

**FACEBOOK: INVESTIGATING THE INFLUENCE OF CONSUMER
PURCHASE DECISION**

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Abstract:

Now days, Facebook is used more effectively and efficiently. Its platform has been highly used to explore and get inspired. Shopping through social media has highly increased. Influence of Facebook applications have been investigated and the activities influencing the consumer purchase intention have been focused. Insights of consumer's notice of their peer activities on Facebook have been provided. Influence of Like, Share and Comment on purchase intention have been resulted through the survey of 120 Facebook users using Statistical tools. This paper also contributes a vigil to the marketers about the consumers purchase and suggests for the quality improvement.

Keywords: *Facebook, Facebook Applications, Internet, Purchase.*

Introduction

Social Media plays a vital role in the minds of consumer. Among social media platforms, Facebook is widely used all over the world. Facebook is the biggest social media network with over 2.7 billion monthly active users^[1] (Active users means those who logged in last 30 days). In 2020, number of Facebook users are 346.2 million and expected to reach 444.2 million by 2023^[2]. Social media gives a powerful way to connect to the targeted audience. Facebook was designed for photographs sharing, but now it has been changed to the most usage platform with regular updates of products, places and so on. It provides high benefit to the consumers and the business. Direct contact is present between buyer and seller^[4].

Review of Literature

Vinerean, Cetina, Dumitrescu, Tichindelean (2013) studied “The effects of Social Media Marketing on Online Consumer Behaviour”. The research paper emphasizes on the people interacting online and how engaged are they in online activities. Basic findings include different predictors related to social networking sites have a positive impact on the respondents perception of online advertisements. Social media allows customers and prospects to communicate directly to your brand representative or about your brand with their friends. Study regarding the online activities of 236 social media users, by identifying different types of users, a segmentation of these users and a linear model is done.

Jothi, Gaffoor (2017) studied “Impact of Social Media in Online Shopping”. The research paper emphasizes to assess the impact of usage of social media on purchase decision process. Basic findings include that the social media is most widely used in information source for entertainment, networking, and information on new brands. Also, the social media reviews and opinions affect the purchase decision process; however, tendency of share their experiences post purchase is surprisingly good. Social media has revolutionised the ways of communication and sharing information and interests. The rapid growth of social media and social networking sites, especially, in developing country like India is providing marketer a new avenue to contact customers.

Research Problem

Social Networking sites are the platform for the marketers to sell and consumers to buy. It is for saving time of moving around in the traditional shops and comparing the products with respect to price, quality and quantity. Facebook is the highest usage platform in India. More or less, people especially youngsters are dependent on the social networking sites for the upcoming new trends. Facebook has been examined in terms of online shopping. However there has been little research that investigates likes, comments and share applications are influencing customers for purchase intention and to what extent. The research question is “Do Facebook social applications have an influence on consumer purchase decision?”

Research Objectives

1. To better understand social network applications and activities that influence purchase intention
2. To prioritise these factors according to their influence on purchase decision

Likes

Firms can create Facebook pages. Firms can encourage their consumers to become fans of their pages by clicking the like button on Facebook. Once the page has been liked, the user gets business updates and they can observe number of likings on the pages. Advertisements, discounts, recommendations and reviews by others can be seen by the user. This leads to first hypothesis:

H₁: The number of likes positively influences consumer purchase intention.

Comments

Facebook allows users to leave comments or reviews that is displayed to others. Placing a comment or review is the word of mouth electronically as a part of publicity. It may influence choices and provide advertising for the product or business. This leads to second hypothesis:

H₂: Friends posting a comment on page or product positively influences consumer purchase intention.

Share

Facebook allows users to share the product or page to the personal pages or to the people to whom to share. They can further like, share and comment which may attract other users. This leads to third hypothesis:

H₃: Friends and business sharing pages, products or services positively influences consumer purchase intention.

Study Design and Method

Research Design

Cross Sectional descriptive research research design was used.

Sampling Technique

Snowball sampling technique was used to get the data collected by the Facebook users.

Scope of the study

Data had been collected from the cities of Saurashtra Region of Gujarat State.

Data Collection

Users were send a link via email to fill up the questionnaire. Link was sent with a message to share the link further in the cities of Saurashtra Region of Gujarat State.

Sample Profile

A total of 120 responses were collected from 135 samples due to no proper completion of questionnaire. Table 1 below shows the descriptive statistics for the sample.

Table1: Demographic profile of the respondents

Demographic Characteristics	Percentage
Age	
18 or under	25.5
18-25	40.8
25 and above	33.7
Profession	
Professional	58.16
Student	18.37
Service	23.47

Facebook Usage	
Less than once per day	11.2
Once per day	21.4
More than once daily	67.4

Hypothesis Testing

Table 2: Multiple Regression analysis results

Hypothesis	B	t	P
H ₁ : The number of likes positively influences consumer purchase intention.	0.967	3.218	0.003
H ₂ : Friends posting a comment on page or product positively influences consumer purchase intention.	1.127	2.601	0.014
H ₃ : Friends and business sharing pages, products or services positively influences consumer purchase intention.	0.918	2.203	0.030

Findings

- Table 2 shows that friends comment on page or product has the largest impact on consumer purchase intention with a β value of 1.127 ($p = 0.01$), followed by number of likes and sharing.
- All the hypothesis are supported which shows that the number of likes, comment an share play a significant role on the consumer purchase intention.
- Reviews, comments are been noted by the customers and purchase is done accordingly.

Conclusion

It appears from this study that Facebook can play a vital role in consumer purchase decision. Facebook gives a high influence to the consumers to buy the product. Friends comments on the product or page or service is highly influential for the user to buy the product. Trust becomes a major factor on friends.

Managerial Implications

Facebook is a better link between consumer and sellers. Facebook has opened up many new applications for the seller to attract the customers. Now a days, high traffic is noticed on the shopping websites through social media platforms. Retailers must focus on how to ease these shopping by proper planning and technology. Proper training must be given to increase engagement with Facebook with new upcoming challenges by the customer in order to have potential sales channel.

Limitations

This study was concerned with likes, comments and sharing on Facebook. Majority of Facebook users are new. Not all respondents may be aware of their use or how to use them. Future research must focus on the ease, privacy and trust with respect to shopping behaviour.

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