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# IMPACT OF SOCIAL MEDIA ON PURCHASING DECISION

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## **Abstract**

*The aim of this paper was to examine the effect on purchasing decisions of social media as a marketing tool; social media is an essential communication tool used by individuals to communicate with other individuals or organizations. In order to share their thoughts, feedback, facts, suggestions, alerts, tips and/or any kind of problems that are interesting to their "link" or friends, people use social media. That information is a helpful source that can affect the decision-making of customers. As these websites attract a large class of society, it is important for the business to go towards using social media to sell its goods.*

**Keywords:** *Customer, Communication, Marketing, Purchase, Social media*

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## **I. INTRODUCTION**

In the modern age, social media is considered one of the most recent and significant e-marketing resources. Social media offers consumers convenience in order to consider their preferences and desires as well as to influence their buying decisions. Social networking is described as websites linking millions of users from different parts of the globe who share the same interests, opinions and hobbies. The best examples of social media, which are popular with a large proportion of customers, are YouTube, Twitter and Facebook[1]. They are therefore used to share ideas and reviews of a specific product, service or brand to collect information and shape ideas as well as make the right buying decision. Social media is therefore considered one of the new electronic marketing tools that differs from other conventional marketing methods, so marketing through social media is now the broadest, quickest, cheapest and most effective marketing channel where consumers can easily obtain details and features of interesting products with the ability to complete the purchase. Social media marketing has been defined as a form of internet marketing that utilizes social networking websites as a marketing tool[2].

### **A. Social media**

Breaking it down is the easiest way to describe social media. Media is a communication tool, such as a newspaper or a radio, so social media would be a social communication tool. In Web 2.0 terms, this would be a website that not only gives you data, but communicates with you when providing you with that information. This engagement can be as easy as asking for your comments or making an article vote for you. The inherent functionality that enables the exchange of information between users within a given network is characterized by social networking sites[3]. The existence of social media enables any party to start the discussion. The size of the network largely reflects the active involvement of the viewer, as the vast majority of all content is represented by consumer-generated media. For users, the true worth of a network is determined by the participants' level of interaction. For marketers, customer endorsement in the form of friend / follow / subscribe validates their efforts and triggers a viral spread through platforms of their brand. In general terms, social media allows users to exchange data and work with each other to produce and use web content. It refers to the actions, habits, and behaviors of users that occur through the exchange of information, knowledge, and opinions through the media. These technologies are internet-based and genuinely promote creativity, knowledge exchange, and user engagement, with social media putting significant focus on sharing processes and events, involvement, and collaboration. A modern way of collaboration and connectivity for users is created by social media, social networks and social groups[4].

## **B. Social Media Marketing**

Social media marketing (SMM) is a type of internet marketing that is a marketing tool that uses social networking websites. SMM's purpose is to create content that consumers share with their social network to help business increase brand awareness and extend consumer reach. SMM allows a business to gain direct input from customers (and potential customers) while making the business seem more personable. The social media interactive sections give clients the chance to ask questions or voice grievances and feel like they are being heard. This component of SMM is called the management of social customer relationships (social CRM). Social media marketing is linked to relationship marketing, where businesses need to transition from "trying to sell " to making customer connections. Since some small campaigns can easily reach many people and achieve their targets, businesses often need to stay away from "big campaigns" and stick with "small acts"[5].

## **C. Importance of Social Media Marketing for Business**

Social media marketing is one of the most significant ways of online marketing in which companies advertise their products/services and brands on social media channels such as Facebook, Twitter, YouTube, LinkedIn, Google+, etc. A recent scientific study verified the role of social media networks in small businesses' selling goods and services, reporting that 46% of today's internet users rely on social networks to make purchase decisions. A recently published report by a website specializing in digital advertising (Yes to Digital) highlighted that 71 percent of users of social media networks around the world purchase goods they found

through these sites that attracted hundreds of millions of internet users around the world. The total number of Facebook users in 2013 is approximately 1.15 billion, "YouTube" is used by one billion monthly viewers, while "Twitter" network users are estimated to be about half a billion. If people consider these networks in your digital marketing combination, you can then imagine the proliferation and number of reaches you can get to your product or service[6].

## **D. The Benefit of Social Media Marketing**

### **1. Increased Brand Recognition**

It is important to have every opportunity you have to syndicate your content and increase your exposure. Your social media networks are just new outlets for the voice and content of your brand. This is important because it makes you simpler and more available to new customers at the same time, and makes you more familiar and recognizable to current customers. For instance, only after stumbling upon it in a newsfeed could a regular Twitter user learn about your company for the first time. Or, after seeing your presence on multiple networks, an otherwise apathetic client could become better acquainted with your brand.

### **2. Improved Brand Loyalty**

Brands that participate on social media platforms enjoy greater loyalty from their consumers, according to a study released by Texas Tech University. The study concludes that when it comes to communicating with their audience, businesses should take advantage of the resources social media offers them. In morphing customers into brand loyalty, a proactive and transparent social media strategy could prove influential. Another study conducted by Convince & Convert found that 53 percent of Americans who follow social brands are more loyal to those brands[7].

### **3. More Opportunities to Convert**

For consumers, every post you make on a social media site is an opportunity to convert. You will have access to new customers, recent customers, and old customers at the same time as you create a following, and you will be able to connect with all of them. Each blog post, picture, video, or comment you share is an opportunity for others to reply, and each response may lead to a visit to the site and eventually a conversion. Not every interaction with your brand results in a conversion, but the possibility of an eventual conversion is improved by a positive interaction. The sheer number of opportunities you have on social media is huge, even if your click-through rates are poor[8].

### **4. Higher Brand Authority**

For other clients, engaging with the customers frequently is a show of good faith. When people go to a product or service to praise or brag, they turn to social media. And new audience members will want to track you for updates when they share your brand name. The more people

on social media who speak about you, the more important and authoritative your brand would appear to new users. Not to mention, your noticeable authority and reach would skyrocket if you can connect with big influencers on Twitter or other social networks[9].

## II. CONCLUSION & DISCUSSION

Brand management has faced two opposing phenomena in recent years: the lack of brand authenticity and the growing effect of motivated customers on brand communications. Traditional marketing communications are changing the social Network. Consumers are gradually shaping traditional brand communications that were previously controlled and administered by brand and marketing managers. The purpose of this article is to compare the impacts of contact on social media, as they vary dramatically in terms of company control. Therefore form two research goals that are important to businesses, brand managers, and scholars: to investigate the effects of social media communication created by companies and produced by users on brand equity, brand attitude, and intentions to buy brands. Juxtaposition in various industries about the impact of social media contact on brand equity, brand attitude, and brand buying intentions. A literature review supporting the conceptual structure and the theories of this analysis is discussed in the first section of this study; the second section presents the research methods used in this study.

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