

A Study on Impact of Social Commerce on Customer Purchase Intention

Dr. V Kanimozhi¹ and Sameera K C²

Assistant Professor, Department of Management Science¹

II MBA, Department of Management Science²

Hindusthan College of Engineering and Technology, Coimbatore, India

Abstract: *This project aims to investigate the impact of social commerce on customer purchase intention. Social commerce refers to the utilization of social media platforms and social interactions to facilitate online shopping and influence consumer buying behavior. With the increasing popularity of social media and the rise of e-commerce, understanding the relationship between social commerce and customer purchase intention has become crucial for businesses to develop effective marketing strategies. This project will employ a combination of quantitative research methods, including surveys and data analysis, to explore the factors influencing customer purchase intention in the context of social commerce. The findings will provide valuable insights for businesses looking to leverage social media platforms to enhance customer engagement and drive sales.*

Keywords: customer purchase intention

I. INTRODUCTION

In recent years, social commerce has grown in significance as a component of e-commerce. Businesses are using social media platforms to connect with customers and market their goods or services through social commerce as a result of the rise of these platforms. Businesses can interact directly with their customers through social commerce, increasing brand recognition and giving them additional purchasing opportunities.

Businesses aiming to increase their online presence and boost sales should focus their research on how social commerce affects consumer buying intentions. Social commerce has emerged as a significant element of the e-commerce scene as the great majority of consumers now use social networking platforms to look for goods, services, and reviews. Through user-generated content, influencer marketing, and social interactions, it takes advantage of these platforms' social character to make it easier for people to discover, recommend, and buy products. Both consumers and businesses can profit from social commerce in a number of ways. It offers shoppers a fun and convenient shopping experience. Through their social networks, they may find new products, read reviews and buying suggestions, and complete transactions without leaving the platform. Users can also share their thoughts, experiences, and purchases on social commerce platforms, which promotes a sense of belonging and social validation.

Social commerce gives companies new ways to connect with and engage with their target market. It gives them the chance to sell their products to a sizable and engaged user community, utilize user-generated content, and benefit from influencer endorsements. Social media platforms offer a variety of tools and features that make it easier for businesses to turn social media interaction into revenue by enabling product listings, tagging, and smooth transactions. Social commerce has a lot of advantages, but it also has drawbacks. Businesses need to address a number of difficulties, including retaining consumer trust, managing customer service across several platforms, and privacy and security concerns. However, social commerce is anticipated to keep expanding as a potent avenue for online buying and business growth given the rising convergence of social media and e-commerce.

1.1 STATEMENT OF THE PROBLEM

The impact of social commerce on customer purchase intention has become a significant area of concern for businesses and researchers. With the rapid growth of social media platforms and their integration with e-commerce, understanding how social commerce influences customer purchase behaviour has become crucial for businesses to stay competitive

and devise effective marketing strategies. Social commerce refers to the utilization of social media platforms to facilitate online transactions and interactions between customers and businesses. It encompasses various activities such as product recommendations, customer reviews, influencer marketing, and social sharing of purchase experiences. These social interactions within the context of e-commerce have the potential to influence customer purchase intention. The problem lies in the need to understand the underlying mechanisms and conditions that determine the impact of social commerce on customer purchase intention. Factors such as the credibility of social media influencers, the quality of customer reviews, the social context of purchase decisions, and the level of engagement with social media content may play a crucial role in shaping customer purchase intention. However, the specific dynamics and interplay among these factors require further investigation

1.2 OBJECTIVES OF THE STUDY

- To understand the role of social commerce in customers purchase intention
- To investigate the connection between social commerce and consumer purchasing patterns
- To evaluate how the social commerce affects customer loyalty and satisfaction

1.3 RESEARCH METHODOLOGY

The research methodology employed to examine the impact of social commerce on customer purchase intention involves a systematic and rigorous approach. Firstly, a thorough review of existing literature on social commerce and customer purchase intention is conducted to establish a theoretical framework and develop research hypotheses. Based on this, a suitable research design is determined, which may involve quantitative methods such as surveys or experiments, as well as qualitative methods like interviews or focus groups. The target population or sample is carefully selected to ensure it represents the intended population accurately.

1.4 RESEARCH DESIGN

Research design is a conceptual structure within which research should be conducted. Thus the preparation of such a design facilitates research to be as efficient as possible and will yield max information.

Type of Research

Here in order to meet the research objectives, descriptive research design is used.

Descriptive Research

Design Descriptive research design includes surveys and fact findings, enquires of different kinds. The major purpose of Descriptive research is description of state of affairs, as it exists at present. In social business research we quiet often use the term Ex post facto research for descriptive studies. The main characteristic of this method is that the researcher has no control over the variable; he can only report what has happened or what is happening. Most Ex post facto research projects are used for descriptive studies in which the researcher seeks to measure such items, for example, frequency of shopping, and consumer preferences on products or services. Descriptive Research method will be applicable to the existing problem.

1.5 DATA COLLECTION

The task of collecting data begins after a research problem has been defined and plan is chalked out. This study pertains to collection of data from primary and secondary sources.

PRIMARY DATA

These are the data which are collected from some primary sources i.e., a source of origin where the data generate. These are collected for the first time by an investigator or an agency for any statistical analysis. Data are collected for the first time for a specific purpose in mind using the questionnaire method. Questionnaire through personal contact and e-mails. An advantage of using primary data is that researchers are collecting information for the specific purposes of their study.

SECONDARY DATA

Academic journals and publications related to Impact of social commerce on customer purchase intention. Reports and market research related to the social commerce. Industry publication online forums related to social commerce company websites and case studies, article's are used as secondary data .

1.6 SAMPLING METHOD

Sampling Design A sample plan is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample.

Population

The first step in the sampling process is the definition of the population, which can be defined in terms of elements, sampling units, extend and time. For the present study undertaken the population was total users in e-commerce.

Sampling Frame

A sample frame is a means of representing the elements of the population. The sample frame made use of in this study is users database lists.

Sampling Unit

The sampling unit of the study is collected from the users those who are using the e- commerce.

Sampling Method

Simple Random Sampling is used in this study.

Sample size

The Sample size selected for the survey is 230. The sample size determination was purely by intuition.

1.7 SCOPE OF THE STUDY

The study aims to explore the impact of social commerce on customer purchase intention, focusing on the ever-evolving landscape of online shopping and its integration with social media platforms. With the rapid growth of e-commerce and the increasing popularity of social networking sites, understanding how social commerce influences customer behavior has become crucial for businesses. The research will investigate various factors that contribute to customer purchase intention within the context of social commerce, such as social influence, trust, product information, user-generated content, and online reviews. By examining these elements, the study seeks to provide valuable insights into the underlying mechanisms and dynamics that drive customers' intentions to make purchases through social commerce channels. This research holds significant implications for marketers, as it will shed light on effective strategies to enhance customer engagement, foster positive brand perceptions, and ultimately increase sales in the digital marketplace.

1.8 LIMITATION OF THE STUDY

Due to the time constraints, only specific sample size from this entire survey has been considered for the study.

Some of the respondents have not much more knowledge about the E-commerce.

The study's sample size and representativeness may be limited,

II. LITERATURE REVIEW

(Dou, Zhong Yao, & Yan Bai, 2021) A study on Effect of social commerce factors on user purchase behavior .As a new type of e-commerce, social commerce is an emerging marketing form in which business is conducted via social networking platforms In this paper, we develop and validate a conceptual model of how social factors, such as social support, seller uncertainty, and product uncertainty, influence users' purchasing behaviors in social commerce. Thus study aimed to provide an understanding of the relationship between user behavior and social factors on social networking platforms. The results further show that social factors can significantly enhance users' purchase intentions in social shopping.

(Huang & Morad Benyoucef, 2017) A study on the impact of social commerce design on consumer purchase decision-making Social commerce encourages consumers to participate actively in the buying and selling of products and services in online marketplaces and communities. The results show that the five stages are affected differently by the

three social commerce design factors in question. The main implication here is that online merchants who adopt social commerce should devise design strategies that are specific to each stage of the purchase decision-making process to ensure that their online platforms address the needs and wants of their customers.

(Ali Abou Ali, Alaa Abbass, & Nihal Farid, 2020) A study conducted on Factors Influencing Customers' Purchase Intention in Social. By this paper inspects the relationship between purchase intention in social media context and relevant factors namely. This paper shows specific inferences about the factors affecting buying intention in social commerce. It provides fruitful insights to both academic researchers and professional marketers. In terms of limitations, other factors might be added and be under examination; that might include value perceptions, social presence, social proof, and artificial intelligence agents such as Facebook chatbots. In addition, other product categories are useful to get more insights about the intentions of customers; such as cosmetics, home appliances, phones, and other service industries as cleaning, laundry, financial services, etc. The study attempted to examine potential factors to evaluate the purchase intentions (PI) in the social commerce context in Lebanon.

(Akram, Muhammad Junaid, Abaid Ullah Zafar, & Zhiwen Li, 2021) A study on Online purchase intention in Chinese social commerce platforms: Being emotional or rational. Drawing on social learning theory, this study investigates the relationship between (hedonic & utilitarian motivations) and online purchase intention (OPI) under Chinese social commerce environment. Additionally, two moderators (eWOM & social values) and one mediator (customer engagement) were used in the relationship between (hedonic & utilitarian motivations) and OPI. Finally, two motivations (hedonic and utilitarian) and OPI significantly mediated by customer engagement. Implications for managers are discussed in the manuscript – how e-vendors manage the online websites activates to improve the consumer purchase intention.

(Hjili, 2020) A study conducted on The impact of positive valence and negative valence on social commerce purchase intention. New research emphasizes the importance of social communications in e-commerce purchase decision-making processes but there are many technical and social challenges such as multi-faceted trust concerns. This study examines the effects and importance of institution-based trust and WOM within a model of consumer behaviour on social commerce websites. Thus the research examines how trust and consumer feedback may affect consumers' purchase intentions. The results of the analysis show that institution-based trust influences social media communication, leading to elevated purchase intention on social commerce websites.

(Sohn & Kim, Jinki, 2020) A study conducted on Factors that influence purchase intentions in social commerce Social commerce has recently expanded to operate in real time.. The purpose of this study is to explore the attributes of social commerce and explain the purchase intentions of the increasing population of users. The findings of this study are that a factor analysis reveals five attributes that can be used to classify social commerce – *economy, necessity, reliability, interaction, and sales promotion*. Second, as a result of carrying out a multiple regression analysis, *economy, necessity, reliability, and sales promotion* are shown to affect purchase intentions..

III. FINDINGS

- 40.0 of the respondents are in the age group of 18-24
- 56.1 of the respondents are females
- 43.0 of the respondents are have completed master's degree
- 42.6 of the respondents are employed
- 84.3 respondents are made purchases through social media platforms
- 47.8 reported that they always get purchasing ideas from instagram
- 89.6 respondent answered Yes for referring reviews and recommendations
- Majority of respondents 36.5% reported as sometimes to buy anything after seeing it recommended to you in social media
- 30.4 respondents are reported as friends and family's social media post as their choice to make a purchase
- 42.2 answered yes to they trust social media influences and celebrities when they recommend a product
- 46.5 of respondents are reported to they would likely to buy from a company when it was active on social media

- 68.3 of respondents are agreed to confidence as influence their intention to make purchase in social commerce
- 52.2 of respondents are Agree to Giving social service for social commerce affect their intention to buy
- 71.3 of respondents are Agreed with "Price" as their main motivation for using social media platforms to make purchase
- Majority (44.3%) of the respondents are agreed with few times per month they use social commerce to make purchase
- Majority (45.2%) of responses, reported a percentage of rating of 3 as they believe something
- Majority of respondents (80%) answered "Yes" for ever used social commerce to make impulsive purchase.
- Majority of responses 51.7% of people reported being "Somewhat likely for they likely are to tell others about a brand after completing a purchase via social media
- 51.7 of respondents are saying somewhat likely to follow a brands account after making purchase
- 43.9 of respondents are agreed with sometimes to follow advise of celebrities or social media influencers when making a purchase
- 48.3 of respondents somewhat satisfied with ease of all using social networking sites s to make purchase
- 42.2 of respondents are satisfied with social commerce services and support
- 47.8 are satisfied with range of products offered on social commerce platforms

IV. SUGGESTION

- Investigate how the design elements of social commerce platforms influence customer purchase intention and explore the underlying psychological processes.
- Investigate how different forms of social media engagement in the context of social commerce affect customer purchase intention and explore the mechanisms through which engagement drives purchase behavior.
- The impact of social commerce platform design: Investigate how the design elements of social commerce platforms (e.g., interface, navigation, visual aesthetics) influence customer purchase intention and explore the underlying psychological processes.
- Explore how gamification elements incorporated into social commerce platforms influence customer purchase intention and examine the motivational aspects of gamified experiences.
- Explore how social commerce influencers (e.g., bloggers, vloggers, micro-influencers) impact customer purchase intention and examine the effectiveness of different influencer marketing strategies.
- Analyze how social proof, such as user-generated content (e.g., reviews, ratings, testimonials) and social endorsements, influences customer purchase intention in social commerce platforms.

BIBLIOGRAPHY

- [1]. Akram, U., Muhammad Junaid, Abaid Ullah Zafar, & Zhiwen Li. (2021). Online purchase intention in Chinese social commerce platforms: Being emotional or rational. <https://doi.org/10.1016/j.jretconser.2021.102669>, 35-48.
- [2]. Ali Abou Ali, Alaa Abbass, & Nihal Farid. (2020). Factors Influencing Customers' Purchase Intention in Social. [doi.org](https://doi.org/10.1016/j.jretconser.2021.102669), 63-73.
- [3]. Dou, Y.-F., Zhong Yao, & Yan Bai. (2021). Effect of social commerce factors on user purchase behavior. *i.ijinfomgt.*, 538-550.
- [4]. Hjili, N. (2020). The impact of positive valence and negative valence on social commerce purchase intention. [doi](https://doi.org/10.1016/j.jretconser.2021.102669), 15-25.
- [5]. Huang, Z., & Morad Benyoucef. (2017). The effects of social commerce design on consumer purchase decision-making. *j.elerap*, 40-58.
- [6]. Sohn, J. W., & Kim, Jinki. (2020). Factors that influence purchase intentions in social commerce. *Technology in society*, 38-45.