

Impact of Social Media Reviews on Generation Y Consumers Buying Behaviour

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Abstract: *This research paper explores the influence of social media reviews on the buying behavior of Generation Y consumers, with a focus on the Indian market. The study delves into the growing significance of social media as a decentralized communication channel that has transformed how individuals interact, gather information, and make purchasing decisions. The objectives of the study include examining the impact of positive reviews on social media advertisements on consumer buying behavior and identifying the key factors that significantly influence online purchases among Generation Y consumers. The findings reveal a strong correlation between positive reviews on social media and consumer purchasing behaviour, indicating that social media plays a pivotal role in shaping consumer decisions. Factors such as convenience, time-saving, easy delivery, offers/discounts, and avoidance of crowds emerged as significant influencers of online purchase decisions among Generation Y consumers. The study underscores the importance of social media marketing strategies tailored to engage and resonate with Generation Y consumers, particularly in a digitally connected landscape like India. Marketers and businesses can leverage these insights to enhance their online presence, build trust, and effectively target this influential consumer segment.*

Keywords: Social media marketing, Generation Y consumers, Buying behaviour, Online purchase, social media reviews

I. INTRODUCTION

Social media in recent times has created an avenue for decentralized communication channel and opened the door for all to have a voice across the globe. It has provided a platform to participate in a democratic fashion. It is undeniable that social media plays an important role in impacting culture, economy and peoples overall view of the world. It is a new forum that brings society to exchange idea, connect with, relate to, and mobilize for a cause, seek advice, and offer guidance. The global social media users' figure has reached to be 3.5 billion¹ as of October 2019. With over 460 million internet users, India is the second largest online market, behind China. In 2023, India had over 1.2 billion internet users across the country. This figure was projected to grow to over 1.6 billion users by 2050, indicating a big market potential in internet services for the South Asian country. In fact, India was ranked as the second largest online market worldwide, second only to China. Social media in recent times has created an avenue for decentralized communication channel and opened the door for all to have a voice across the globe. It has provided a platform to participate in a democratic fashion. It is undeniable that social media plays an important role in impacting culture, economy and peoples overall view of the world. It is a new forum that brings society to exchange idea, connect with, relate to, and mobilize for a cause, seek advice, and offer guidance.

Social media, with its decentralized communication channels and global reach, has emerged as a powerful force shaping consumer behaviour across various industries. It provides a platform for users to share opinions, experiences, and reviews, thereby influencing the perceptions and decisions of their peers. This phenomenon is particularly relevant in the realm of consumer buying behaviour, where online reviews, recommendations, and social endorsements play a crucial role in shaping purchase intentions and choices.

The Indian market, characterized by a burgeoning online population and a growing digital economy, presents a unique landscape for studying the impact of social media on consumer behaviour. With a substantial proportion of Generation Y consumers actively participating in online shopping and engaging with social media platforms, understanding their

preferences, motivations, and decision-making processes is of paramount importance for marketers and businesses. This research paper aims to delve into the specific dynamics of how social media reviews influence the buying behaviour of Generation Y consumers in the Indian context. By examining the role of positive reviews in social media advertisements, identifying key factors that drive online purchases, and analysing the nuances of consumer perceptions, this study seeks to provide valuable insights for marketers seeking to optimize their social media marketing strategies and effectively target Generation Y consumers.

II. LITERATURE REVIEW

Social media is widely used to assist consumers in buying decision by providing information about what, when, and where to buy products (Pate, 2013). The distinctive features of social media and its immense popularity have revolutionized businesses; they are now based on online communities for attracting new customer base (Bagozzi and Dholakia, 2002). Social media has also influenced consumer behaviour from information gathering to post purchase behaviour (Mangold and Faulds, 2009).

Akar and Topcu (2011) examined different factors that influence consumer's attitude toward social media marketing and highlighted that consumer buying behaviour is affected by the online reviews and shared shopping experiences. According to Akrimi and Khemakhem (2012), intention of recommendation on the social network is influenced by interpersonal connectivity, product involvement, social influence and attitude toward recommendation. In addition to it, Furqan (2018) also resulted those the social media marketing activities on brand's Facebook page affects the customer buying decision.

Haenliën & Kaplan (2009) noted that the emergence of social media platforms has transformed the landscape of communication, enabling users to connect and interact in unprecedented ways. It facilitates user-generated content, allowing individuals to share information, opinions, and experiences with a global audience. It also offers opportunities for businesses to engage with their customers, build brand awareness, and foster customer loyalty through interactive communication channels.

Akrimi and Khemakhem (2012) delved into the motivations driving consumers to share information and recommendations on social media. They identified factors such as interpersonal connectivity, product involvement, social influence, and attitude toward recommendations as key drivers influencing consumers' intention to recommend products or services on social networks. These findings underscored the social and interactive nature of social media platforms in influencing consumer behaviour. Furqan (2018) focused on the specific impact of social media marketing activities on brands' Facebook pages on consumer buying decisions. The study highlighted the importance of brand presence and engagement on social media platforms, with active participation and positive interactions contributing significantly to consumer trust and purchase intentions.

Furthermore, Bagozzi and Dholakia (2002) emphasized the role of online communities in attracting new customer bases and fostering consumer engagement. They highlighted the distinctive features of social media platforms that facilitate interaction, information sharing, and social actions among users, thereby influencing their purchase behaviours.

The literature also underscores the importance of understanding demographic variables such as age, occupation, and income in analysing consumer behaviour in the digital age. Valentine and Powers (2013) highlighted the unique characteristics of Generation Y consumers, who are heavily influenced by technology and social media, presenting both opportunities and challenges for marketers targeting this segment.

OBJECTIVES

1. To study the impact of positive reviews on social media advertisements on the buying behavior of consumers.
2. To identify the factors that significantly influence their online purchase.

III. RESEARCH METHODOLOGY

Questionnaire based sample analysis was the base of this study. The sample is believed to be representative of the population, but nonetheless it was a convenience sample, which may be defined as 'a form of non-probabilistic or purposive sample drawn on a purely opportunistic basis from a readily accessible subgroup of the population' (Baker 1990, Welman and Kruger 2005). An extensive primary survey has been conducted through a well-structured

questionnaire with the aim to get the views of women respondents about their purchase information, awareness of brands, influence of others on the purchase decision and views about the marketing of brands on the social networking websites like, Facebook and Twitter. In view of the fact that, Facebook and Twitter are among social media sites which has the maximum average number of followers (Social Marketing Report India, 2019).

The respondents were asked to rate their agreement level on a 5-point scale (5 being Strongly Agree) to capture their behavior on social media advertising. A pilot survey of 25 respondents testing has been done in Kerala. To check the reliability of the questionnaire, Cronbach's alphas also calculated.

IV. DATA COLLECTION

The survey was conducted among 200 consumers between the age group of 30 to 44 years who are regularly purchasing through online portals. The figure of 200 respondents was in line with sample sizes related research as expressed by Mafini et al. (2014) who cited similar sample sizes in research conducted by Bakewell and Mitchell (2004), Drake-Bridges and Burgess (2010), Durvasula, et al. (1993), Kim (2003), and Kwan, et al. (2008). The age group of 30 to 44 years (as on 2024) is considered in research as segment of Generation Y consumers is heavily influenced by technology such as the internet and has significantly 'evolved' from previous generations thus presenting a challenge in targeting them (Valentine and Powers 2013). The data was collected from Kerala. The questionnaire was circulated through email to the target personnel.

V. RESULTS AND DISCUSSIONS

Primarily, to check the reliability and validity of the questionnaire, Cronbach's alpha, Kaiser-Meyer- Olkin (KMO) and Bartlett test were performed. The value of 0.84 for Cronbach's alpha indicates good internal consistency of the items in the scale. Similarly, the value of KMO was 0.866 and statistically significant values for Bartlett's test for sphericity ($p < 0.05$) indicated that factor analysis is appropriate. Test is also done to check the homoscedasticity and linearity of the data.

A. Findings of Objective 1

To examine the relationships between the likelihood of positive reviews and purchasing behaviour, the correlation between the two variables are calculated and the result is presented in Table 1. It can be clearly stated that the positive reviews on social media affect the consumer buying behavior as the correlation coefficient between positive reviews and purchase behavior is 0.475. Consumer may study the reviews due to the written by reference groups such as friends, relatives etc. but not necessary will purchase the product.

		Positive Reviews	Purchase
Positive Reviews	Pearson Correlation	1	.475**
	Sig. (2-tailed)		.000
	N	200	200
Purchase	Pearson Correlation	0.475**	1
	Sig. (2-tailed)	.000	
	N	200	200

Table 1. Correlation between positive reviews and purchase intention

B. Findings of Objective 2

One of the primary objectives of this study is to find out the factors that influence Indian consumer to purchase online. The study considered various parameters including time saving, convenience, easy delivery, offers " discounts, avoid crowd, etc. as the plausible aspects to explore the various dimensions of impact of social media advertising on generation Y consumers. The respondents were asked to rate their agreement level on a 5-point scale (5 being Strongly Agree) with respect to online purchase. Consumers shows that they are inclined to have positive opinions on all the parameters as all the ratings of average responses are more than 3 with very moderate standard deviation. Hence, the survey definitely observes lots of satisfactory effects of online purchase by Indian consumers. However, the study

further tried to identify which are the major factors from the above observations that influence significantly in online purchase. The study adopted Principal Component Method to extract the components. The components which exhibit more than one Eigen Value are taken as principal components. As highlighted in Table 3, the first three components whose Eigen value is greater than one (5.711, 1.930 " 1.114 respectively) together explain 62.5 per cent variations in the model, the number of principal components has been taken as three.

Table 2. Rotated Component Matrix

	Component		
	1	2	3
Avoid Impulsive Shopping	0.866		0.099
Avoid Discrete Purchase	0.831		0.113
Avoid Crowd	0.687		0.157
Fewer Expensive	0.648		0.166
Detailed Information	0.558	0.548	0.072
Easy Comparison		0.779	0.130
No Travel		0.643	0.454
Easy Accessibility		0.636	0.537
Offers & Discounts		0.605	
Brand Availability	0.464	0.567	
Easy to Find Favourite Brand	0.423	0.522	
Convenience			0.832
Time Saving			0.813
Easy Delivery			0.757

Table 3. Summary Result

Factor1	Factor2	Factor3
Avoid impulsive shopping	Easy comparison	Convenience
Avoid discrete purchase	Offers & Discounts	Time Saving
Avoid crowd		Easy Delivery
Fewer expensive		

Finally, after estimating the loading of variables on each factor, a Varimax with Kaiser Normalization rotation has been performed to ensure the orthogonality between the factors. The Rotated Component Matrix, presented in Table 2, exhibit the final loading of individual variables on each identified component. Further, as per guidelines of Hair et al. (2013), the study considered 0.40 as cut off factor loading for a sample size of 200. Five variables including Detailed Information, No Travel, Easy Accessibility, Brand Availability " Easy find favourable brand have to be dropped from the study as they depict cross loading on two components simultaneously. The rest of the variables are distinctly loaded on either of the three identified components. Therefore, the three factors may be acknowledged with their respective variables and the result is summarized in Table 3.

Avoid impulsive shopping, avoid discrete purchase, Avoid Crowd, Less Expensive are distinctly loaded on Factor 1 with loadings 0.866 (> 0.40), 0.831 (> 0.40), 0.687 (> 0.40) and 0.648 (> 0.40) respectively, which clearly indicate the economic dimension of the buyers. Similarly, Easy comparison with loading 0.636 (> 0.40) and Offers " Discounts with 0.605 (> 0.40) are encumbered on Factor 2 indicating the competitive dimension of the consumers. Likewise, Convenience with loading 0.832 (> 0.40), Time Saving with 0.813 (> 0.40) and Easy Delivery with 0.757 (> 0.40) are highly inclined on Factor 3 which confirms the convenience dimension of purchasers.

VI. CONCLUSION

In the present era of digitization, the social media and its influence on consumer buying behaviour deserve a closer attention from the researchers and marketers. Online consumers apart from shopping also generate online support for their peers which help in establishing trust on social media and affect their buying behaviour. Analysis of the collected

data revealed that consumers buying behaviour in India is influenced by the peer's trust on social media sites. In this research the prime focus is on generation Y consumers, to analyse and evaluate their perception and behaviour towards social media advertising. Thus, the research shows how social media and social reviews influence trust and intention to buy through social networking sites. It was also found that social participation on social media after purchase is also one of the important elements for Indian consumers for their self-esteem. The demographic variable such as age, occupation and income does play a significant role in influencing the online purchase of consumers. Consequently, Indian consumers who perceive higher self-concept will generally hold a high level of involvement in social media.

The analysis of positive reviews on social media advertisements revealed a strong correlation between favourable reviews and consumer purchase behaviour. The influence of social endorsements, recommendations from peers, and shared shopping experiences emerged as pivotal factors driving consumer trust and brand engagement on social media platforms. This underscores the importance of cultivating a positive online presence, actively engaging with consumers, and leveraging social proof to enhance brand credibility and influence purchasing decisions. The findings from this research have several implications for marketers and businesses operating in the digital landscape.

Firstly, understanding the power of social media in influencing consumer behaviour is crucial for developing effective marketing strategies that resonate with Generation Y consumers. Leveraging social media platforms for targeted advertising, customer engagement, and relationship building can lead to increased brand visibility, customer loyalty, and ultimately, higher conversion rates.

Moreover, the study emphasizes the need for continuous monitoring and analysis of consumer sentiment on social media, as online reviews and feedback can significantly impact brand perception and customer trust. Implementing strategies to encourage positive reviews, address customer concerns, and foster authentic interactions can contribute to a positive brand image and strengthen consumer relationships. In conclusion, the research underscores the transformative impact of social media on consumer buying behaviour among Generation Y consumers in India. By harnessing the potential of social media marketing, businesses can tap into a vast and influential consumer segment, drive engagement, and drive growth in the competitive digital marketplace.

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