

The Impact of Social Media Marketing on Consumer Purchase Decisions

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Abstract

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<p>This thesis aims to understand some theories related to social media, social media marketing and consumer purchase decisions. Specifically, this thesis tries to understand the impact of social media marketing on consumer purchase decisions, and how businesses are also affected by this.</p> <p>Due to the continuous development in technology, social media has been transforming into a vital part of people's everyday lives. Social media has impacted the way people share and receive information, opening a whole new avenue of marketing for businesses. More and more businesses opt for using social media marketing to gather new customers, and consumers are using social media as a tool to find new products and brands.</p> <p>This thesis is a research-based thesis, and both primary and secondary data are utilised in the research process. The theoretical part of the thesis uses secondary data to form the theoretical framework. The theoretical part is split into two sections, social media and consumer behaviour, where the authors go in depth of the different factors and theories related to each subject. The goal is to answer the thesis questions and understand how businesses can use social media to their advantage.</p> <p>The research part of the thesis uses quantitative and qualitative empirical research to gather primary data for the research in form of an online survey. In this part the authors analysis the data gathered and answer the research questions. The results answer and support the theoretical framework and provide an understanding of how social media marketing impacts consumer behaviour and how businesses can take advantage of the different factors surrounding social media.</p> <p>The thesis topic was chosen by the authors based on to their studies and interest in the development of marketing, particularly social media marketing.</p>		
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Appendix 1. Social Media Marketing on Consumers Decisions Survey

1 Introduction

1.1 Background

Social media has transformed the interactions and engagements between companies and consumers (Smith & Jones 2020). With advancements in technology, it now enables real-time interactions and feedback. This highlights that a carefully curated social media presence holds significant potential to influence consumer behaviour.

In this rapidly changing world, online businesses can get ahead by using social media smartly. Using platforms such as Instagram, X (formerly known as Twitter), TikTok, and Facebook well, they can get more people interested in their products and persuade them to buy. Additionally, they can build strong relationships with customers online, which helps them grow and succeed over time.

When the pandemic hit, businesses in many countries turned to social media marketing to reach their customers in new ways. Social media marketing is an effective tool to demonstrate customer support and it's a great way to keep a strong a positive connection with loyal customers (GSM Marketing Agency 2024). With protocols such as social distancing and limited movements outside, companies shifted to using technologies and has jumped on to using social media platforms like Instagram, Facebook, and TikTok to connect with consumers.

There are many reasons to be on social media and we see how people utilize social media as a platform for discovering new products and making online purchases. The use of social media as a platform for checking new products and buying things online has become widely popular, especially since the pandemic. People were at home due to the quarantine, and movement had been limited, so businesses had to put their efforts online since that was their best and, in some cases, only option to reach their customers. The use of social media has been steadily increasing ever since the pandemic. (Sjögren 2022.)

In this research, we want to understand how social media marketing and other factors of social media impact consumer behaviour. We're looking at the theories behind social media and consumer behaviour to fully understand the factors that impact consumer purchase decisions. Our goal is to understand how social media marketing impacts businesses, both online and physical stores. We also want to understand if businesses should focus their attention to social media marketing as their dominant marketing source.

1.2 Objectives

The research aims to achieve three primary objectives. Firstly, it seeks to comprehend the relationship between social media marketing and consumer purchasing behaviour, and trying to understand the different factors of social media that affect consumer purchase behaviour. Secondly, our objective is to understand how social media has an impact of online business and physical stores. We will compare how social media effects online business and physical stores, whether these impacts are positive or negative for the business. Lastly, the research aims to investigate whether businesses should focus majority of their marketing efforts to social media and what are the principle they need to take into consideration to attract new customers and keep their previous customers. Through these objectives, the study aims to contribute to a deeper understanding between social media, consumer behaviour, and business affairs.

1.3 Research Questions

Research questions are the driving force of the research process. They provide clarity and guidance for researchers in their search for insights and knowledge regarding their thesis topic. Research questions are important in determining the research objectives, keeping the research meaningful and not allowing the research to sway out of context. (Uduafemhe 2023.)

Main research question:

How does social media marketing impact consumer purchase decisions?

The following sub questions will be used to further understand the main thesis topic:

- 1. What are the main factors of social media that influence purchasing decisions?**
- 2. How does social media impact consumer purchase decisions in regard to online and physical business?**
- 3. Should businesses focus their marketing efforts predominantly into social media? And what do the business need to take into consideration to attract and retain customers?**

Having these questions answered in this research paper we will have a better understanding of social media marketing and its capabilities to impact general consumer behaviour.

1.4 Delimitations

This study focuses on exploring the influence of social media marketing on consumer purchase decisions with a specific number of people. This study is constrained by quantitative limitations and the sample size is limited to a specific number of participants. The findings and results derived from this research are limited in scope and applicability, as they are only valid within the selected population. Respondents are from different cultural backgrounds, so the survey results cannot reflect specific cultures or geographies. The survey also has an age limit set, it was targeted for people aged 18 and over. In the survey gender was also not specified, and so understanding the difference between the genders regarding our thesis questions cannot be answered with this survey. The results cannot be generalized to other populations or contexts.

As a result, the findings may not accurately represent the entirety of social media marketing impact and the extent of its impact on purchasing decisions across different regions or populations. To reach results that match all consumers purchasing decisions, and how social media marketing affects purchasing decisions, would require large-scale empirical research with a larger population and different locations.

Given the time constraints and scope of the study, only a portion of theories related to social media marketing and consumer purchasing decisions are covered. The exploration of these theories is conducted in a generalized manner, aiming to provide readers with a broad understanding of the subject matter, and its qualitative results should be interpreted within the context of the specified limitations.

1.5 Theoretical Framework

The theoretical framework of this thesis consists of social media and consumer behaviour. The information will be sourced from online sources such as websites, blogs, research papers, etc. In chapter 2 titled *Social Media*, the research dives into social media and key concepts of social media for business and marketing use. The thesis will provide some

insights on how social media is used in general and how different aspect of social media such as content, trends and influencers are used for business and marketing potential.

In the third chapter this thesis attempts to explain consumer behaviour and the key concepts about consumer behaviour in a generalized manner. The thesis will go over the changes that have occurred in consumption behaviour over the years and how social media can be linked to this. Lastly, the thesis will talk more in-depth about the different types and key concepts of consumer behaviour.

1.6 Research Methodology and Data Collection Method

Research Methods

There are a total of two research methodologies, these methodologies are qualitative and quantitative research methods. However, there exists another research method which is called Mixed Methods and is essentially the combination of both quantitative and qualitative research methods. (Creswell 2014, 4.)

Creswell (2014, 4) describes qualitative research method as *an approach for exploring and understanding the meaning individuals or groups ascribed to a social or human problem*. It is far from just numbers and figures, but it relies on understanding how people view certain concepts. Researchers come to conclusions to certain ideas and understanding based on patterns seen from the data (Taylor et al. 2016, 7). The techniques used for gathering data in qualitative research are interviews, surveys, focus groups, memos, and other case studies. (Denzin & Lincoln 2005, according to Guest et al. 2013, 3.)

Quantitative research is based on numbers and figures. It is the process in which numerical data is collected and analysed to confirm or unconfirm a hypothesis (Bhandari 2023). Some techniques or methods used for collecting quantitative data are experiments, questionnaires, interviews, and database reports. Then the data that is collected is then generalised to a larger group to explain and understand a concept (Grand Canyon University 2023). The differences between qualitative and quantitative research methods can be seen in Figure 1.



Figure 1. Type of research design (McLeod 2023)

Mixed Methods involve using both quantitative and qualitative research methods to acquire data. It is understood by this method that researchers can hope to avoid any mistakes that may occur when using only one of the previous methods. This way the data acquired is more complete and the possibility of having any gaps in the research is greatly reduced. (Creswell 2014, 4.)

In this thesis both quantitative and qualitative research methods are used. The reason being, to understand both statistically and in theory how social media marketing impacts consumer purchase decisions, and to see if and how beneficial social media marketing can be for businesses. In Appendix 1 you can see the survey of multiple-choice questions and open-ended questions. The multiple-choice questions are used to collect quantitative data as it includes numbers and statistics. The open-ended questions provide qualitative data that help understand the opinions and feelings of the respondents. (McLeod 2023.)

Data Collection

The two types of data used are primary and secondary data. Primary data is information collected by the author for the specific research paper. Primary data is collected by surveys, interviews, experiments, and focus groups. Secondary data is collected from other already published works. It's the use of already existing data from articles, databases, organizations, government institutions etc (Wagh 2024). Figure 2 explains the difference between primary and secondary data in more detail.

BASIS FOR COMPARISON	PRIMARY DATA	SECONDARY DATA
Meaning	Primary data refers to the first hand data gathered by the researcher himself.	Secondary data means data collected by someone else earlier.
Data	Real time data	Past data
Process	Very involved	Quick and easy
Source	Surveys, observations, experiments, questionnaire, personal interview, etc.	Government publications, websites, books, journal articles, internal records etc.
Cost effectiveness	Expensive	Economical
Collection time	Long	Short
Specific	Always specific to the researcher's needs.	May or may not be specific to the researcher's need.
Available in	Crude form	Refined form
Accuracy and Reliability	More	Relatively less

Figure 2. Comparison Chart. (Wagh 2024)

There also exists a third type of data called "Tertiary Data" which are publications that summarise and describe information from primary and secondary sources. Some examples of tertiary data include encyclopaedias, dictionaries and Wikipedia. (Engle 2024.)

For this thesis both primary and secondary data is used. The first part of the thesis, which is the theory part will consist of secondary data. It will include written sources, books, articles, research papers, figures, and other online sources. In the research part of the thesis,

the theory will be tested with primary sources, which is the survey in Appendix 1. The Survey was sent to 18-year-olds and over, from international backgrounds. The survey is conducted online with Google Forms. However, secondary sources will be used in the research part to add evidence and strengthen the credibility of the whole study.

1.7 Thesis Structure

There are six chapters in this thesis. The introduction gives background information, stating objectives, posing research questions, and defining the scope of the study. Additionally, it establishes the theoretical framework and outlines the research methodology used. Chapter 2 explores the role of social media in business, exploring its usage patterns, various platforms, content strategies, the influence of social media personalities, emerging trends, and its effects for online commerce and marketing. Chapter 3 focuses on consumer behaviour, examining factors of consumer behaviour, different types of buying behaviour, and the connection of social media to modern consumer behaviour. Chapter 4 describes the entire research process, explaining how the data was gathered, and the authors analyse the empirical data collected from the survey. The 5th chapter details result analysis, answering the thesis questions, discusses the validity or reliability of the research, and proposes ideas for future research. The final chapter provides a concise summary of the entire thesis. The thesis structure is summarized in Figure 3.

1	INTRODUCTION	Background * Objectives * Research Questions * Delimitations * Theoretical Framework * Research Method and Data Collection * Thesis Structure
2	SOCIAL MEDIA	Social Media Usage * Social Media Platforms, Social Media Content * Social Media Influencers * Social Media Trends * Social Media Marketing * Social Media and Business
3	CONSUMER BEHAVIOUR	What is Consumer Behaviour * Factors of Consumer Behaviour * Types of Buying Behaviour * Social Media and Consumer Behaviour
4	RESEARCH & DATA ANALYSIS	Research Process and Data Analysis
5	CONCLUSION	Result Analysis * Validity and Reliability * Suggestion for Further Research
6	SUMMARY	Summary of Thesis

Figure 3. Thesis Structure Model.

2 Social Media

2.1 Social Media Usage

The Figure 4 shows that in 2023, the worldwide active user count of social media exceeded 4.95 billion, marking a notable 7.07% increase compared to the previous year (Dean 2024). With the prevalent social media usage, businesses from small and start-up businesses to well-known brands and companies adopted this as a platform to expand their operations. This shift has provided opportunities for individuals to connect with both existing and potential customers, thereby exemplifying market outreach. Additionally, the technology inherent in social media platforms enables businesses to better understand consumer purchasing behaviour, thereby opening up more opportunities for market insight.

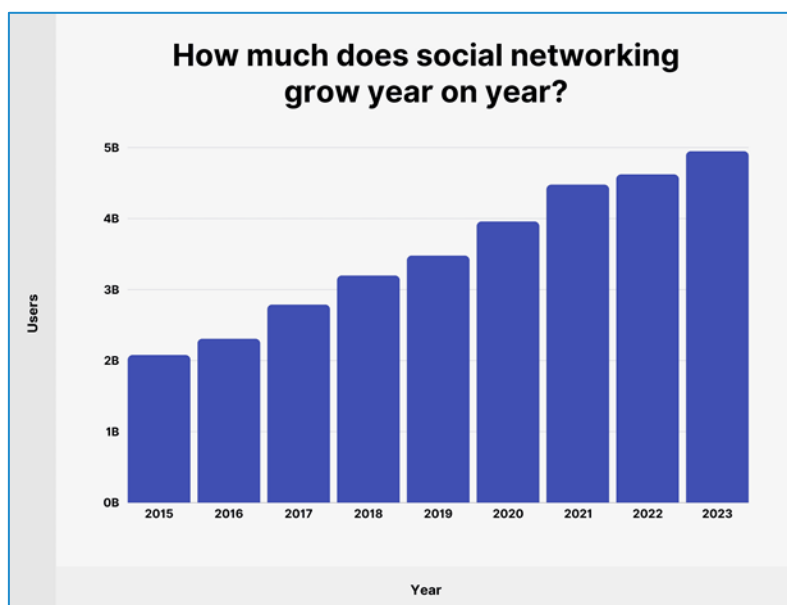


Figure 4. Global Social Media Growth Rates, How Much Does Social Networking Grow Year on Year? *Graph from Social Media Usage & Growth Statistics, (Backlinko, 2024)*

According to Dean (2024), women use social media more often than men. The study showed that 81% of teenage girls use social media daily, in comparison to teenage boys which is only 66%. This data suggests that the potential market for women on social media holds more promise than that for men. Consequently, this trend impacts consumer purchasing behaviour, particularly since a significant 71% of consumers acknowledge that social media influences their buying decisions.

This valuable data holds significance for businesses, offering the opportunity to attract a larger pool of potential customers, regardless of whether they are small start-ups or well-established companies. By leveraging this information effectively, businesses can capitalize on the higher engagement of women on social media platforms, thereby expanding their customer base.

2.2 Social Media Platforms

The Figure 5 shows that in 2023, Facebook has become the social network app and has reached. The graph shows the number of active users in millions. Based on the survey conducted by Backlinko (2024), indicates that Facebook, a social media giant is leading a dominant force in the social media landscape. Moreover, looking at the number of active users for each social media platforms, it is clearly evident that many users all over the world uses social media for either work, personal, or their own perusal.

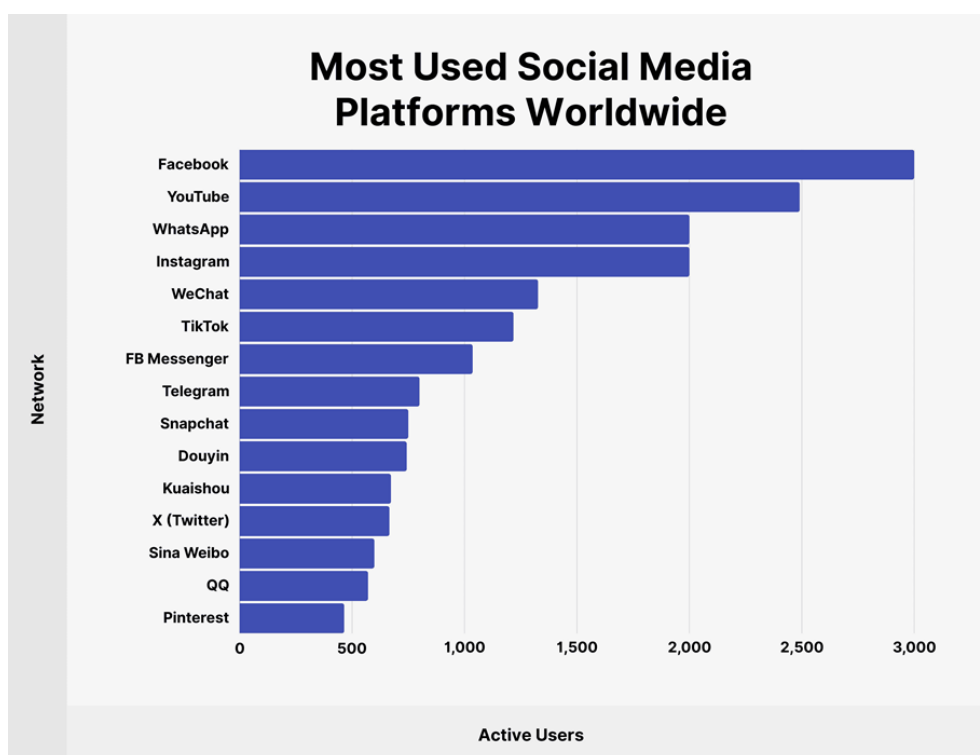


Figure 5. In 2023, Facebook is the leading social network with 3.03 billion active social media users worldwide. Graph from *Social Media Usage & Growth Statistics*, (Backlinko, 2024)

2.3 Social Media Content

Social media content has been widely used to promote products and businesses, and this includes the organic marketing that is prevalent in social media nowadays. Social media content that can reach a wide audience, especially if promoted by famous influencers, affects how the product is perceived. For example, when LGBTQ inclusion is incorporated into marketing, many companies that have included this have faced backlash, significantly impacting how the product is perceived; individuals who do not agree with the idea may also not support the product or content. Similarly, when certain nationalities are included in the content and not everyone agrees, it may also face backlash. On the other hand, such content may attract different or new customers based on its promotion, which leads to a new and positive behaviour of how the brand is perceived.

Nowadays, many of the marketing strategies include the usage of social media. This is owing to the fact that it is influenced by consumer behaviour, which keeps on changing from time to time. Social media contents greatly impact consumer behaviour as everyone has access to the internet and everything is within reach, regardless where you are in the world; if you have network connection, you will have access to social media content online.

2.4 Social Media Influencers

In promoting products and services, influencers play a vital role, as they can lead to more authentic, engaging, and real-time viewing, and this has over time led to a surge in influencer marketing campaigns of products. This shift has not only helped businesses survive tough times but has also showed the importance of digital marketing strategies in the modern business world.

Products trends, latest products, enjoyable experiences, and exclusivity are often showcased in social media influencer posts. This marketing strategy aims to engage customers and instil in them a desire to own the products featured by influencers, thus staying trendy and updated with what's new (Reach Influencers). By looking at consumer thinking, the researchers will analyse how these influencers shape consumer opinions and actions on purchasing products. This analysis will go beyond just numbers to examine factors like brand awareness, consumer engagement, and sales figures. This will help to understand how social media marketing can drive business results.

2.5 Social Media Trends

Fidget spinners rapidly gained popularity and high consumer demand primarily due to the influence of social media. According to a report by Forbes, the viral rise of fidget spinners in 2017 was fuelled by social media platforms, social has helped this very small item gained a popularity overnight and was in high demand due to the power of trending content. Companies that recognized this trend and quickly capitalized on it were able to generate significant profits. This is one example of how powerful social media is in making items go viral and creating massive consumer demand.

Another trend currently in demand is the rise of influencer marketing, specifically the return on investment (ROI) trend (Hootsuite Social Trends 2024 Survey). When influencers post short videos of themselves seemingly earning a lot with minimal effort, they prompt viewers to respond in the comment section for a chance to receive a message from them. This is an effective way to expand their audience and gather information about potential consumers. Additionally, it serves as a good method to promote.

2.6 Social Media Marketing

Social media marketing has profoundly impacted the digital marketing world (LinkedIn 2023). Content creators and business promote different content, and this can be organic or inorganic. While browsing content on different social media sites such as TikTok, Instagram, or Snapchat, there are various products being shown and offered, and sometimes consumers may be unaware they are viewing a form of organic marketing in social media, for example, if an influencer is wearing products that attract consumers' attention, thereby generating thousands of dollars for the associated brands.

Recently, social media platforms have proceeded to adding live, such as Facebook live, where consumers and business can interact in online, they will show the product live, and the consumers can respond to the comment section, showing interest in the product.

Hashtags (#) are another tool that many might have used it, and this is also another way of how social media is used in marketing, as users are encouraged to participate online by using hashtags that specifically promotes the brand. This adds to more visibility of the business and products as hashtags can be trending, and when they are, this can be visible locally or internationally.

2.7 Social Media and Business

As demonstrated on Figure 6, 37.6% of internet users use social media for work. This clearly shows how effective social media is, as employees are using social media comments to spread the word about their business and also for the social media channels to be known. With the use of social media, there is always live feedback that everyone can use such as quick comments or rating that helps the social media presence grow. They also collect information so that they can target advertisement to specific audience.

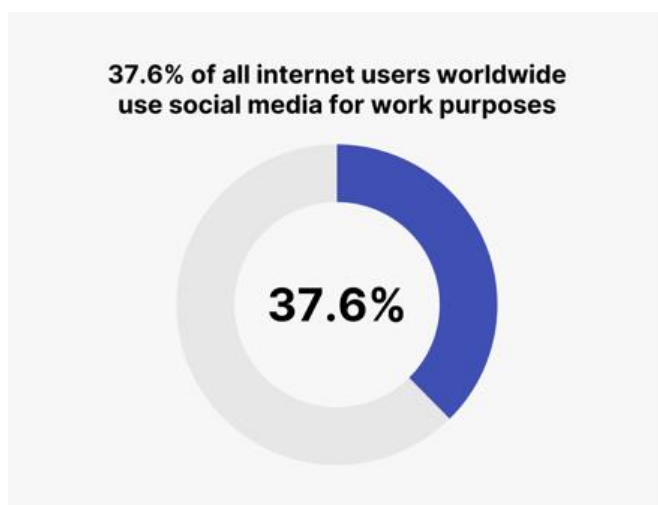


Figure 6. Internet users worldwide. Graph from Social Media Usage & Growth Statistics (Backlinko, 2024)

Have you ever wondered one day while searching for a pair of shoes in a browser, then when you opened your Instagram, you were seeing advertisement of shoes or social media accounts that sells shoes? Browsers are also tracking data from users search history, this way they can offer a more personalized marketing. Algorithms are embedded in website to track the search history and what each user clicks and visits this predicts the users add preferences to show what advertisements the users may be interested to (Dangerfield).

Social media platforms keep track of what you click on and then push advertisements tailored to that, meaning they can show more of what they perceive you need more of or are interested in.

Social media serves as a direct bridge between businesses and customers, fostering enhanced customer engagement. Through features like comments, likes, and polls, consumers can interact directly with businesses. This interaction empowers businesses to promptly address concerns and gather valuable feedback for continuous improvement.

3 Consumer Behaviour

3.1 What is Consumer Behaviour

The study of consumer behaviour is to understand why people buy certain products and services, and how can businesses use that information to sell their products and services in a better way. Using research and data it draws up patterns and trends, to try understand certain aspects of purchasing behaviour. (University of Lincoln 2022.)

According to Lake (2009) consumer behaviour study wants to answer the following questions:

- Why does someone buy this service/product?
- What are the factors that influence said purchase?
- Where do they buy from?
- When do they buy?
- How do they buy?
- And who buys it?

Similar questions to the ones above are used in the survey to see if and how social media plays its role in the impact of consumer behaviour. In this chapter we will dive deep into the theories behind consumer behaviour and how social media may have an impact on this process. We will look into the whole consumer decision-making process and see where social media could be within this process. This thesis will also go over the four factors of consumer behaviour and the four types of buying behaviour. The intention is to understand how social media may have an effect on these areas of consumer behaviour and how businesses are also impacted by this as well. We will bring about some theories as to how businesses are impacted by consumer behaviour and social media, and where should businesses put the efforts towards regarding marketing.

3.1.1 Consumer Decision-Making Process

So, what is the consumer decision-making process. It is the process that consumers go through when they want to buy products or services. This process begins with the recognition of need, so the need to buy a certain product or service. Then the consumer goes

through evaluation of said product or service and then makes the final decision when satisfied (Shopify 2023). Figure 7 gives a visual demonstration of what this process looks like.

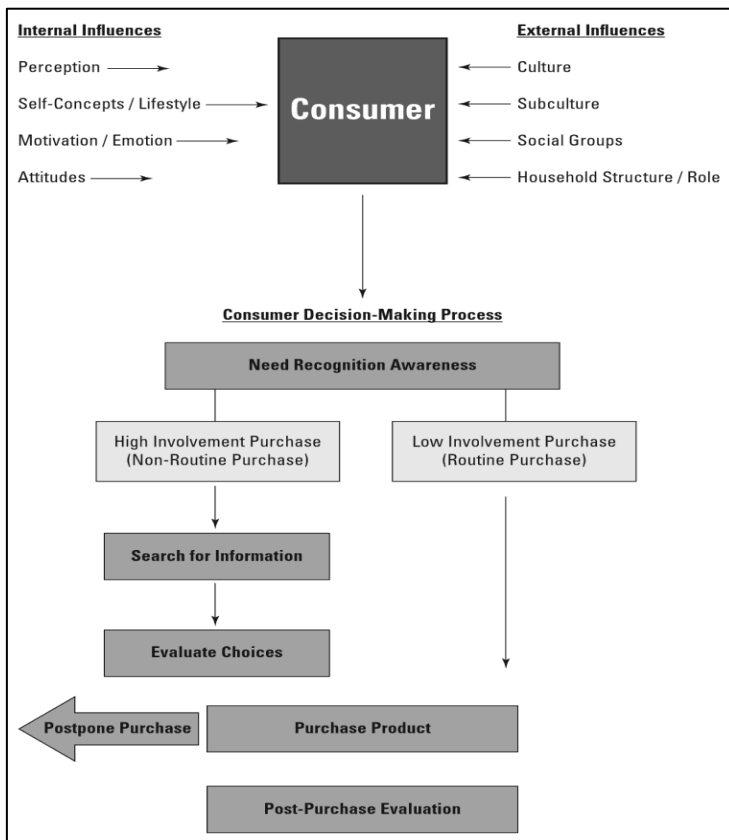


Figure 7. Consumer Decision-Making Process Chart (Lake 2009)

Need Recognition Awareness Phase

To briefly describe each step, the recognition of need is the first phase where the customer identifies a problem that needs solving. For example, this could be a need for a new pair of shoes, and the thought of purchasing came to mind once the consumer saw an advertisement of some shoes that were on sale. These needs can be influenced by a variety of reasons, which we will discuss later in the thesis. (Shopify 2023.) Social media marketing places a vital role in the first phase, this is where businesses can promote their products or services in social media. An example of this is Nike video content on their Instagram account, showing their developed #NikeOnAir project. A customer can see this post, which can remind them of their need for new pair of shoes. The example is shown Image 1.



Image 1. Screenshot of Nike Video Content. (Instagram 2024a)

Search for Information Phase

Later, the consumer begins to search for some information regarding the product they are in need of. They may look at some online reviews or may look for the description of the product in the brands website, or they might search recommendations from friends and family (Indeed 2023). In this phase businesses can promote their products in their social media through different types of content, and have influencers give reviews about their products. Example of this phase can be a review made by a well-known sneakerhead Seth Fowler, who does sneaker reviews on his Instagram account as seen in Image 2. Businesses can pay influencers like Seth to promote their products or services.

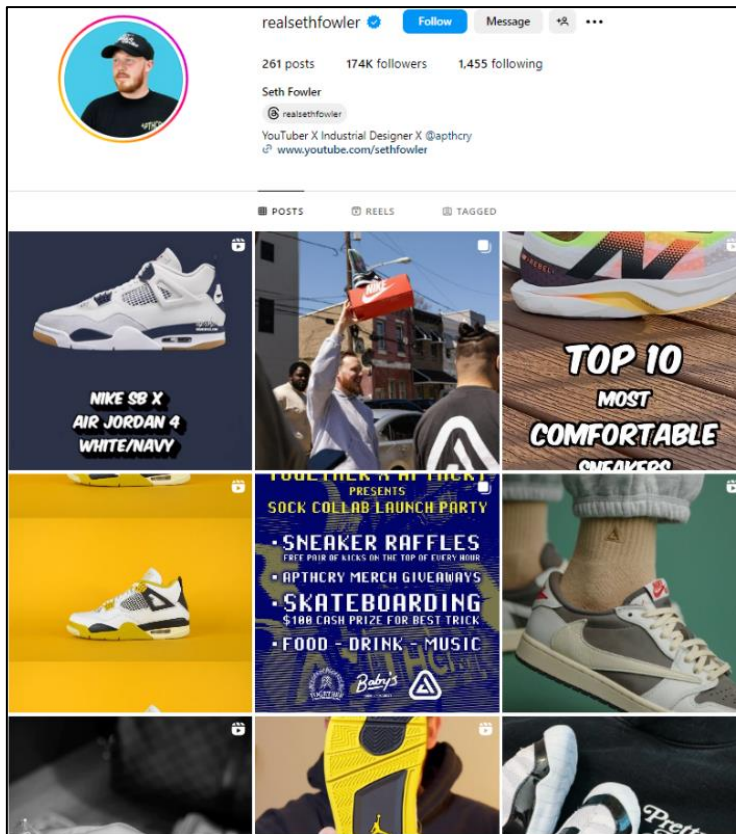


Image 2. Screenshot of Seth Fowler Instagram Account. (Instagram 2024b)

Evaluate Choices Phase

On the third phase the customer start weighing the different alternatives they found from the previous phase of searching. They may look at the price, quality, availability, and brand loyalty as factors that help them make the decision to purchase. Using these factors, they will see which brands provide them with the best options. (Szabo 2023.)

Purchase Product Phase

The fourth phase is penultimate stage where the consumer makes the decision to purchase the product or service, once they had gathered all the information they needed. (Professional Academy.)

Post Purchase Evaluation Phase

The final phase, which is the post-purchase appraisal or evaluation phase, where the consumer evaluates their experience with the purchase product or service. The customer evaluates whether the brand which they purchased from provided them with a product that met their needs. They evaluate whether they would purchase from the same brand again and whether they would recommend to others as well. This is a great stage where businesses can send a survey to the customer to see whether they were satisfied with their purchase (Weiss 2012). A great example of this is a review from a customer on their experience at a London hotel. They left a comment for the hotel, stating that they were pleased with their stay. Image 3 shows us the review left on the website.

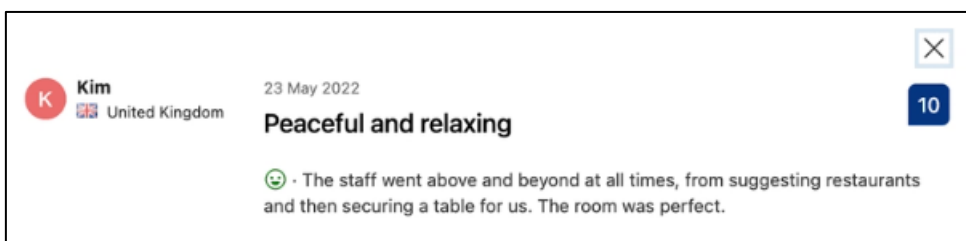


Image 3. Screenshot of Hotel Review. (Bojkov 2024)

3.2 Factors of Consumer Behaviour

In order to better understand how consumer behaviour is impacted by social media and how itself impacts businesses, this thesis attempts to understand the different factors that are in play in the consumption process (Gajjar 2013). These factors that influence the purchasing process of a consumer are economic, cultural, social, personal, and psychological factors (Clootrack a). Below we will explain these factors individually and how they tie in with social media and businesses.

Economic

The purchasing power of the general consumer is greatly dependent on the economic state of a country. In a wealthy and prosperous country, the economy will be strong, leading to a higher purchasing power since the money supply will be high. This gives more confidence to the average consumer to spend their wealth, whereas in a country with a poor economy, spending will be less due to less money supply. (Clootrack a.)

Cultural

Consumer behaviour is widely influenced by cultural factors, which may vary depending on different societal norms and regions. Below are some cultural factors that help us understand where the key differences can stem from.

- **Values and Beliefs:** Each culture and society have their own beliefs and values, it is not correct to portray a certain moral standard and implement it across all the societies in the world. For example, in some societies it is the man's responsibility to pay for all wedding related costs, while other societies are in favour of splitting the cost between the man and women.
- **Norms and Customs:** Societal norms dictate what is acceptable within a society. These norms and customs have an influence on consumption behaviour within a society. For example, in a society where giving flowers to a mother is deemed acceptable, it may be unacceptable or deemed inappropriate to give flowers to a father.
- **Religion:** Religion is also a big influencer of societal consumer behaviour. Religious practices can shape consumer dietary preferences and their clothing choices. In some societies eating swine is frowned upon, however in others it may be deemed a delicacy.
- **Language:** Language is a crucial part in consumer behaviour. The way products are named and advertised can make or break in certain societies. Image 4 illustrates the example of an incident in Turkey, where a chocolate bar from a brand named ETI, named "negro" was change to "nero" to avoid racial discrimination. These types of mistakes can ruin business and consumer perception of the brand. (Ebuzor 2023; Kotler et al. 2008, 240 – 243.)



Image 4. Eti negro to Eti nero. (Ankara Haber Online 2023)

Social

Human beings are social and live around each other. People imitate each other to be accepted by each other. So, it is very natural for peoples buying behaviour to be influenced by the people around them (Clootrack a). These factors are called social factors and according to Kotler et al. (2008, 244 – 250) they can be categorized into three categories, group, family and roles and status.

- **Group:** Groups or more specifically “Reference Groups” are a group of people that individuals compare themselves to. These can include family, friend’s coworkers, classmates and celebrities. Consumers can be easily influenced by opinions and preferences of these groups.
- **Family:** A person’s preferences are shaped from childhood. Their family is their number one reference for most of their childhood, so it is very natural that one’s consumer behaviour is influenced by their family members. For example, as a child Timmy always saw his parents by milk from a local brand, and having moved out from his parents’ home, Timmy continues to buy from that same local brand due to his parents’ influence.
- **Roles and Status:** The status and value of a person can also have great impact on his buying behaviour in order to uphold his status. For example, a CEO of a multi-million-dollar company will want to present himself in the most professional way possible, so he will buy clothing that makes him look more serious and professional.

Personal

According to Ebuzor (2023), the personal factors are individual characteristics of a consumer that effect their consumption behaviour. These include:

- **Age:** This could mean that younger consumers like to try newer products that they saw from their favourite influencer, whilst older consumers like to stick to products or services that they are most accustomed to.
- **Ethnicity:** A persons body shape, skin colour and hair style makes quite the impact on what type of hair products or creams they use on their body.
- **Gender:** Generally speaking, women tend to buy more beauty and personal care products and men may be more interested in sports or cars.
- **Income:** Income being a very clear factor, consumers with higher net worth have a higher capacity to spend vs. individuals with low income.
- **Education:** Well-informed consumers have better understanding and information of products and services and can make better decisions when shopping.
- **Personality:** Introverted people may enjoy purchasing online more than extroverted people who may enjoy shopping in the physical store instead.
- **Lifestyle:** Lifestyle is a big factor that ultimately has a lot of influence in buying behaviour. Someone that has a active lifestyle will likely spend more of their money into sports services and fitness products, whereas someone who has a more laid-back lifestyle likes to spend their money mainly to entertainment.

Psychological

Psychological factors are perhaps the most important but the most difficult factors to measure and establish. These factors can be divided into four different factors, motivation, perception, learning and attitude and beliefs. Certain needs motivate consumers to purchase, basic needs or security needs such as food, water, hygiene products are all basic essentials that all consumers need. This brings a motivation for the consumer to make purchases quite frequently. Perception is also a big player, when a consumer sees an advertisement, it gives the consumer a particular perception about the product which can effect the persons will to purchase or ignore said product. Learning is also a great factor, it builds experience in the consumer over time, giving the consumer the knowledge to make purchases that will satisfy their needs. Lastly, the attitude or belief of a consumer regarding

products or a brand is vital, marketers must understand the attitude of their customers, and create marketing campaigns that will satisfy their customers. (Clootrack a.) Social media is a big factor that impacts the psychological aspect of consumer behaviour, social media shapes our understanding and perception of the brands and products we see today.

3.3 Types of Buying Behaviour

There are four different types of buying behaviour. Buying behaviour varies according to the different products the consumer purchases and the different brands you buy from. These types are to degree based on the consumers involvement, in the price and also the differences between brands (Gupta 2015). In Table 1 the names of the types of buying behaviours are written and will be explained in paragraphs that follow. (Marketing business)

	High involvement	Low involvement
Significant differences between brands	Complex buying behavior	Variety-seeking buying behavior
Few differences between brands	Dissonance-reducing buying behavior	Habitual buying behavior

Table 1. Types of Buying Behaviour. (Gupta 2015)

Complex-buying behaviour involves consumers that have high involvement in a purchase decision, and they see significant differences between brands and what they supply. For example, when purchasing a car for the first time, the consumer will give a lot of thought and time to get as much information on the product as possible. Since it's a product of high value, there is greater economic risk involved in the purchase process. In complex buying behaviour the customer will get all information he needs and then will make the purchase when he is confident and comfortable of the decision. Marketers should provide consumers with all the details of the product to give consumers all the information they need to make a thoughtful purchase. Creating social media content that's informative will be helpful in attaining many customers. (Clootrack b.)

Habitual buying behaviour on the other hand is the opposite of complex buying behaviour. This is when consumers have low involvement in the purchase decision. An example for this is when buying eggs or milk, with products like these the consumer has little care for what brand they buy from, since there isn't much difference between brands. Businesses should put much effort into their branding, especially to social media to differentiate themselves from the rest of the market (Baldocchi 2022). They can make ad campaigns that gives a bigger sense of safety or security for daily goods prompting consumers to buy from them instead, in the hopes that they purchase that which is best for their family.

Dissonance-reducing buying behaviour is when consumers have high involvement in the purchase decision, however there is a state of confusion due to the lack of difference between brands. Customer will buy something that's cheaper and more convenient, however upon purchasing he may feel dissonance hearing from a friend for example that another brand had a better-quality product, with better features for few dollars more (Gupta 2015). This is why brands need to be clear with the features they provide to grab the customers attention.

Variety-seeking buying behaviour is when consumers have low involvement in their buying process, they like to try new things because there is a lot of different brands to choose from. These products are usually cheaper products that don't have high economic risk involved (Gupta 2015). For example, a customer might buy a chocolate bar from a certain brand, next time he might go for another brand to try something new. Brands must adopt ways to make themselves seem newer and better, by supplying new variations of the same product and using social media to run campaigns to boost the products recognition (Cloutrack b).

3.4 Social Media and Consumer Behaviour

According to a study done by Olenski (2012) around 80% of respondents made purchases based on their friend's social media post. Around 78% of respondents said their purchases are also influenced by brands social media pages. So, it is quite clear that social media has a great impact on consumer behaviour, and it's becoming a sort of a search engine or a credible source of information for many consumers. Consumers also appreciate businesses prioritising customer support on social media (Kenan 2023). Consumers are reaching out to businesses to report problems about their services or products via social media channels. An example of this is seen in social media platform X, where a customer reported a problem with the UPS delivery with a post, and UPS responded to her in the comments to contact

them back (X 2023). These are factors that businesses need to take into consideration when marketing in social media to increase their consumer acquisition.

4 Research and Data Analysis

4.1 Research Process

This research was based on quantitative research questions, along with a qualitative question. An electronic survey tool, Google Forms was used to gather answers for the survey questions. Quantitative research method is used by the authors believing that it's the most accurate and effective method to collect necessary data for the research questions. The survey consists of 22 questions and takes approximately 3-5 minutes to complete. The survey was done in the English language. The survey included multiple-choice questions, checkbox questions, linear scale questions and a short answer question. The survey was shared via WhatsApp and other social media platforms. It was sent to people of different cultural backgrounds. The questions revolved around the theoretical framework, to answer our objectives of how and why social media impacts consumer behaviour. The questions were there to help us understand and find results to our thesis questions. The respondents will be kept anonymous and personal questions such as the age question and yearly income question were left so that the respondents could decide whether to answer the question or leave it out. The first questions contain basic questions like age, employment status and income. The following questions ask about social media use and then later more specific questions regarding making purchases online.

The data collection process began in 23rd of March and ended 11th of May 2024. During this time the survey had a total of 63 respondents. The questions and results are further analysed in the following sub-chapters.

4.2 Data Analysis

Question 1: How old are you?

This section provides an analysis based on data collected from the online questionnaire. The initial three questions sought background information on respondents, focusing on age, employment status, and yearly income. These questions aimed to understand the impact of social media marketing on consumer purchase decisions.

According to Figure 8, 57% of respondents fell within the 18-25 age bracket, 27% were aged 26-35, 12.7% were aged 36-45, and 3.2% were aged 56 and above. This indicates that the majority of the respondents belong to Generation Z, aged group 12-27, suggesting

that most of them are relatively young. Understanding this demographic distribution is crucial for interpreting how different age groups influence the impact of social media marketing on consumer purchase decisions.

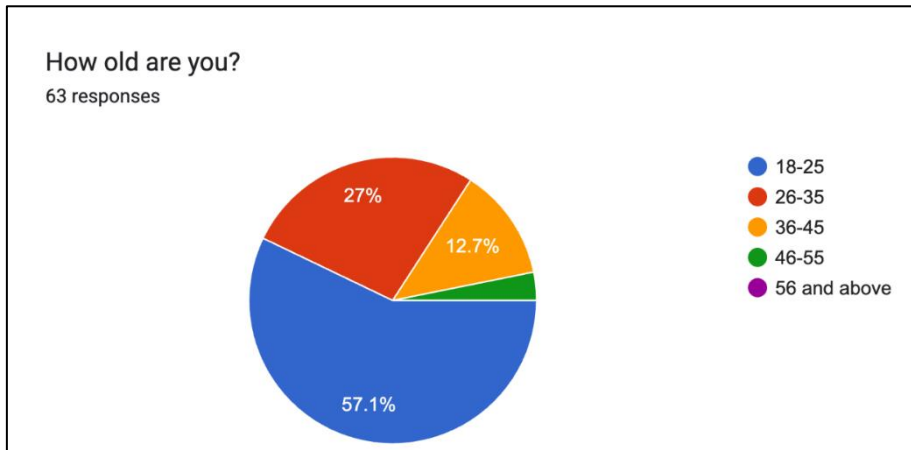


Figure 8. Age distribution of the respondents

Question 2: Kindly indicate your employment status

Figure 9 illustrates various employment statuses among respondents. A significant portion, 41.3% are students, this shows the highest sample population are still currently studying. Moreover, 31.8% are employed, showing a substantial proportion of respondents are actively working. Also, 12.7% indicated being unemployed, weight a portion of the sample currently seeking employment opportunities. Another small but noticeable percentage is self-employed which is 4.8%, suggesting entrepreneurship or freelance also took part in this research. Moreover, 1.6% identified as working students, indicating individuals balancing work and academic pursuits. Another 1.6% mentioned being church volunteers, suggesting involvement in voluntary activities outside traditional employment or education settings. Figure 9 shows diverse employment statuses within the sample, adding more information for understanding their socioeconomic backgrounds and potential influences on consumer behavior related to social media marketing.

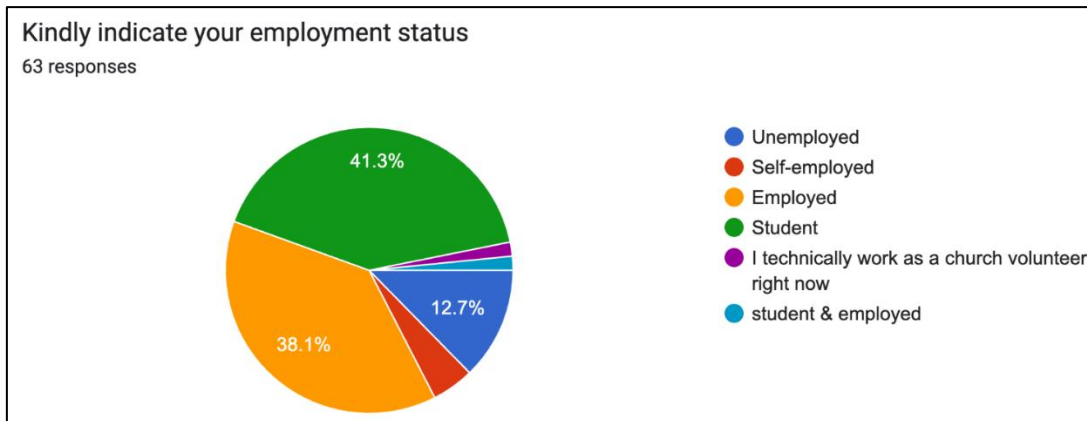


Figure 9. Employment status

Question 3: How much is your income per year? (Currency: Euro €)

The analysis of income distribution among respondents in Figure 10 shows diverse financial status amongst the sample population. The highest portion of the income distribution is 38.1% with an income range of 0-15,000, this percentage includes the highest percentage of the respondents which are students. Additionally, 25.4% preferred not to disclose their income, suggesting a privacy of financial matters. Furthermore, 11.1% fell within the income range of 15,000-25,000, representing a moderate-income bracket. Moreover, 9.5% reported an income range of 25,000-40,000, suggesting a slightly higher income level compared to the previous bracket. Additionally, 7.9% reported an income range of 40,000-75,000, indicating a segment with a relatively comfortable income. Furthermore, 4.8% reported an income of 100,000, indicating a smaller but notable portion of respondents with a higher income level. Lastly, 3.2% fell within the income range of 75,000-100,000, suggesting a segment with a moderately high-income level. The respondents' income breakdown provides valuable insights into the respondents' financial status and its potential impact on consumer behavior regarding social media marketing.

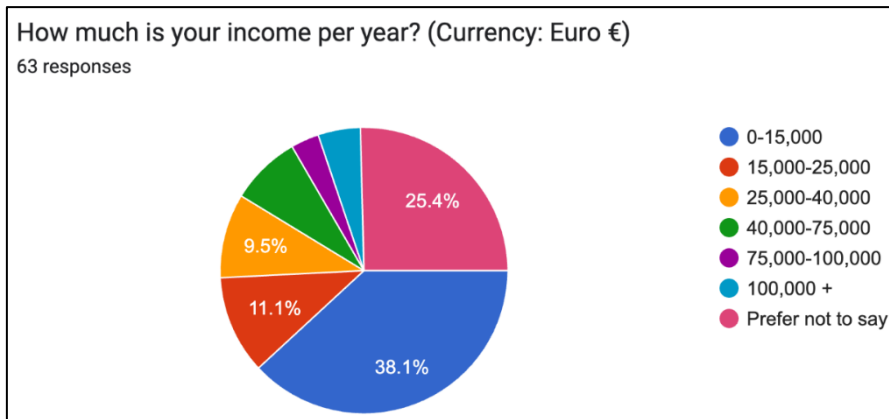


Figure 10. Yearly income of respondents

Question 4: Which of the social media app you use? (you can choose more than one)

The data among social media usage of the respondents shows an important trend of what social media platforms consumers use. Based on the social media app that are commonly used nowadays, Instagram appears as the most used platform with a 90.5% usage among the respondents. Following this is YouTube, a video sharing platform with 84.1% of respondents utilizing it for diverse content consumption purposes. Next is Facebook, which gained 58.7% of respondents indicating usage which is slightly slower than Instagram and YouTube. TikTok and Snapchat both are on equal usage rate of 50.8%, showcasing their appeal among younger demographics. LinkedIn, made for professional networking, got 39.7% of respondents, showing its relevance in professional interactions. X gains moderate level of engagement, with 25.4% of respondents utilizing its real-time short character blogging and news-sharing features. On the contrary, Reddit records the lowest usage rate among all the social media platforms, with only 1.6% of respondents indicating usage, reflecting its usage for specific interest and communities. This analysis shows how the diverse social media platform contributes to the respondents' various choices of social media platforms that helps in understanding the customers online behavior which greatly affects the consumers decision making. The data is shown in Figure 11.

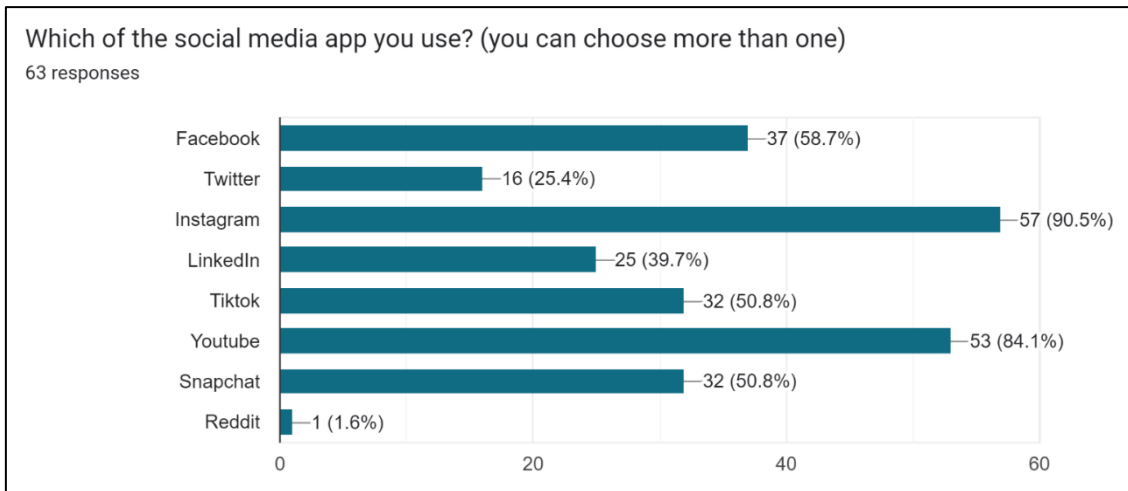


Figure 11. Social media usage

Question 5: How often do you use social media a day?

Figure 12 reveals varying levels of social media engagement among respondents. A huge percentage, 44.4%, responded that they are spending 2-4 hours per day on social media platforms, indicating a extensive time in online activities. Additionally, 27% of respondents spend 1-2 hours daily on social media, reflecting a moderate level of engagement. Furthermore, 25.4% of respondents reported spending more than 4 hours per day on social media, highlighting a noteworthy group heavily invested in digital interactions and content consumption. On the other hand, a smaller segment, 3.2%, spends only 0-1 hours per day on social media, indicating limited engagement or preference for minimal online activity. This provides significant insights into the daily social media habits of respondents, which can inform strategies for targeted marketing and content delivery.

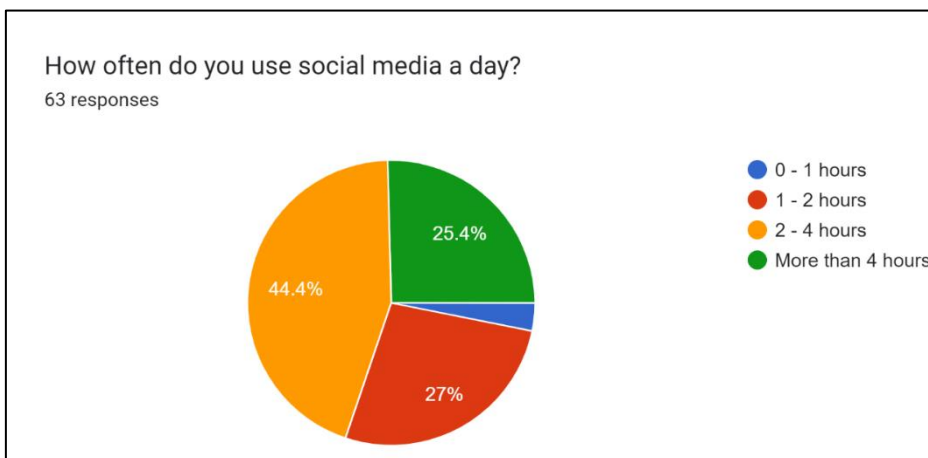


Figure 12. Social media usage per day.

Question 6: What is your purpose of using social media?

The data analysis on social media usage per day illustrates varying levels of engagement among respondents. A significant portion, 44.4%, reported spending 2-4 hours daily on social media platforms, indicating a substantial investment of time in online interactions. Additionally, 27% allocated 1-2 hours per day to social media usage, suggesting a moderate level of engagement among this segment. Furthermore, 25.4% reported spending more than 4 hours daily on social media, reflecting a notable proportion of respondents heavily invested in digital communication and content consumption. Conversely, a smaller but still noteworthy percentage, 3.2%, reported spending 0-1 hours per day on social media, indicating a segment with limited engagement or preference for shorter durations of online activity. This breakdown provides insights into the diverse usage habits and time allocations of respondents on social media platforms, offering valuable information for understanding their digital behavior and potential impacts on social media marketing strategies. The data is illustrated in Figure 13.

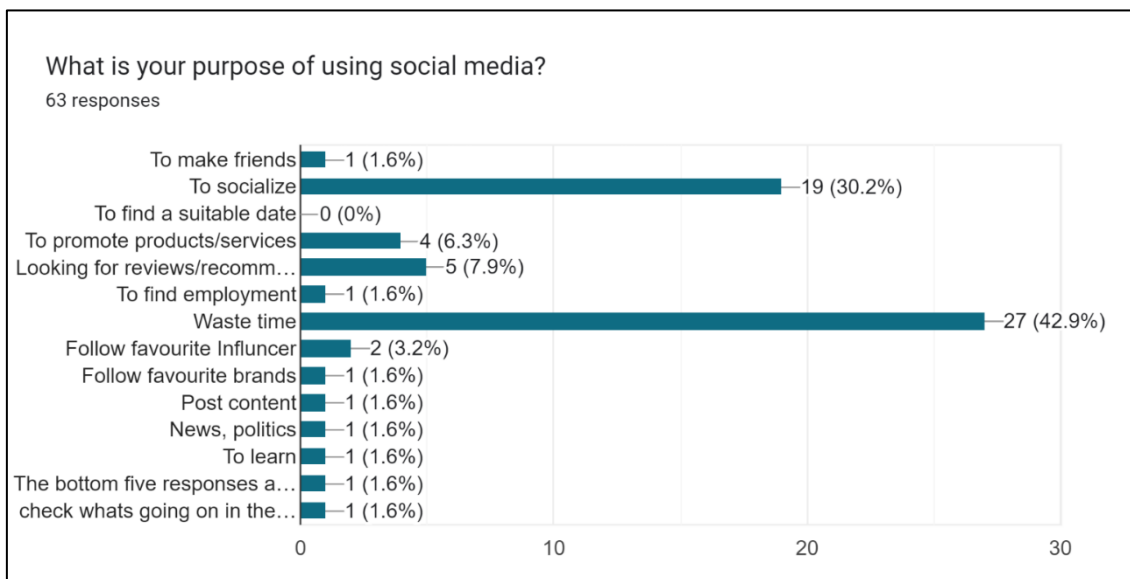


Figure 13. Purpose of using social media

Question 7: How often do you come across product advertisements while using social media?

This analysis shows the popularity and impact of product advertisement on social media users, strategic targeting and content delivery in digital marketing campaigns are vital. The results are illustrated in Figure 14.

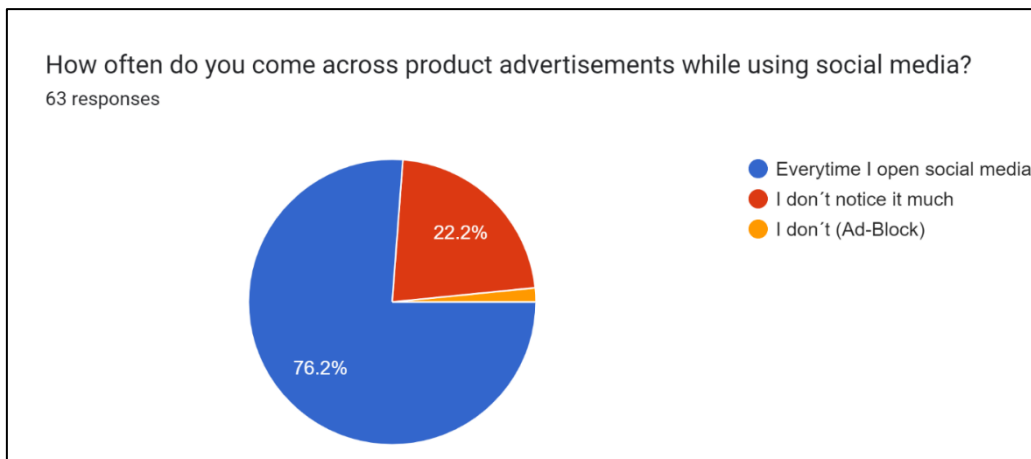


Figure 14. How often do you come across product advertisements while using social media?

Figure 14 shows the frequency of encountering product advertisements while using social media reveals significant trends in user exposure. The majority, 76.2%, reported encountering product advertisements every time they open social media platforms, this shows that consistent exposure in marketing content whether the advertisement uses an organic or inorganic marketing. On the other hand, 22.2% answered that they don't notice advertisements much, suggesting a part potentially less receptive or attuned to advertising content. Lastly, 1.6% cited not encountering ads due to using ad-blocking software, this shows the importance a proactive approach to managing online content.

Question 8: Have you ever made a purchase influenced by something you saw on social media?

Figure 15 shows the influence of social media on purchasing decisions highlights a significant impact on consumer behavior. A vast majority of, 65.1% answered having made a purchase influenced by something they saw on social media, demonstrating the platform's effectiveness as a marketing tool in driving consumer actions. On the other hand, 34.9% reported not being influenced by social media content when making purchases, showing a segment of potentially less responsive to marketing messages on these platforms. This analysis shows the considerable influence of social media on consumer purchasing behavior, highlighting for brands to engage and convert potential customers.

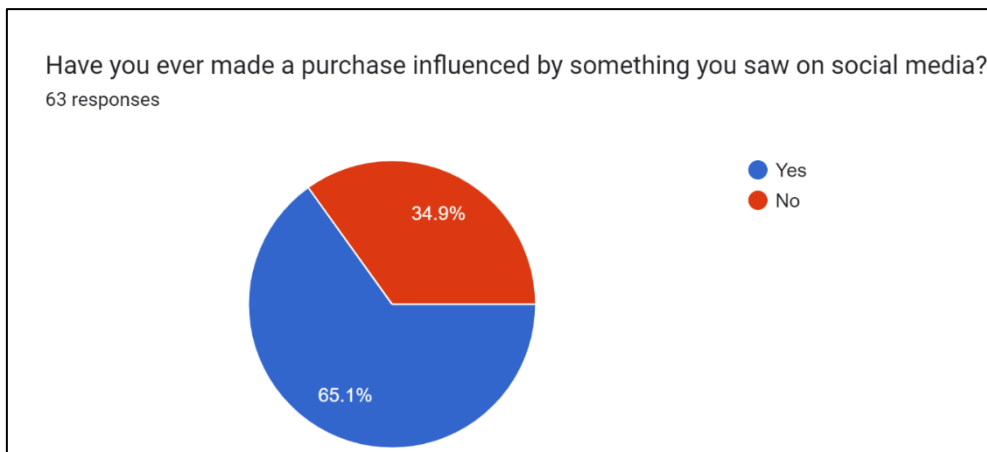


Figure 15. Have you ever made a purchase influenced by something you saw on social media?

Question 9: If you did, what made you make the decision?

Question 9 is the sub-question of question 8. In this question the authors asked the respondents if they had made a purchase influenced by something they saw on social media, what was factor that made them make that purchase. This was an open ended question leaving many different answers the following bullet points are answers written by the respondents:

- The reviews about the product was interesting
- it looked like it had a lot of good reviews and it was worth it
- The ad
- Good advertising
- The way they promote the product and how appealing it is to a fanbase.
- Video kind of the product's review plus more reviews from people trying the product
- How the product looks in the advertisement
- Good reviews and the product is explained really well usually in videos on instagram.
- Feeling relevancy and need
- I liked how it looked in a influencer.
- I liked the product and I wanted to try it

- Online reviews were good
- I guess that the advertisement made me crave the product
- Ads
- I was looking for a specific sunglasses the next day i found all the ads are about sunglasses so the ads helped me to find the one I'm looking for
- Usually I like the way it's presented. I like to see the product in a video and if it is my kind of style and I find it useful for me, I would usually go buy it or at least opening the option to buy it in the future.
- The advertisement
- The product was trending at the time and had resell value

The most popular answer was regarding the advertisement placed on the social media platform. The advertisement made them crave the product and later went on to purchase it. Some answers were regarding the reviews they saw of the product which gave them the confidence to make the purchase. Few answers were regarding the relevancy and trendiness of the product which gave them a reason to purchase after having seen it all over social media.

Question 10: Do you trust product recommendations from social media?

Figure 16 shows the trust in product recommendations from social media which varying levels of confidence among respondents. In the figure 1 indicates "not trusting" and 5 indicates "trusting". A slightly high percentage, 50.8%, said that they trust in product recommendations from social media, indicating a huge amount of reliance on these platforms for purchasing guidance. On the other hand, 28.6% said a lack of trust in such recommendations, suggesting doubt or caution regarding the authenticity or trustworthiness of content shared on social media. Additionally, 12.7% reflects a segment potentially open to persuasion but requiring further validation or assurance. Remarkably, 7.9% reported complete mistrust in these recommendations, indicating a notable level of skepticism or disregard for social media-driven product endorsements. This analysis shows the complex relationship of trust and skepticism in consumer perceptions of social media marketing efforts, highlighting the importance of credibility and transparency in influencing purchasing decisions.

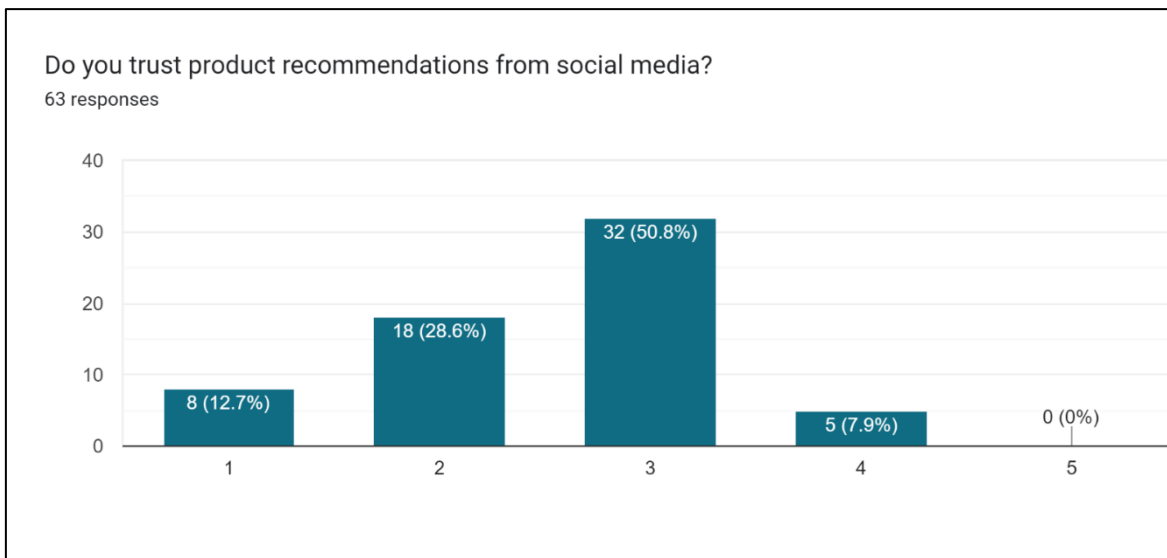


Figure 16. Do you trust product recommendations from social media?

Question 11: Do you find online shopping safe?

For question 11 the respondents were asked if they find the online shopping safe. In the figure 1 indicates “not safe” and 5 indicates “very safe”. Looking at Figure 17, it shows the varying perception of the respondents on the question about the safety of the online shopping, The highest percentage of 42.9%, expressed that they feel safe in online shopping, this shows that vast majority of the respondents trust the e-commerce platforms and the safety and security measures they implement to protect the customers online. On the other hand, 38.1% answered neutral towards how they feel about the online shopping safety, suggesting a portion potentially open to online transactions but requiring further assurance or information to fully trust the process. Additionally, 9.5% showed lack of confidence in online shopping safety, reflecting scepticism or concerns regarding potential risks associated with digital transactions. Interestingly, 7.9% expressed complete distrust in online shopping safety, highlighting a notable level of apprehension or avoidance towards engaging in online purchases. This breakdown signifies the importance of addressing consumer concerns and implementing robust security measures to foster trust and confidence in online shopping experiences.

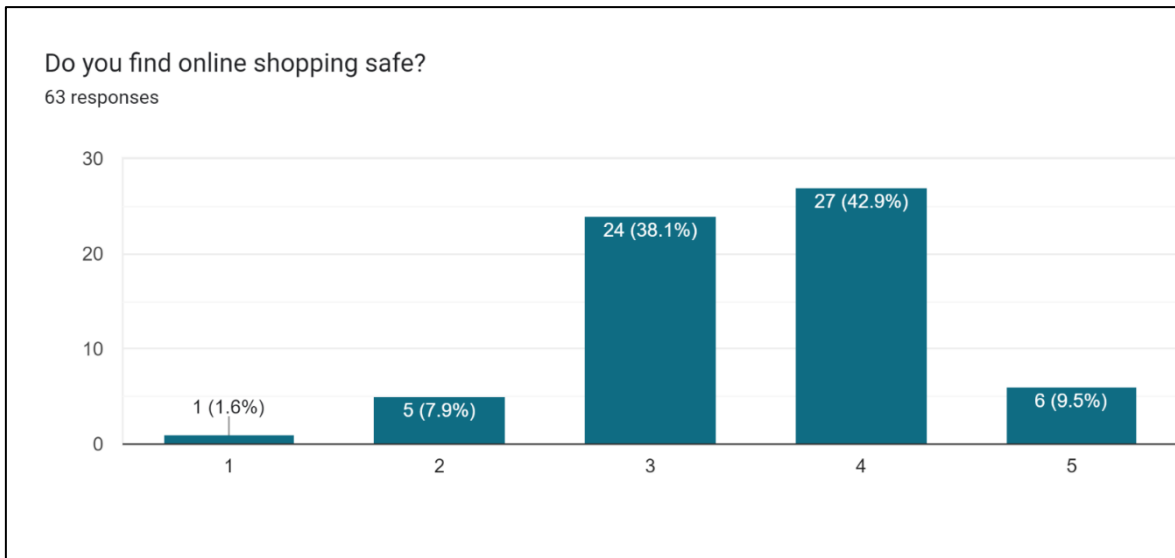


Figure 17. Do you find online shopping safe?

Question 12: How often do you shop online compared to shopping at physical stores?

The respondents were asked how often they shopped online compared to physical stores. It is important to understand whether social media influences how consumers choose to purchase today, and what the differences entail. In Figure 18 we can see the difference between how the respondents do their usual shopping.

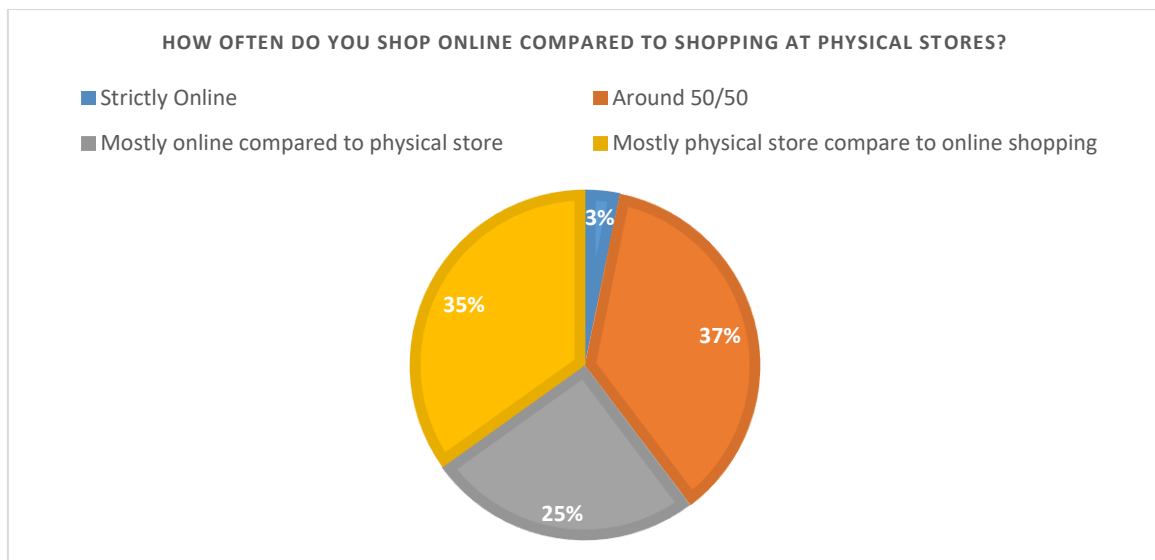


Figure 18. Results to which shopping method respondents prefer online vs. physical

According to these results we see that shopping both online and in physical stores is the most popular option for the respondents. With 23 respondents (37%) that shop both online

and in physical stores equally. Out of the 63 respondents only 2 people (3.2%) shop strictly online, whereas no one shops strictly in physical stores within the respondents. 35% shop in physical stores as their main way of shopping, and they do lighter shopping through online shopping. 25% prefer online shopping, however they do make some purchases in stores as well. This gives us the notion that online shopping is an integral part of shopping nowadays, the only differences are where consumers decide to do majority of their shopping. According to Desilver (2023) online shopping is growing rapidly, however most sales are still coming from physical stores.

Question 13: Which type of business (online or physical) do you believe offers better deals or discounts through social media advertisements?

In the figure below, 1 indicates “Online Business” whilst 5 indicates “Physical Stores”. Looking at Figure 19, it’s evident that most of the respondents found better deals online compared to physical stores. This can persuade consumers to make more purchases online, in hopes to save more money or buy things at a better quality. There may be many reasons as to why online stores provide cheaper price range compared to physical stores. One of the reasons stems from the fact that online stores have fewer overhead costs, its more expensive to keep a physical store with all the rent and general upkeep (The Balance Editors 2022). It seems that businesses provide better deals through social media for their online stores, making it cheaper and easier for customers to purchase their products.

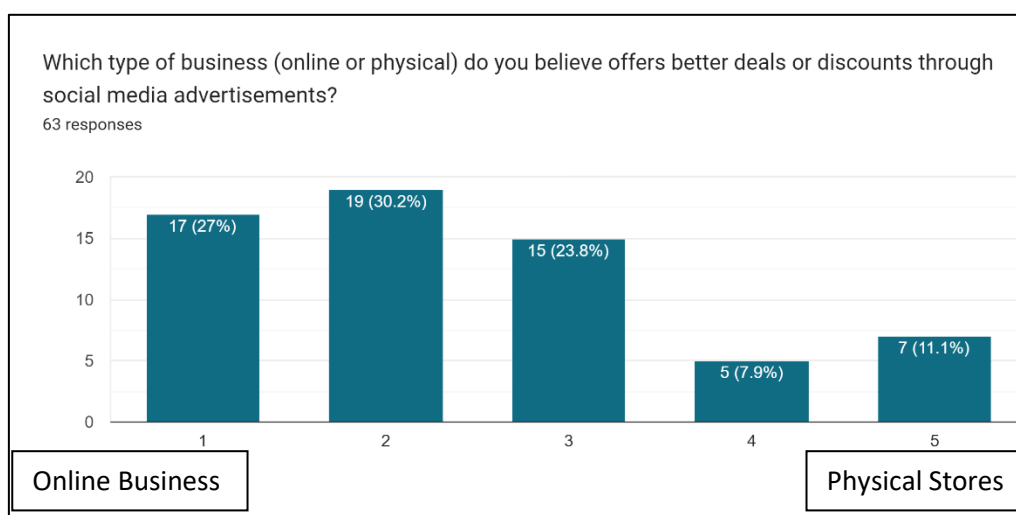


Figure 19. Which type of business offers best deals

Looking at the figures, 27% found that online businesses have the best deals compared to physical stores. On the second row, 19 respondents found better deals in online stores, however there are some deals they find in physical stores as well. 23.8% of respondents

found equally good deals both in online and physical stores. On the 4th and 5th row respondents found better deals in physical stores, and with 11.1% finding the best deals in physical stores.

Question 14: Have you ever interacted with a brand's social media account (e.g., liking, commenting, sharing)?

In question 14 the respondents were asked whether they interact with brands social media pages. As shown on Figure 20, 40 of the respondents answered that they are interacting with brands social media accounts. This includes liking, commenting, and sharing the content of the brands they follow. This shows brand loyalty, and that these respondents are interested in what the brand(s) they follow have to offer. The rest of the respondents are not too interested in following the online presence of a brand. They don't follow or share the content that brands have in the social media accounts.

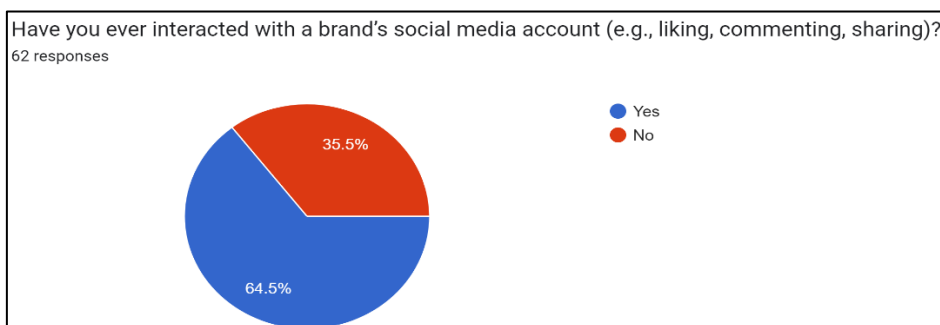


Figure 20. Interaction with brands social media page

Question 15: What type of content do you see the most on social media?

For question 15 the respondents were asked which type of content they mainly saw on social media. Looking at Figure 21, 48.4% of respondents mostly see their friends posts on social media. 17 (27.4%) respondents mostly see posts from influencers. This means that they actively follow influencers or engage with the content that they post. 16.1% of respondents mainly see advertisements on their social media, this could mean that they interact with many brand accounts and those brands may push targeted ads to these respondents. The green part in the pie chart is 4.8% of the respondents who mainly see brands posts, this ties in with the previous question we asked. These respondents are more likely to use social media as a tool to follow their favourite brands, to see what new things they have to offer. The blue (1.6%) is someone who sees both friend and influencer posts and the purple (1.6%) is someone who see posts from their favourite subject or theme, this could be cars

or beauty products, but they are not necessarily following a certain brand, but because they have liked and shared content similar to their interest this is the type of content that the algorithm pushes towards them.

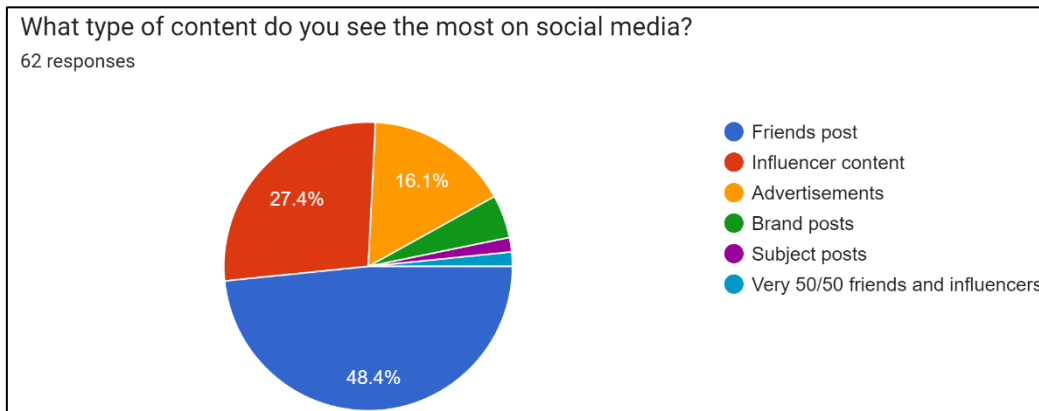


Figure 21. Most popular content on social media

Question 16: Do you think social media influencers have an impact on your purchasing decisions?

This question provides some type of understand and influence of influencers in purchasing decisions. Are social media influencers a factor in today's market that impact the purchase decision of some consumers. In the figure below, 1 indicates that influencers have no impact on purchasing decisions of consumers, whereas 5 indicates that influencers have strong influence in the purchasing decision of consumers. The data is illustrated in Figure 22.

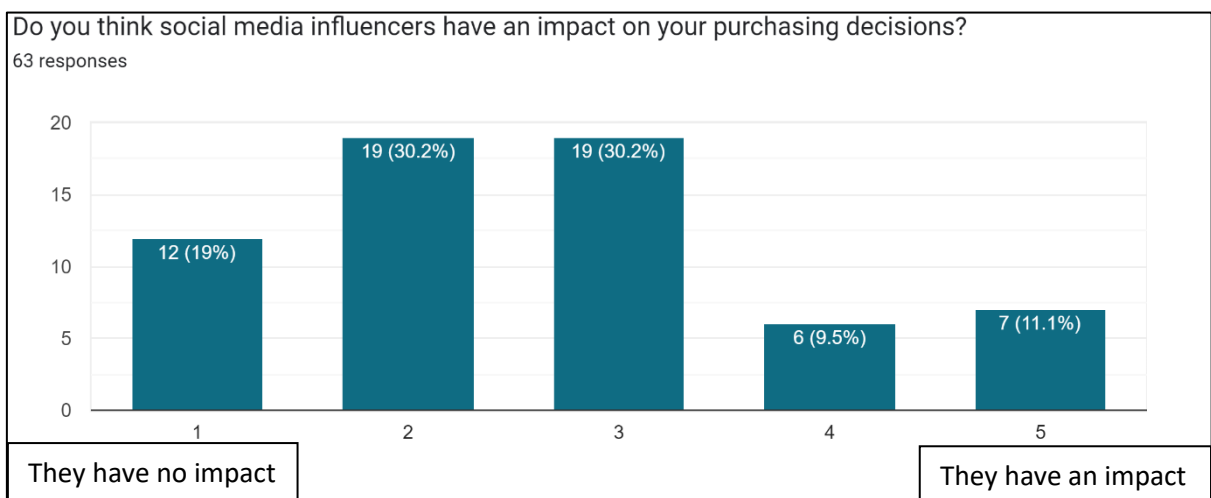


Figure 22. Impact of influencers on purchasing decisions

Looking at Figure 22, most of the respondents believe that influencers have some type of impact on purchasing decisions. 11.1% answered that social media influencers have strong influence on what they purchase. 19% of respondents answered that social media influencers have no impact on their buying decisions. 30.2% answered that influencers have some impact on their purchasing decisions, but it's not a very strong factor. 9.5% believe social media influencers have a little stronger influence on purchasing decisions. Another 19 respondents believe that social media influencers have very little influence on their purchasing decisions.

Question 17: Do social media trends, conversations, reviews, and advertisements influence your product choices or decisions?

In this question respondents were asked whether social media trends, conversations, reviews and advertisements influence their product choices or decisions. Number 1 indicates that these factors don't influence their decisions and 5 indicates that these factors do influence their decisions.

The Figure 23 indicates that 30.6% of respondents don't deny that these factors have some influence on their product choices or decisions, however these factors are that strong influencer on their overall product choices. 17 respondents answered that these factors have stronger influence on their product choices and 8.1% answered that the factors have very strong influence on their product choices or decisions. 9.7% answered that these factors have no impact on what choices they make when picking and choosing products, while the rest 15 respondents answered that these factors have very little impact on their product choices.

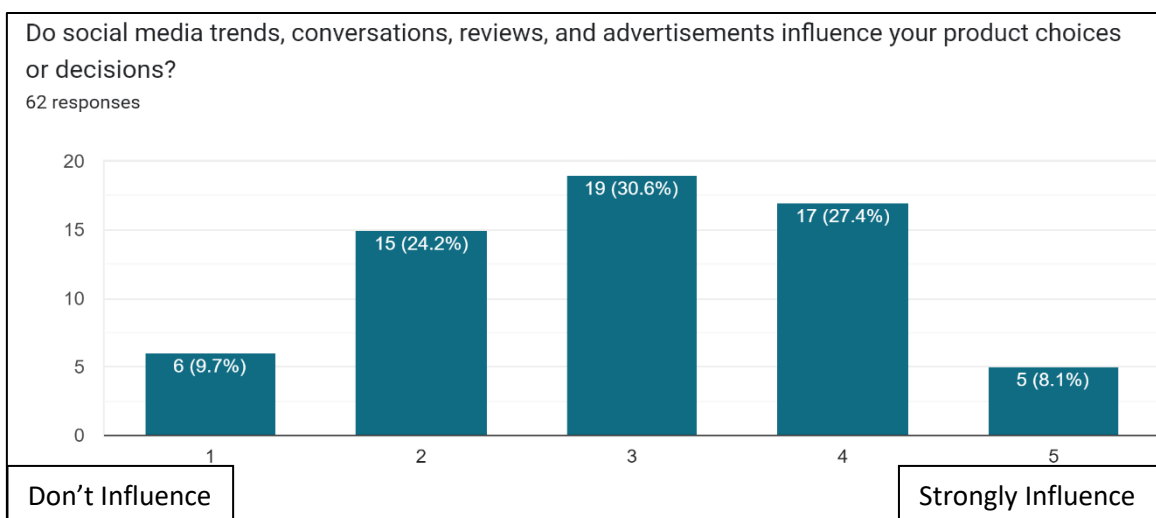


Figure 23. Influence of different factors in purchasing decisions

Question 18: How likely are you to buy a product recommended online?

Continuing with the series of questions to understand what impacts consumers purchasing decisions, the respondents were asked how likely they are to buy a product that has been recommended online. Number 1 indicates that they are very unlikely to purchase a recommended product online and 5 indicates that the respondent is very likely to purchase a product that has been recommended online.

Looking at Figure 24, 25 respondents are neither to likely nor unlikely to make purchases based on an online recommendation. 21% of respondents are more likely to buy a product that's been recommended online. At the start of the figure 3 respondents answered that they are very unlikely to make a purchase that has been recommended online, whereas 27.4% are a little more likely to do so. 6.5% of respondents answered that they are very likely to purchase online recommended products.

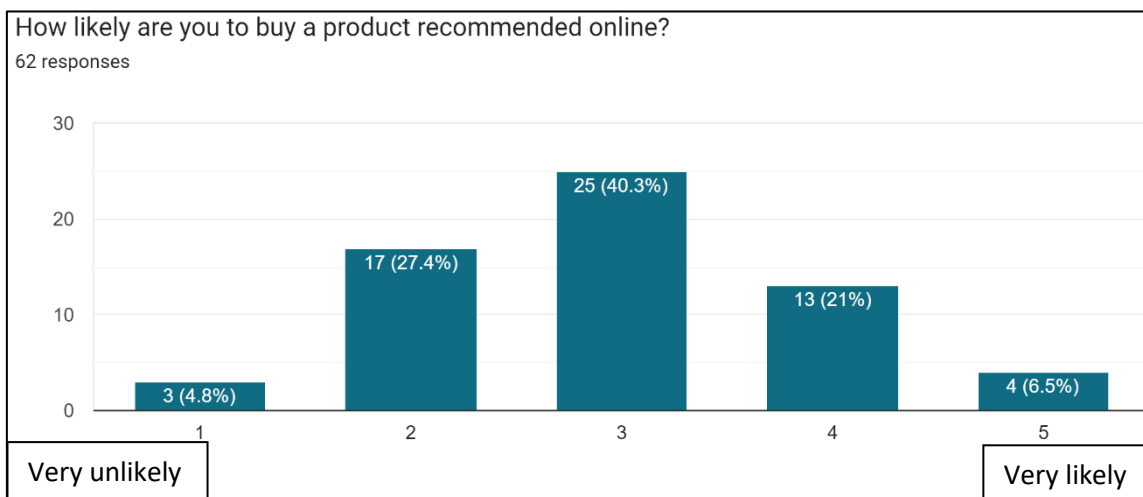


Figure 24. Likelihood to buy products recommended online

Question 19: To what extent does a brand's social media presence influence your purchasing decision?

Question 19 was very important whether brands social media presence is an influence in purchasing decisions. In the figure below, 1 indicates that there is no influence from brands social media presence in purchasing decisions, and 5 indicates that there is a strong influence on their purchasing decisions. Only 3.2% of respondents felt that a brands social media presence has a strong influence on their purchasing decisions according to Figure 25.

25.4% answered that brands have a strong influence on their purchasing decisions, but not as strong as number 5. 26 of the respondents were in the middle, meaning that brands social media presence has neither too strong nor too weak on an influence in purchasing decisions. On the other side of the spectrum, 7.9% answered that a brands social media presence has no impact on their purchasing decisions, while 22.2% answered that brands social media presence may have little influence.

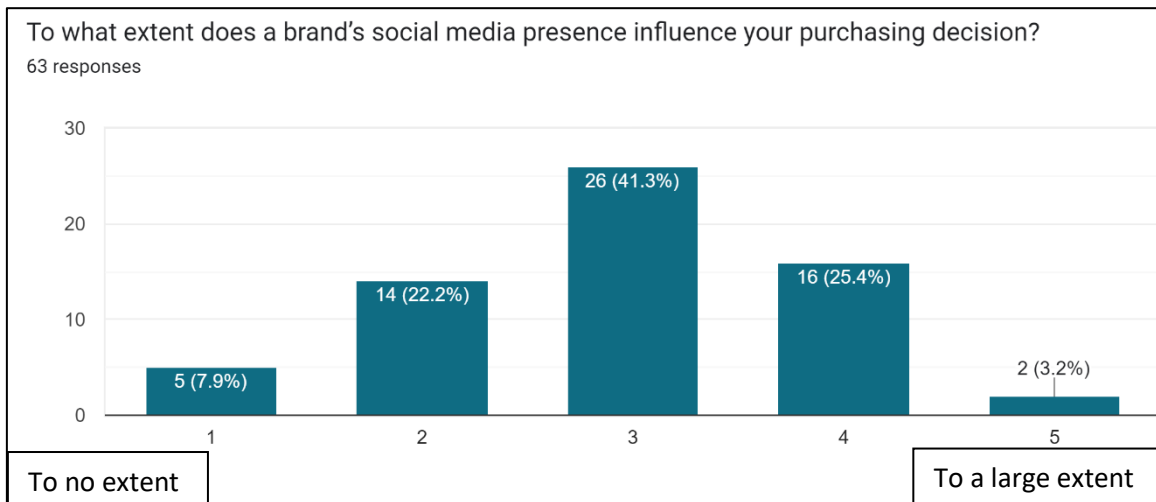


Figure 25. Brands social media presence

Question 20: What Online Shopping Application do you usually use?

In question 20 the respondents were asked which online shopping websites or service they usual use. In the question the respondents were given the ability to choose multiple options from Amazon, eBay, Shein, AliExpress, Boozt, Zalando, and Temu. The respondents were also given the option to add other online shopping website as well. When observing Figure 26, it is clear that Amazon is the most widely used online shopping website among the respondents with 41 votes. This means Amazon has a high brand reputation among the respondents and they find it safe and convenient to purchase from. This ties in with question 21 where we see that some respondents found brand reputation to be most impactful in their purchasing decisions. SHEIN and AliExpress has 15 votes each, and eBay has 13 votes and Zalando has 11. The other options had fewer votes. There was a great variety of different online shopping websites added by the respondents, such Stockmann Tori.fi (Finnish second hand online store), noon (An Emirati online shopping service), and Ozone.bg, which is the Bulgarian equivalent to Amazon.

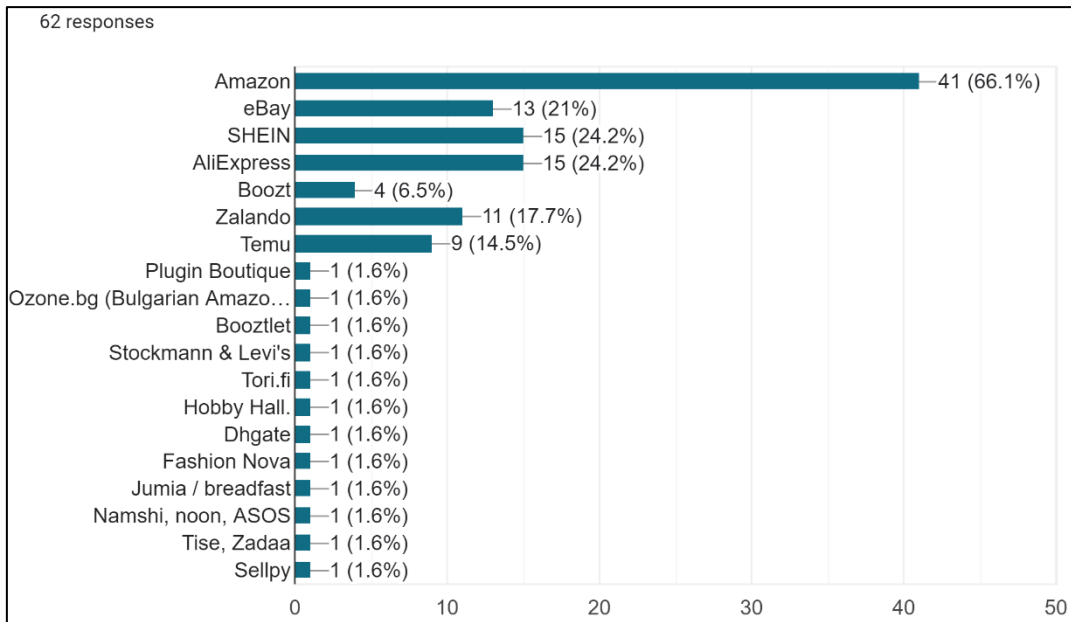


Figure 26. Most popular online shopping websites

Question 21: Which of the following options impact your purchasing decisions?

In this question respondents were asked which of the following factors impact their purchasing decisions. The Figure 27 shows us that almost half of the respondents, 49.2% find that online reviews impact their purchasing decisions. Online reviews give them the comfort of purchasing or not purchasing certain products or services. 17 respondents answered that friends and family affect their purchasing decisions. They trust their relatives and friends to give them honest opinions on products and services. 22.2% answered that the reputation of a brand is crucial in their purchasing decisions. Consumers tend to make purchases with brands of high reputation and purpose 4 times over than other brands (Zeno 2020). Out of all the following factors, only one respondent answered that social media influencer impacts their purchasing decision. 4.8% answered that social media trends have an impact on their purchasing decisions.

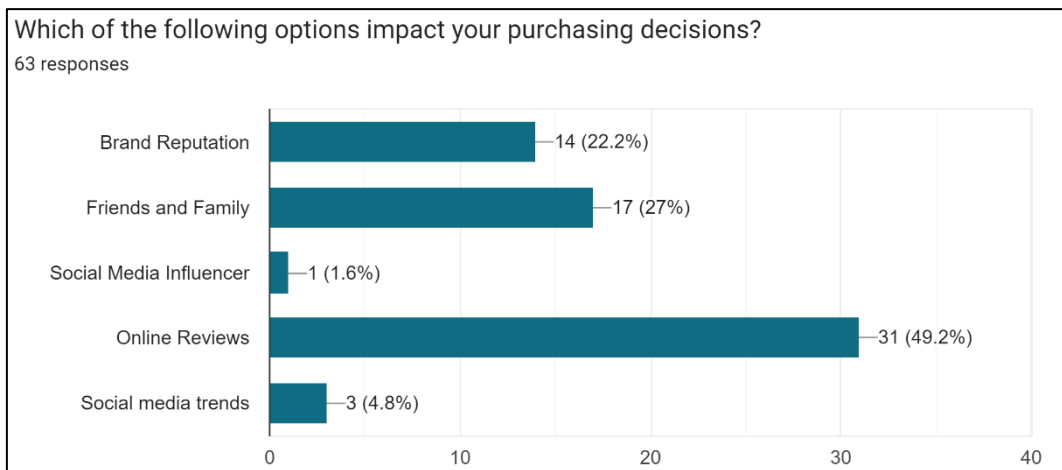


Figure 27. Factors that impact purchasing decisions

Question 22: Overall, do you think social media has a positive or negative influence on your purchasing behaviour?

The last question of the survey was asked to try understand the overall feeling the respondents had for social media and whether it had a positive or negative impact to their purchasing behaviour. As seen on Figure 28, 50.8% of the respondents have somewhat of a positive feeling of influence that social media has in their purchasing behaviour. They may have few things that may not please them, but for the most part social media provides them meaningful influence on their purchasing decisions. 7.9% don't believe social media has a negative effect on their consumer behaviour, this could mean social media helps them make more meaningful or positive purchases that they are pleased with. On the opposite end of the spectrum the figure shows that couple respondents feel that social media doesn't bring any good influence on their purchasing decision, on the contrary they believe it has a negative impact. 7 respondents answered that social media has somewhat of a negative impact on purchasing decisions, but they still leave room for the idea that it may have some positive impact or no impact at all. And 27% didn't believe that social media has negative or positive impact on their purchasing behaviour.

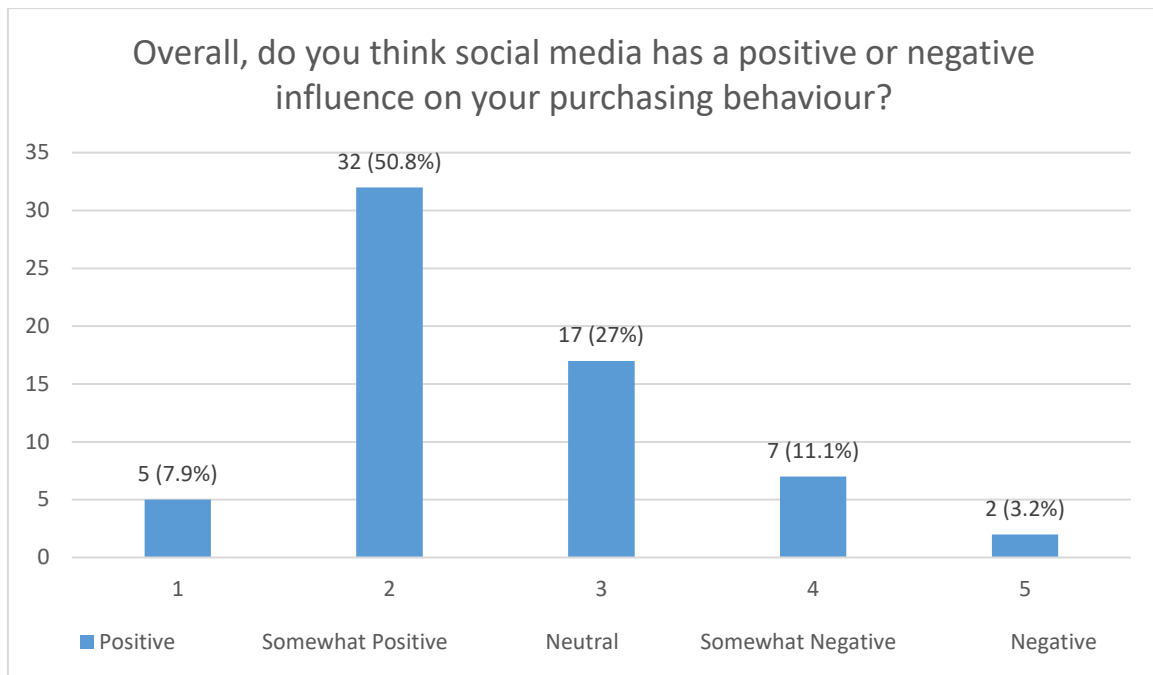


Figure 28. Influence of social media on purchasing behaviour

5 Conclusion

5.1 Result Analysis

This thesis aimed to answer how the factors of social media marketing impact consumer purchasing decision and what these factors are. The thesis also aimed to understand social medias place in businesses, how it impacts businesses and how businesses can use it for their advantage. The main research question and sub-questioned are answered below.

How does social media marketing impact consumer purchase decisions?

The consumer purchase decision is highly impacted by the social media marketing. Based on the survey result the majority (65.1%) of respondents said that they are making purchases that are influenced by something they saw on social media, this shows that the social media plays a role and greatly affects the consumer purchasing behaviour. Additionally, more than half of the respondents (50.8%) trusts the product recommendations from social media, showing the effectiveness of social media marketing strategies and how it influenced the consumer preferences and driving purchases. On the other hand, exposure to product advertisements on social media platforms, as reported by the majority of respondents (76.2%), further reinforces the influence of social media marketing on consumer decision-making. Additionally, while opinions varied, a notable percentage (30.2%) acknowledged the impact of social media influencers on their purchasing decisions, highlighting the significance of influencer marketing campaigns in capturing consumer attention and driving sales.

What are the main factors of social media that influence purchasing decisions?

Looking at the factors that affects the social media and consumers purchasing decisions, several key elements has shown. 49.2% of the respondents stated that online reviews impact their purchasing decisions, this shows that effect and importance of customer reviews online that is available to everyone on the internet, this is also an evince of the product Genuity, quality, and reliability. Moreover, family and friends recommendations were highlighted 27.0% of the respondents, this shows that the oral marketing that is passed on through recommendations. On the other hand, a smaller percentage, 22.2% stressed the importance of brand reputation in their purchasing decisions, suggesting that consumers often assess brand credibility and trustworthiness through social media interactions. While

fewer respondents (4.8%) mentioned social media influencers, their impact cannot be overlooked, as influencers have the ability encourage consumers and affect their preferences and purchasing decisions through sponsored content and endorsements. These shows that the influence of social media on consumer purchasing behavior is prevalent.

How does social media impact consumer purchase decisions in regard to online and physical business?

With the results gathered from the empirical research and the theories that had been mentioned in chapter 2 and 3, we can conclude with the way businesses are marketing using social media, it has great impact on consumer purchasing decisions. Social media provides businesses with the ability to reach their potential customers. Using social media marketing tools like trends and influencer content, businesses can diversify and expand their customer base. Looking at the results from the survey, its clear that the respondents find use of social media when they make there purchases, and this in turn as a huge benefit for businesses that are tapped into social media. When asked about what made the respondents to make a purchase from something they saw from social media, many of the answers were regarding the advertisement and how enticing it was to make them purchase the product. Businesses need to use targeted ads to reach more customers. Brands social media presence definitely has some type of impact on the way the respondents perceive the brands. From the results its also very clear that online businesses seem to be taking advantage of social media in a stronger way providing better deals and an easy purchasing experience. Physical stores are still more popular, however from the secondary data we can see that online purchasing is on the rise. The results show that the respondents are seeing great amounts of products and marketing content.

Should businesses focus their marketing efforts predominantly into social media? And what do the business need to take into consideration to attract and retain customers?

There is no doubt from the theory part and empirical evidence that social media use is increasing and its being used to find new products and acquire information about brands. Majority of the respondents made purchases based on something they saw on social media and majority see product advertisements every time they open social media. Social media provides a closer relationship with customers, which customers appreciate as seen in the

images in chapter 3. This is great evidence that should provide businesses with the initiative to pour their marketing efforts into social media.

Here is a list of things businesses should take into consideration when using social media as a marketing tool, according to the results gathered from the empirical research:

- Diversify content for different social media platforms to gain a larger audience.
- Focus on community building.
- Answer to customers on social media/ be an active member.
- Be honest and provide a safe place for your customers to buy from.
- Respect user privacy and ensure security in all social media interactions.
- Offer exclusive deals to loyal customers.
- Use targeted ads.

5.2 Validity and Reliability

According to Saunders et al. (2009, pp. 156-157), validity indicates how well the results address the initial research questions. Reliability refers to how consistently the data collection methods and analysis yield the same results.

This research accurately measures the variables of research without affecting the validity. To ensure the data integrity and validity, steps were taken to minimize the bias including clear survey questions, honesty was also encouraged to get more honest responses.

Maintaining the consistency of the survey questions is prioritized to ensure reliability. This involves the trial and testing of the survey questionnaire to ensure that there is no inconsistencies in wordings and that the questions are clear. These add to the reliability of the research findings, having a more solid foundation for getting a meaningful conclusion about the impact of social media on consumer purchasing decisions.

To evaluate the reliability of the study, the authors believe that with the use of secondary data as well, the study provided reliable results. However, since the number of respondents were very small, it will be highly encouraged to perform this study in a higher magnitude to avoid any doubts. As mentioned before in thesis, there were many limitations to the study and some of the results may not translate well into other cultures or geographies.

Primary and secondary data sources were used to collect information on different aspects of social media, including usage patterns, platforms, content, influencers, trends, marketing strategies, and their business implications. Additionally, understandings consumer behaviour were examined, focusing on the decision-making process, influencing factors, types of buying behaviours, and the relationship between social media and consumer behaviour.

5.3 Suggestion for Further Research

With the continuous development of technology, especially in the social media sector, it is highly encouraged by the authors to continue further research in social media, and how social media marketing impacts consumer behaviour. Further research is also crucial for businesses to understand the impact of social media on consumer behaviour, and how they can best apply social media marketing to their advantage.

First suggestion would be to revise this research in a much larger, global scale to understand the global perspective. It would also be of great benefit to research socioeconomic, cultural, and geographic differences. Businesses would be able to better apply marketing strategies for social media in different local markets. Cultural and geographical factors can have huge differences in how social media is used in each country or culture, applying the same marketing strategies to different cultures and geographies may not have the same expected results. Another addition to further the research is to see the differences between genders, male and female consumer behaviour can have lots of differences and the way they use social media can also be very different. Businesses would need to understand these differences in order to make social media marketing strategies that pertain to each gender.

Overall, the more theories that are researched regarding social media marketing and its impact on consumer behaviour, the more beneficial knowledge businesses can apply to their social media marketing strategies. The research should be conducted in a consistent manner yearly, quarterly, or even monthly since the social media space is quickly developing with new trends and features.

6 Summary

The research goals of this thesis were to understand the relationship between social media marketing and consumer purchasing behaviour, explore the impact of social media on online businesses and physical stores, and determine whether businesses should prioritize social media marketing efforts. With approximately 62.3% of the global population using social media, this study aimed to uncover strategies for leveraging social media effectively to achieve these objectives.

The research addressed three main questions and employed a mixed-methods approach, utilizing Google Forms to collect data from 63 respondents over a period from March 23rd to May 11th, 2024. The study encompassed both theoretical and empirical components.

In the theoretical section, secondary data sources were utilized to gather information on social media, including usage, platforms, content, influencers, trends, marketing strategies, and business implications. Similarly, insights into consumer behaviour were explored, covering the decision-making process, influencing factors, types of buying behaviour, and the interplay between social media and consumer behaviour.

The empirical segment, consisting of data acquisition and analysis, involved an online survey to gather primary data. Both qualitative and quantitative research methods were employed, with survey questions designed to capture diverse perspectives and insights into the research objectives.

Chapter five presented the analysis of survey results, which effectively addressed the main research question and all sub-questions outlined in the thesis. The study provided the answers to the research question, proving that social media marketing does impact consumer behaviour. Advertisements, Influencers, seeing friends and families posts on social media really influences the average consumer to make purchases based on the things they see. Brands active social media presence really influences the consumers purchasing behaviour and its without a doubt that businesses need to invest more of their efforts into social media marketing. Additionally, this chapter assessed the validity and reliability of the research findings. Recommendations for future research, particularly concerning local market intelligence, were provided. The final chapter, chapter six, encapsulated the summary of the research.

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Figure 3. Thesis Structure Model.

Figure 4. Global Social Media Growth Rates, How Much Does Social Networking Grow Year on Year? *Graph from Social Media Usage & Growth Statistics, (Backlinko, 2024)*

Figure 5. In 2023, Facebook is the leading social network with 3.03 billion active social media users worldwide. *Graph from Social Media Usage & Growth Statistics, (Backlinko, 2024)*

Figure 6. Internet users worldwide. Graph from Social Media Usage & Growth Statistics (Backlinko, 2024)

Figure 7. Professional Academy. Marketing Theories: the Consumer Decision Making Process. Retrieved April 26 2024. Available at <https://www.professionalacademy.com/blogs/marketing-theories-explaining-the-consumer-decision-making-process/>

Figure 8. – Figure 28. Are figures from the survey conducted by the authors.

Table 1. Types of Buying Behaviour. (Gupta 2015)

Image 1. Instagram 2024a. Screenshot of Nike Video Content. Retrieved April 28 2024. Available at <https://www.instagram.com/p/C5n6rkQLyk7/?hl=en>

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Image 3. Bojkov, K. 2024. Screenshot of Hotel Review. Retrieved April 28 2024. Available at <https://embedsocial.com/blog/positive-reviews-examples/>

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Appendix

Appendix 1: **Social Media Marketing on Consumers Decisions Survey**

Social Media Marketing on Consumers Decisions

Hey there! we are Jihad Al Kabbani and Emre Potori we are doing some research/survey about the impact of "Social Media Marketing on Consumers Decisions" and we are curious to know your thoughts.

1. How old are you?
 - 18-25
 - 26-35
 - 36-45
 - 46-55
 - 56 and above

2. Kindly indicate your employment status
 - Unemployed
 - Self-employed
 - Employed
 - Student
 - Other:

3. How much is your income per year? (Currency: Euro €)
 - 0-15,000
 - 15,000-25,000
 - 25,000-40,000
 - 40,000-75,000
 - 75,000-100,000
 - 100,000 +

- Prefer not to say

4. Which of the social media app you use? (you can choose more than one)

- Facebook
- Twitter
- Instagram
- LinkedIn
- Tiktok
- Youtube
- Snapchat
- Reddit
- Other:

5. How often do you use social media a day?

- 0 - 1 hours
- 1 - 2 hours
- 2 - 4 hours
- More than 4 hours

6. What is your purpose of using social media?

- To make friends
- To socialize
- To find a suitable date
- To promote products/services
- Looking for reviews/recommendations
- To find employment
- Waste time
- Follow favourite Influencer

- Follow favourite brands
 - Other:
7. How often do you come across product advertisements while using social media?
- Everytime I open social media
 - I don't notice it much
 - I don't (Ad-Block)
8. Have you ever made a purchase influenced by something you saw on social media?
- Yes
 - No
9. If you did, what made you make the decision?
10. Do you trust product recommendations from social media? (Linear Scale Question*)
- Not Trusting 1 – 5 Trusting
11. Do you find online shopping safe? *
- Not safe 1 – 5 Very safe
12. How often do you shop online compared to shopping at physical stores?
- Strickly online shopping
 - More online shopping compared to physical store
 - Around 50/50
 - More physical store than online shopping
 - Strickly physical store

13. Which type of business (online or physical) do you believe offers better deals or discounts through social media advertisements? *
- Online business 1 – 5 Physical store
14. Have you ever interacted with a brand's social media account (e.g., liking, commenting, sharing)?
- Yes
 - No
15. What type of content do you see the most on social media?
- Friends post
 - Influencer content
 - Advertisements
 - Brand posts
 - Other:
16. Do you think social media influencers have an impact on your purchasing decisions? *
- They have no impact 1 – 5 They have a lot of impact
17. Do social media trends, conversations, reviews, and advertisements influence your product choices or decisions? *
- No they don't 1 – 5 Yes they do
18. How likely are you to buy a product recommended online? *
- Very unlikely 1 – 5 Very likely
19. To what extent does a brand's social media presence influence your purchasing decision? *
- To no extent 1 – 5 To a large extent

20. What Online Shopping Application do you usually use?

- Amazon
- eBay
- SHEIN
- AliExpress
- Boozt
- Zalando
- Temu
- Other:

21. Which of the following options impact your purchasing decisions?

- Brand Reputation
- Friends and Family
- Social Media Influencer
- Online Reviews
- Social media trends
- Other:

22. Overall, do you think social media has a positive or negative influence on your purchasing behaviour?

- Positive
- Somewhat Positive
- Doesn't have much/any influence
- Somewhat Negative
- Negative