

Social Media and Consumer Decision Making: A Study of University Students

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ABSTRACT

The use of Internet has undergone revolutionary changes over the years. Earlier it was being used by limited number of people for accessing utility services but now its user base has changed all together. It is widely used by youth to access social media who have its 24*7 access via latest gadgets such as smartphones, PDAs etc. Moreover, social media is emerging as an important tool of marketing which has started influencing purchase decisions of the people. The aim of this paper is to examine the use of social media by university students and to study its impact on their purchase decisions. A sample of 90 students has been selected from Punjabi University, Patiala for the purpose of the study. The data have been collected by using a self-administered questionnaire. Various hypotheses have been formulated and tested using chi-square, t-test and ANOVA. The findings of the study have wide implications in the field of marketing.

Keyword: Social Media, Marketing, Facebook, Mobile Phones

INTRODUCTION

Social media has become an important part of one's life. The number of social sites and its users are continuously increasing over the years. It has started affecting consumer decision making about various products and services by providing platform for consumers to share their personal evaluation of purchased products and services. It is emerging as an important tool of marketing. It plays an important role starting from information searching to post purchase behaviour. It is being considered as e-word of mouth marketing where feedback of product and services can be communicated by one consumer to large number of people. It is a double edged sword where positive comments can enhance company's image and negative comments can tarnish its good image. Thus, companies need to continuously monitor the information being shared on social media to boost its public image and market share.

LITERATURE REVIEW

Mangold and Faulds (2009) considered social media as new hybrid element of promotion mix. The researchers highlighted that social media was non-controllable element in terms of content, frequency, and timing of conversation among consumers.

Chen, Fay, & Wang (2011) examined relationship between consumer posting behaviour and marketing variables namely product, price and quality. The researchers found that relationship between marketing variables and consumer posting behaviour differed at early and mature stage of internet usage.

Kim and Ko (2012) examined effect of social media marketing activities of luxury fashion brands on customer equity and purchase intention. The researchers found significant and positive effect of marketing activities on value equity, relationship equity and brand equity.

De Vries, Gensler, & Leeflang (2012) analysed 355 brand posts of 11 international brands to determine drivers

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of brand post popularity. The researchers found that interactive brand post characteristics enhance number of likes and comments.

Ioanas and Stoica (2014) studied impact of social media on consumer behaviour. The data were collected using questionnaire from 116 respondents. The study found that electronic items were most widely purchased items online followed by clothing. Further, consumers bought online due to convenience and fast delivery of goods.

Zhang, Zhong, & Yang (2014) identified factors that influenced hotel reservation intention based on social media. The study found that online comment content, tendentiousness, number and styles of comments had positive correlation with consumer's reservation intention.

Al-Menayes (2015) examined motivations of using social media by undergraduate students. The data were collected through questionnaire and analysed using factor analysis. The study revealed that entertainment, information seeking, personal utility and convenience were motivations of using social media by the students.

It has been observed that only few studies were conducted to examine the effect of social media on consumer decision making. Further, most of the studies were of foreign origin. Since, social media is emerging as an important tool of marketing and is considered as a hybrid element of promotion mix (Mangold & Faulds, 2009), it becomes important to study effect of this emerging tool of marketing on consumer decision making.

PURPOSE OF THE STUDY

The purpose of the study is to examine use of social media by university students and to study its impact on their purchase decisions.

RESEARCH METHODOLOGY

The study is based on primary data collected from students of Punjabi University, Patiala. A stratified random sample of 90 students was selected. Firstly, university departments were divided into three groups namely Arts, Science, and Professional. From each group, three classes were selected at random and finally 10 students from each class were selected with the help of random tables. Thus, a sample of 90 students was obtained. The data were collected using a questionnaire and analyzed using two variables namely gender and educational stream of the respondents. A brief profile of the respondents is as follows.

HYPOTHESES OF THE STUDY

H₀1: There is no significant association between gender and time spent on social media among students.

H₀2: There is no significant association between educational stream categories and time spent on social media among students.

H₀3: There is no association between gender and impact of social media sites on purchase decision among students.

H₀4: There is no association between educational stream categories and impact of social media sites on purchase decision among students.

H₀5: There is no association between gender and impact of social media feedback on attitude towards brand among students.

H₀6: There is no association between educational stream categories and impact of social media feedback on attitude towards brand among students.

H₀7: There is no significant difference in opinion regarding information searching via social media across gender categories.

Table 1: Profile of the Respondents

Variables	Categories	Number of respondents	Percentage of respondents	Total
GENDER	Male	29	32.22	90
	Female	61	67.78	
EDUCATIONAL STREAM	Professional	30	33.33	90
	Science	30	33.33	
	Arts	30	33.33	

H₀8: There is no significant difference in opinion regarding information searching via social media across educational stream categories.

H₀9: There is no significant difference in opinion regarding credibility of products and services related information on social media across gender categories.

H₀10: There is no significant difference in opinion regarding credibility of products and services related information on social media across educational stream categories.

H₀11: There is no significant difference in opinion regarding role of social media in making purchase decision easier across gender categories.

H₀12: There is no significant difference in opinion regarding role of social media in making purchase decision easier across educational stream categories.

H₀13: There is no significant difference in opinion regarding effectiveness of social media platform for new products and services across gender categories.

H₀14: There is no significant difference in opinion regarding effectiveness of social media platform for new products and services across educational stream categories.

Testing of Hypothesis

- H₀1, H₀2, H₀3, H₀4, H₀5, and H₀6 have been tested using chi square test.
- H₀7, H₀9, H₀11, and H₀13 have been tested using t-test
- H₀8, H₀10, H₀12, and H₀14 have been tested using ANOVA.

In addition to above tools, percentage analysis has also been used.

ANALYSIS OF DATA

In order to know the social media sites used by the respondents, they were asked about it. Their responses have been provided in Table 2.

Table 2 reveals that Facebook is most widely used site by majority of the respondents followed by Youtube. Other means of social media like twitter, blogs etc. are used by few respondents only. Gender and education stream wise, most of the respondents irrespective of their categories use Facebook followed by Youtube.

Table 3 highlights that majority of the respondents irrespective of their gender and educational stream categories access social media through mobile phones followed by PC/ laptops. Very few respondents use I-pads to access social media.

Table 2: Sites used by Respondents

(Frequency Table)

	<i>gender</i>		<i>educational stream</i>			<i>total</i>
	<i>male</i>	<i>female</i>	<i>professional</i>	<i>science</i>	<i>arts</i>	
facebook	27(93.10)	43 (70.49)	29 (96.67)	18 (60.00)	23 (76.67)	70(77.78)
twitter	2 (6.90)	3 (4.92)	3 (10.00)	1 (3.33)	1(3.33)	5(5.56)
blogs	0 (0)	2 (3.28)	1(3.33)	1 (3.33)	0(0.00)	2(2.22)
you tube	10 (34.48)	16 (26.23)	10(33.33)	11 (36.67)	5(16.67)	26(28.89)
others	1 (3.45)	10 (16.39)	2(6.67)	4 (13.33)	5 (16.67)	11(12.22)
n	29	61	30	30	30	90

Note: Being a multi-choice question, percentages are more than 100

Table 4 shows that most of the respondents spend less than 1 hour (43.3 percent) on social media followed by those who spend 1-2 hours (34.43 percent) and more than 2 hours (22.23 percent). Gender wise, most of the females (49.2 percent) spend less than 1 hour on social media while most of the males (37.9 percent) spend more than 1 hour on social media. Chi square value at 5 percent level of significance reveals that there is significant association between gender and time spent on social media among students. Thus, H_{01} stands rejected. Educational stream wise, majority of Science students (53.3 percent) spend 1 to 2 hours on social media while most of the respondents from Professional (40 percent) and Arts streams (60 percent) spend less than 1 hour on social media. Statistically, H_{02} stands rejected.

Table 5 shows that majority of the respondents irrespective of their gender and educational stream categories opine that social media affects purchase decision. Chi-square value reveals that gender and educational stream wise there is no significant difference between opinion of the respondents regarding this aspect. Thus, H_{03} and H_{04} are not rejected. In a query from the respondents, it becomes evident that Facebook, followed by Youtube plays an important role in affecting purchase decision of the respondents.

Table 6 reveals that majority of the respondents rely on social media for the purchase of clothes (61.11 percent) followed by entertainment products (42.22 percent). Gender wise, majority of males (62.07 percent) and females (60.66 percent) rely on social media sites for the purchase of clothing items followed by entertainment

Table 3: Access of Social Media

(Frequency Table)

	<i>GENDER</i>		<i>EDUCATIONAL STREAM</i>			<i>TOTAL</i>
	<i>Male</i>	<i>Female</i>	<i>Professional</i>	<i>Science</i>	<i>Arts</i>	
Mobile phones	26 (89.66)	57 (93.44)	28(93.33)	26 (86.67)	29 (96.67)	83(92.22)
I-Pads	2(6.90)	4(6.56)	3(10.00)	3 (10.00)	0 (0.00)	6(6.67)
PC/ Laptops	11(37.93)	12(19.67)	14(46.67)	8 (26.67)	1 (3.33)	23(25.56)
N	29	61	30	30	30	90

Note: Being a multi-choice question, percentages are more than 100

Table 4: Time Spent on Social Media Daily

(Frequency Table)

	<i>GENDER</i>		<i>EDUCATIONAL STREAM</i>			<i>TOTAL</i>
	<i>Male</i>	<i>Female</i>	<i>Professional</i>	<i>Science</i>	<i>Arts</i>	
Less than 1 hr	9 (31.03)	30 (49.18)	12 (40.00)	9 (30.00)	18(60.00)	39(43.33)
1 To 2 hr	9 (31.03)	22 (36.07)	9 (30.00)	16(53.33)	6(20.00)	31 (34.44)
More than 2 hr	11 (37.93)	9 (14.75)	9 (30.00)	5 (16.67)	6(20.00)	20(22.23)
N	29	61	30	30	30	90

Gender wise: Chi-square value= 6.389, df=2, Significant at 5 per cent level of significance.

Education stream wise: Chi square value=9.628, df=4, Significant at 5 per cent level of significance.

Table 5: Impact of Social Media Sites on Purchase Decisions of the Respondents

	<i>GENDER</i>		<i>EDUCATIONAL STREAM</i>			<i>TOTAL</i>
	<i>Male</i>	<i>Female</i>	<i>Professional</i>	<i>Science</i>	<i>Arts</i>	
Yes	21 (72.41)	39 (63.93)	23(76.67)	18(60.00)	19(63.33)	60(66.67)
No	8 (27.59)	22 (36.07)	7(23.33)	12(40.00)	11(36.67)	30(33.33)
N	29	61	30	30	30	90

Gender wise: Chi square= 0.636, df=1, Not significant at 5 per cent level of significance.

Education Stream wise: Chi square= 2.100, df=2, Not significant at 5 per cent level of significance.

products. Further, it has been observed that majority of the respondents from Professional (73.33 percent) and Science categories (73.33 percent) rely on social media for the purchase of clothes while majority of the respondents from Arts category (60 percent) rely on social media for the purchase of entertainment products.

Table 7 shows that majority of the respondents i.e. 52.2 percent opine that feedback given in the form of comments or reviews via social media affects their attitude towards brands. Chi-square value reveals that there is no significant association between gender and impact of social media feedback on attitude towards brand among students at 5 percent level of significance. Similarly, there is no significant association between educational stream categories and impact of social media feedback on attitude towards brand among students at 5 percent level of significance. Thus, H_{05} and H_{06} are not rejected.

To ascertain the opinion of the respondents towards various aspects of social media, they were asked to indicate their opinion on five point scale ranging from 'strongly disagree' to 'strongly agree'. Average Weighted Scores (AWS) have been calculated for gender and educational stream categories by assigning weights as 5,4,3,2, and 1 to 'strongly agree', 'agree', 'neither agree nor disagree', 'disagree', and 'strongly disagree' respectively and using the following formula.

$$W = \frac{\sum wfw}{\sum fw}$$

where, W = Average weighted score

w = Weight given to an attribute.

fw = Number of respondents who attached weight to attribute.

Table 6: Products Purchased by Relying on Social Media Sites

	<i>GENDER</i>		<i>EDUCATIONAL STREAM</i>			<i>TOTAL</i>
	<i>Male (G1)</i>	<i>Female (G2)</i>	<i>Professional (E1)</i>	<i>Science (E2)</i>	<i>Arts(E3)</i>	
FMCG	1(3.45)	1(1.64)	1(3.33)	0(0.00)	1(3.33)	2(2.22)
Durable Goods	2(6.90)	10(16.39)	2(6.67)	7(23.33)	3(10.00)	12(13.33)
Entertainment	12(41.38)	26(42.62)	10(33.33)	10(33.33)	18(60.00)	38(42.22)
Clothes	18(62.07)	37(60.66)	22(73.33)	22 (73.33)	11(36.67)	55(61.11)
Other Product	2(6.90)	2(3.28)	2(6.67)	2(6.67)	0(0.00)	4(4.44)

Table 7: Impact of Feedback Given Via Social Media Affect Attitude Towards Brands

	<i>GENDER</i>		<i>EDUCATIONAL STREAM</i>			<i>TOTAL</i>
	<i>Male</i>	<i>Female</i>	<i>Professional</i>	<i>Science</i>	<i>Arts</i>	
Yes	17(58.62)	30(49.18)	18(60.00)	12(40.00)	17(56.67)	47(52.22)
No	6(20.69)	8(13.11)	3(10.00)	8(26.7)	3(10.00)	14(15.56)
Can't say	6(20.69)	23(37.70)	9(30.00)	10(33.3)	10(33.33)	29(32.22)

Gender wise: Chi square value=2.827, df=2, Not significant at 5 per cent level of significance.

Education stream wise: Chi Square value= 4.960, df=4, Not significant at 5 per cent level of significance. Chi- Square value has been calculated by merging two rows i.e. No and Can't say.

Table 8 depicts that most of the respondents irrespective of gender and educational stream categories have agreed that ‘Information searching is easier via social media (s_1)’, ‘Information regarding products and services have higher credibility on social media (s_2)’, ‘Social media makes purchase decision easier (s_3)’, ‘Social media has provided more effective platform for new products and services (s_4)’.

Table 9 reveals that t-value is not significant at 5 percent level of significance with regard to s_1 , s_2 , and s_4 . Thus, H_{07} , H_{09} , and H_{013} are not rejected indicating that there are no significant differences in opinion of males and females with regard to s_1 , s_2 , and s_4 . However, significant differences have been found in opinions of males and females with regard to s_3 . Thus, H_{011} is rejected.

Table 10 highlights the results of ANOVA which shows that f-ratio is not significant at 5 percent level of significance with regard to s_1 , s_2 , s_3 , and s_4 . Thus, H_{08} , H_{010} , H_{012} , and H_{014} are not rejected showing that there is no significant difference in opinion of respondents in relation to different educational stream categories.

CONCLUSION AND MARKETING IMPLICATIONS

Social media is emerging as an important tool of marketing. It has been observed that Facebook is most widely used site followed by Youtube. Social media sites are mostly accessed by mobile phones and laptops. The products which are mostly purchased by relying on social media sites are clothing and entertainment products. Further, most of the respondents agree that social media sites impact their purchase decision. They consider it as reliable source of information where information searching is easier. Various hypotheses have been formulated for the purpose of study. Gender and educational stream wise, significant differences have been found with regard to time spent on social media. Thus, H_{01} and H_{02} are rejected. Further, significant difference has been found between males and females with regard to s_3 and H_{011} is rejected.

The findings of the study can be useful for clothing and entertainment industries to further boost their sales by being responsive to information being shared on social media sites. Mobile phone and laptop companies can

Table 8: Average Weighted Scores (AWS) Representing Opinion of the Respondents Regarding Various Aspects

Opinion on Various Aspects	GENDER		EDUCATIONAL STREAM			TOTAL (AWS)
	Male (AWS)	Female (AWS)	Professional (AWS)	Science (AWS)	Arts (AWS)	
Information searching is easier via social media (s_1)	4.37	4.34	4.46	4.3	4.3	4.35
Information regarding products and services have higher credibility on social media (s_2)	3.79	3.65	3.6	3.8	3.67	3.7
Social media makes purchase decision easier (s_3)	4.24	3.91	4.2	4	3.86	4.02
Social media has provided more effective platform for new products and services (s_4)	4.13	3.98	4.2	3.96	3.93	4.03

Table 9: t-test Results of Opinion Statements of Respondents

Opinion on various aspects	t-value	df	Sig.
Information searching is easier via social media (s_1)	0.264	88	0.793
Information regarding products and services have higher credibility on social media (s_2)	0.876	88	0.383
Social media makes purchase decision easier (s_3)	2.078	88	0.041
Social media has provided more effective platform for new products and services (s_4)	0.725	88	0.471

Table 10: Results of ANOVA

<i>Opinion on various aspects</i>		<i>Sum of Squares</i>	<i>Degree of Freedom</i>	<i>Mean Squares</i>	<i>F-Ratio</i>	<i>Sig.</i>
Information searching is easier via social media (s1)	Between groups	0.556	2	0.278	0.804	0.451
	Within groups	30.067	87	0.346		
Information regarding products and services have higher credibility on social media(s2)	Between groups	0.467	2	0.233	0.478	0.621
	Within groups	42.433	87	0.488		
Social media makes purchase decision easier(s3)	Between groups	1.689	2	0.844	1.738	0.182
	Within groups	42.267	87	0.486		
Social media has provided more effective platform for new products and services(s4)	Between groups	1.267	2	0.633	0.71	0.495
	Within groups	77.633	87	0.892		

also take advantage by making their devices more user-friendly so that social media is easily accessible. Business concerns need to work out continuously to use this new tool of marketing in the best interest of their company. The information which is being shared on social media sites about the companies and their products is likely to affect their sales and goodwill as it is considered as a reliable source of information.

LIMITATIONS AND SCOPE FOR FUTURE RESEARCH

The construct of study covers limited aspects of social media and is based on students from one university only. The future studies can be conducted for other universities and for other segments covering more aspects of social media. This will be helpful in having a generalised view about the impact of social media on consumer behaviour in India.

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