purchase as well					
Social media allow you to communicate with					
companies that produce product directly					
Satisfaction and dissatisfaction					
Social media conveys your satisfaction and					
dissatisfaction directly to manufacturers					
Social media tools allow you to voice your opinion					
after a purchase					
You repurchase of a product is affected by the					
satisfaction and dissatisfaction reports from social					

media			
Product ownership			
Social media allows you to review a products			
expectation and performance after buying			
Via social media, you own the value of purchasing a			
product that pleases you			
You have purchased a product because your			
friends/family like it and recommended it			

If you have any additional comment	If y
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Thank you