

# Evaluation of Consumer Perceptions towards Social Networking Sites

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## ABSTRACT

*As we all know that social media usage has become an essential part of our day to day life. It has shown an effective and influencing change in the behavior of today's consumers. It has been playing a vital role in consumer decision process. The word 'social' refer to interacting with other people by sharing and receiving information with them where as 'media' refers to instrument of communication like the internet. Facebook, Instagram, LinkedIn, Twitter, Google plus and Myspace are some of the most popular social media websites with over 100 million registered users. They have become an effective tool of comparing one product with other in an easy way. This paper presents current status of use of social networking sites by consumers in India and also explains why, when and how the social media affect the buying behavior of Indian consumer.*

**Keywords:** Social media, consumer behavior, decision making process.

## I INTRODUCTION

As we are living in an era of digitization and information technology is progressively growing, we are using websites like Facebook, LinkedIn, Twitter, Instagram, Snapchat etc. Social media is a phrase that we throw around a lot these days, often to describe what we post on sites and apps like Facebook, Twitter etc. The term is used so hazily that it can basically be used to portray almost any website on the internet today. There is a positive and negative impact of social media on society. Social media has revolutionized the way people communicate and socialize on the web. There is a positive effect on business, politics, socialization as well as some negative effects such as cyberbullying, privacy, and fake news.

Social media has definitely made us closer to other parts of the world. We can contact anyone around the world at any time, with just a few keystrokes. Since internet technology paved a new way for interaction between the market participants. Customers can tell brands exactly what they want. Businesses can then use that information to tailor their products of more appeal. Sites like Facebook, Twitter, YouTube and others are a cost effective means of spreading the word and getting support. The social media has gained attention as the most media has gained attention as the most viable communication choice for the bloggers, article writers, and content creators.

## II REVIEW OF LITERATURE

Based on the findings from McKinsey (2011), it has revealed that when companies go about their business and interact with individuals, they are generating a tremendous amount of digital "exhaust data," i.e., data that are created as a by-product of other activities. Social media sites, smartphones, and other consumer devices have allowed billions of individuals around the world to contribute to the amount of big data available. (McKinsey 2011.) By looking at the enormous amount of social media campaigns, e-commerce websites, sales emails,

forums, etc., it appears that companies of all sizes have been translating their marketing approaches to the Internet because of its accessibility to their target audience and the money required to do so.

(Chui and Manyika 2012.) By contrast, the traditional advertising approach of mass media communication, for instance newspaper, magazines, and televisions, aims at conveying messages to a broader group of audience in the hope of reaching the few interested ones. Traditional advertising via mass media is on decline; Sergio Zyman (1999), former Chief Marketing Officer, Coca Cola, believes, "The era of marketing as we have known it is over, dead, kaput – and most marketers don't realize it..." he further clarifies that technology has given people many more options than they had in the past and has created a consumer democracy in which people around the world constantly use social-media platforms to seek and share information from discussing consumer products to organizing political movements (see Chui and Manyika 2012). With more stimuli bombardments, individuals are more cautious and adept in allocating attention to information; thus it is essential for marketers to find the reasons that speak to particular customers' concerns, and to seek ways to speak to customers individually, or in smaller communities (Zyman 1999). Internet offers favorable solutions to marketers these days. Marketing through social media would be an alternative perspective of interfacing with individuals, and yet the most influential applications of social technologies in the global economy are largely untapped (Chui and Manyika 2012).

Social media puts consumers back to the center of the business world and provides marketers a new set of tools to interact with consumers and to integrate them into the brands through innovative ways. In essence, marketers have to understand how the social media has influenced consumers' perception and buying behavior.

### III OBJECTIVES OF RESEARCH

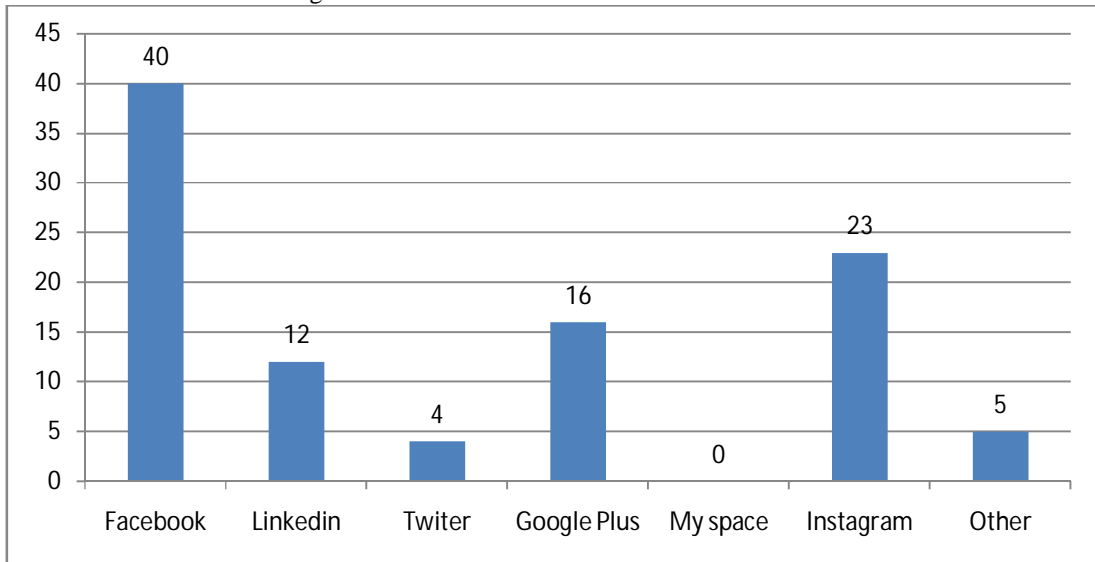
- (a) To study the awareness of SNS among consumers.
- (b) To study the most popular SNS among the Indian consumers.
- (c) To study the average purchasing amount of consumers via SNS.
- (d) To analyze any relationship exist between time spent and the value of shopping through SNS.

### IV RESEARCH METHODOLOGY

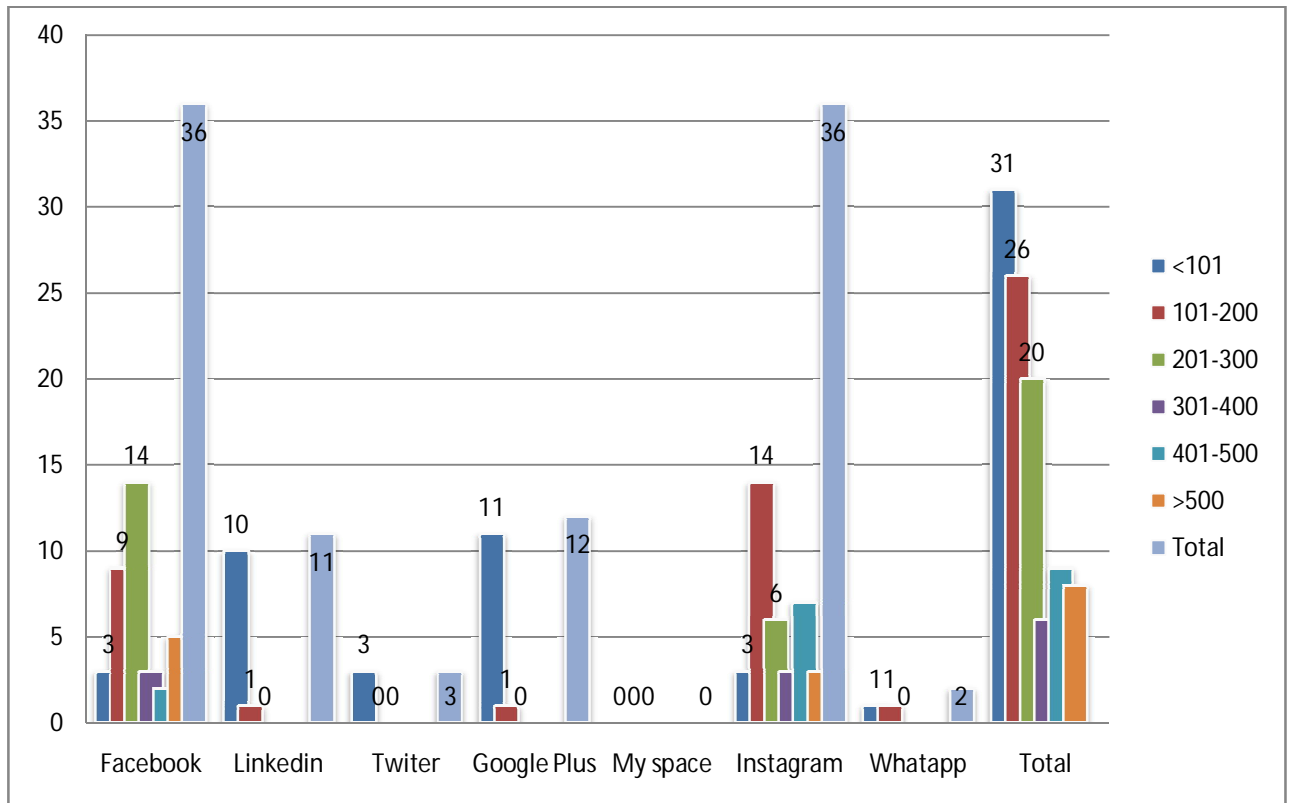
This paper incorporates the quantitative approach to study the research objectives. Sampling has been done effectively and the tool that has been employed to work on the data collection is particularly questionnaires where the questions were close ended along with usage of tools such as pie charts, Bar chart and correlation. A survey was conducted in order to target the age bracket (15 to 24). The sample has been taken mainly from Prayagraj region. In all, 100 questionnaires were filled and reciprocated enthusiastically by the respondents. They were asked a total of 10 questions and the analysis of the same is given in the following section:-

### V DATA ANALYSIS

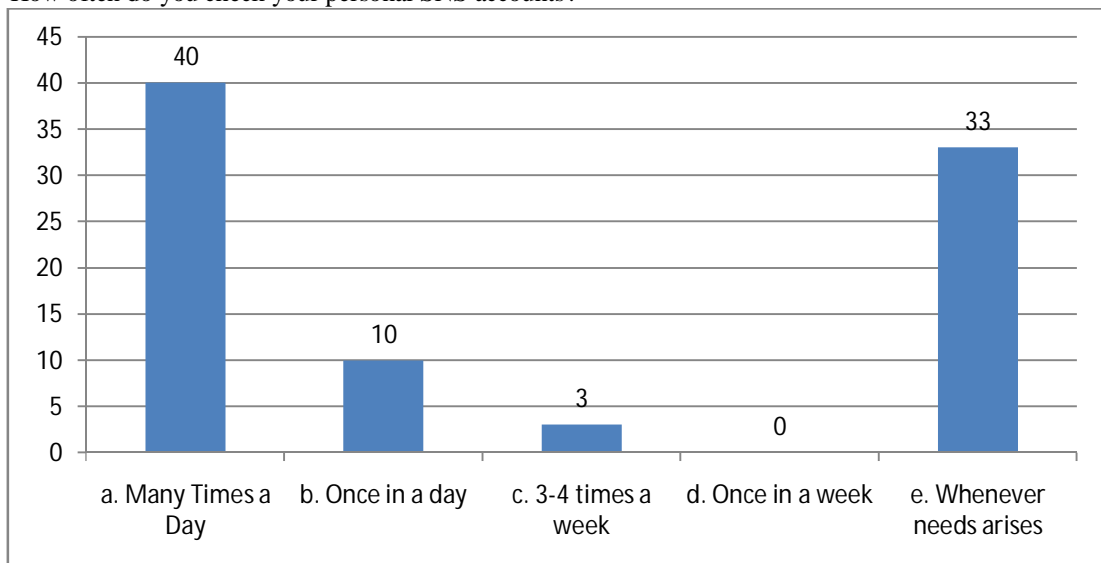
- (a) Users of Various social networking sites.



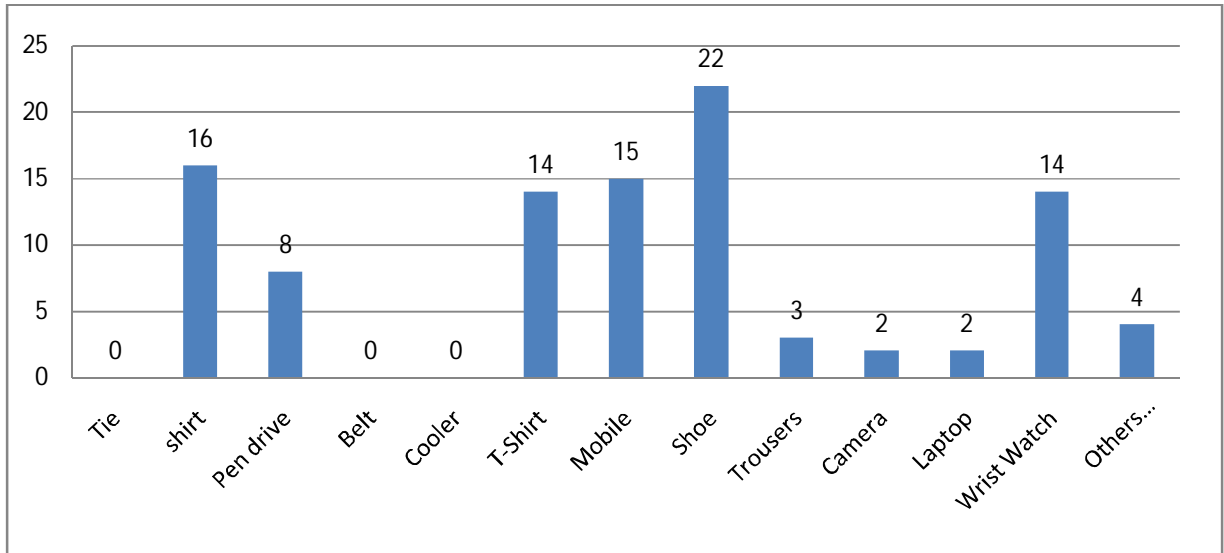
- (b) How many friends do you have in each of the following SNS?



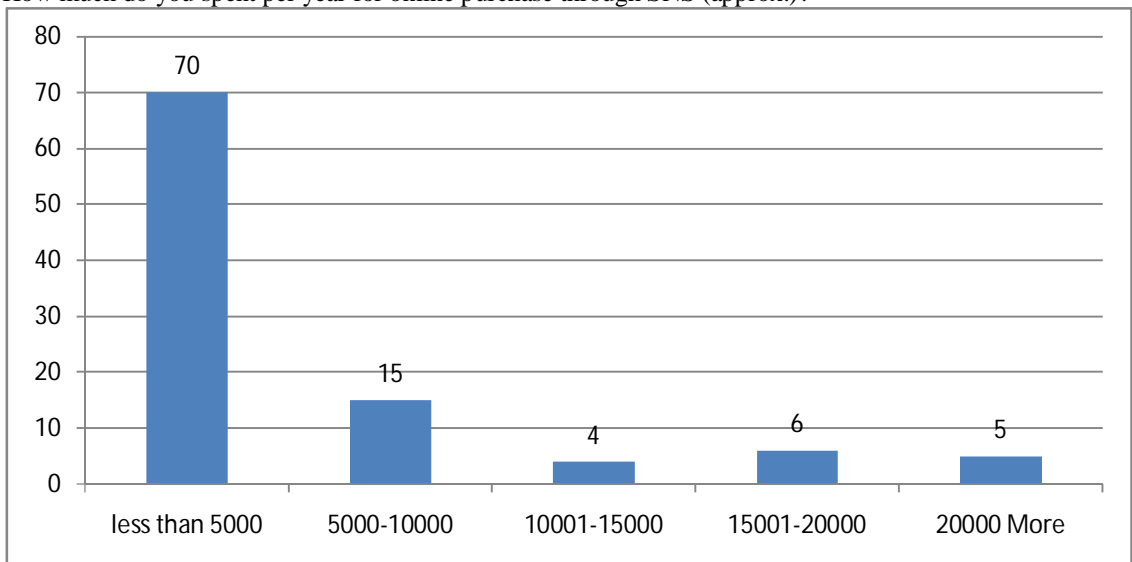
(c) How often do you check your personal SNS accounts?



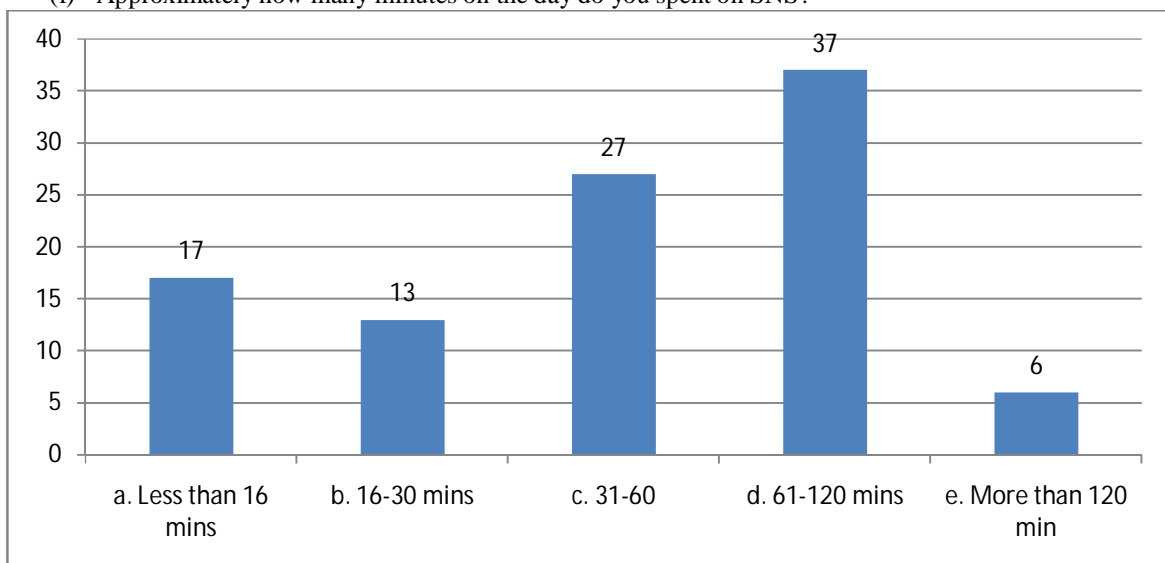
(d) What category of products do you purchase frequently through online SNS?



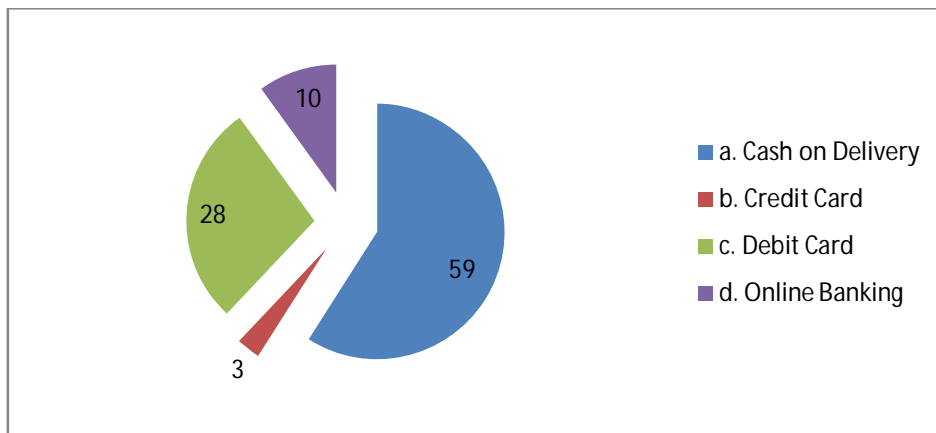
(e) How much do you spent per year for online purchase through SNS (approx.)?



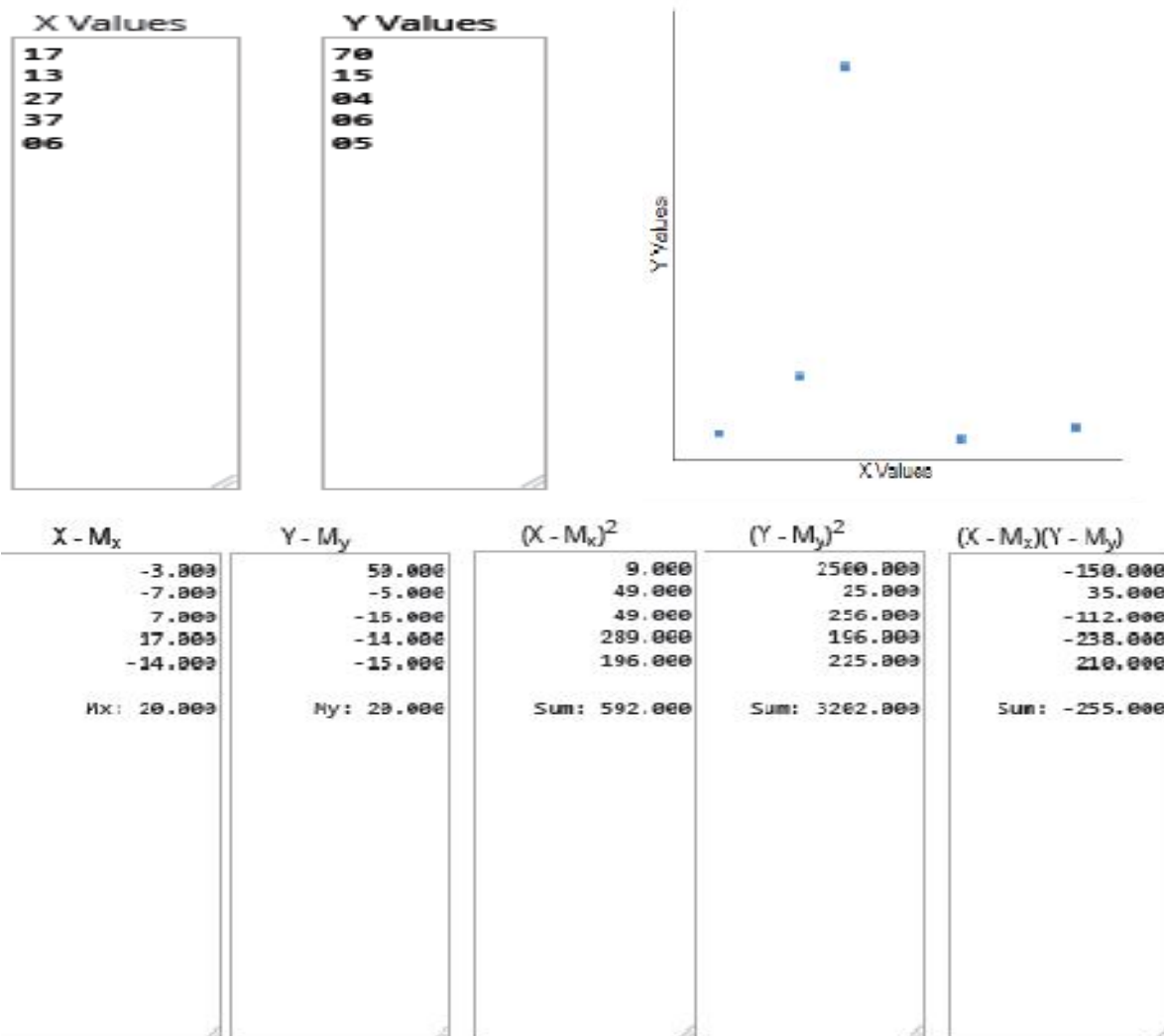
(f) Approximately how many minutes on the day do you spent on SNS?



(g) Which mode of payment usually do you prefer for purchasing products through SNS?



(h) Correlation between time spent and the value of shopping through SNS.



## VI RESULT DETAILS & CALCULATION

X Values

$$\sum = 100$$

$$\text{Mean} = 20$$

$$\sum(X - Mx)^2 = SSx = 592$$

Y Values

$$\sum = 100$$

$$\text{Mean} = 20$$

$$\sum(Y - My)^2 = SSy = 3202$$

X and Y Combined

$$N = 5$$

$$\sum(X - Mx)(Y - My) = -255$$

R Calculation

$$r = \frac{\sum((X - Mx)(Y - My))}{\sqrt{((SSx)(SSy))}}$$

$$r = -255 / \sqrt{((592)(3202))} = -0.1852$$

Meta Numerics (cross-check)

$$r = -0.1852$$

### Key

X: X Values

Y: Y Values

Mx: Mean of X Values

My: Mean of Y Values

X - Mx & Y - My: Deviation scores

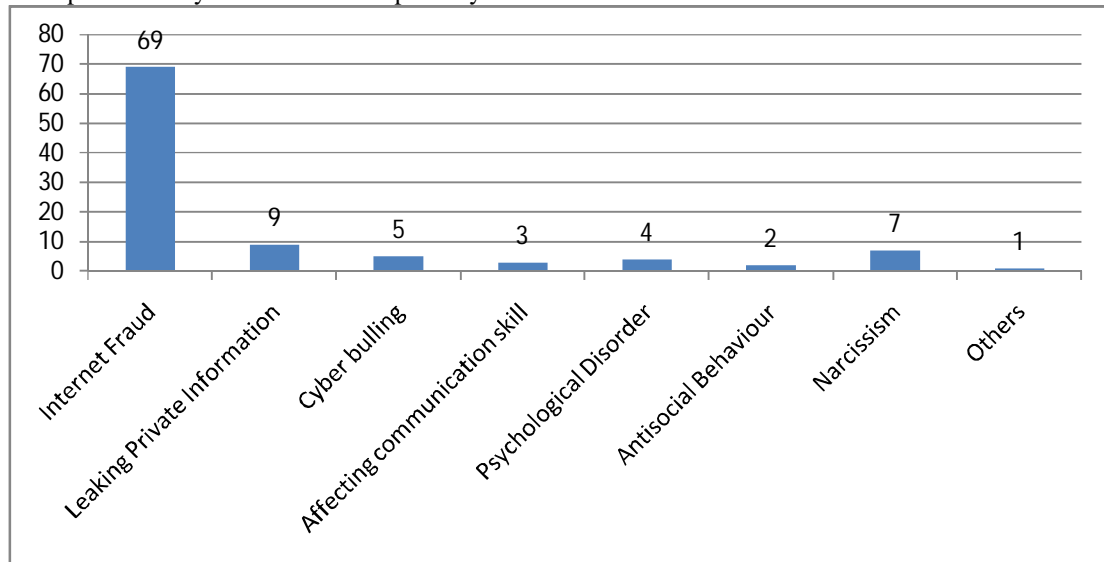
(X - Mx)<sup>2</sup> & (Y - My)<sup>2</sup>: Deviation Squared

(X - Mx)(Y - My): Product of Deviation Scores

The value of R is -0.1852.

Although technically a negative correlation, the relationship between your variables is only weak (nb. the nearer the value is to zero, the weaker the relationship).

(i) What problem do you think SNS can possibly cause?



## VII FINDINGS

On the basis of the sample survey conducted the researcher made the following findings:

- On the basis of sample survey conducted the researcher found that due to the rising usage of smart phones in the cities of India people also have grown a tendency to access social networking sites but of all the sites the social portal which is highly popular specially amongst youth and middle aged segment alike is facebook.
- When the researcher compared the various SNS it was found that maximum social contacts or friend circle of the surveyed population exists on facebook and instagram.
- On the basis of sample survey conducted it was found that maximum people have the tendency to check their SNS login several times a day.

- On the basis of sample survey it was found by the researcher that people are also using SNS for the purpose of shopping but a very highly proportion of this shopping is dedicated for purchasing apparels and daily use items like Shirt, T-shirt, shoe, pen drives etc.
- On the basis of the sample survey the researcher also found that almost 80 percent of the population surveyed spent INR 5000-10,000 per year on shopping through SNS.
- On the basis of analysis of the questionnaire the researcher concluded that approx 60 percent of the population surveyed spends at least an hour or two on SNS of their choice.
- The researcher also found that COD (Cash on Delivery) is the most popular method of payment amongst those who are using SNS for shopping.
- The researcher also applied Karl Pearson's Coefficient of Correlation in order to find the relationship between time spent on SNS and value of shopping the result was that there exist a negative correlation which means that spending

time on SNS may not necessarily result in shopping from the SNS portal.

- (i) The researcher also found that the fraud associated with Internet based shopping is the biggest issue which is preventing the sample under study to shop from the SNS.

## VIII CONCLUSION & RECOMMENDATIONS

The objective of the research paper was to explain why, when, and how social networking sites has impacted on consumer decision making process. Research paper was designed to narrow down the subject and to help the researcher to identify the explanations of the issue. The three objectives of this research paper were as follow:

- (a) To study the awareness of SNS among consumers.
- (b) To study the most popular SNS among the Indian consumers.
- (c) To study the average purchasing amount of consumers via SNS.
- (d) To analyze any relationship exist between time spent and the value of shopping through SNS.

This study examined the effects of using social networks sites by consumers in India. A specialized questionnaire was prepared to verify the level of consumers' knowledge and study the impact of this level on penetration of the consumers' privacy during the use of social media. In the first axis, the researcher found that the level of turnout on the use of social networking sites has significantly high. In response to the second objective, the most popular SNS is facebook i.e. 40%. As far as the third objective regarding average purchasing amount is concerned through SNS is less Rs 5000/ and when researcher tries to examine the relationship between time spent and the value of shopping through SNS then researcher found there is no relationship exist between them it mean the time spent on SNS does not affect the amount and frequency of buying behavior of consumer via SNS.

Overall the use of social networking sites by consumers is associated with many benefits such as – they get a feeling of connectedness, get exposure to a supportive environment to explore the relationships and they also get a key source of information. But on the other side, a number of risks associated with use of social networking sites such as cyber bullying, exposure to illegal content and privacy violation. This happens when the consumers are not aware of the privacy policies of social networking sites and they share their personal information which they should not. Consumers need to educate themselves about the ways of using social media and the common risks associated with it, to help them understand and navigate the technologies.

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