



## Consumer Decision-Making Process in Social Media Platform

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### ABSTRACT

*Social media puts consumer back to the centre 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. Social media is an important tool to connect other people or organisation. Marketers have to understand how social media has influenced consumer buying behaviour. The purpose of the study is to identify the five stages of consumer decision making process about social media advertising. It was analysed from the five stages of consumer decision making process - Problem recognition, Information search, Evaluation of Alternatives, Purchase decision and Post purchase behaviour. This research provides practical insights to social media advertisers about the consumer decision making process*

**KEYWORDS :** Social media, Consumer decision making process

### I. Introduction

Consumers are the actors on the marketplace stage. Consumers in general, can be referred to as individuals who purchase or consume products and services. However in terms of buyer and consumer there is a little difference. Buyers are the people who are acting either as ultimate, industrial or institutional purchasers. Consumer refers to individuals who purchase for merely ultimate use, which is more restrictive in terms of meaning (Sternthal and Craig 1982) ; that is the end-user for whom the products or services are ultimately designed for.

### II. Consumer Decision-making process

Businesses encounter bottlenecks where the message is not reaching their consumers and prospects, with the fact that at times, consumers and prospects are facing significant blocks in their decision process. If not, each of them should be fully committed, loyal, enthusiastic, repeated consumers; however this is not the case. Today the accessibility and transparency of information influence the decision making process. Therefore it is important to examine where the hurdles and fiction point that hold prospects becoming consumers or keep consumers hesitating from re-purchasing (Silverman 2001).

According to Silverman 2001, the following are the five stages of decision making process.

**Figure- 1.1**  
**The 5 stage decision making model (Silverman 2001.)**



#### Problem Recognition

Problem recognition takes place whenever a consumer recognizes a significant difference between the desired and actual state of affairs, which is in sufficient magnitude to arouse and activate the decision process (Solomon, Bamossy and Askegaard 2002), or need triggered by internal or external stimuli. After the realization of a problem, it initiates the search for information before any typical buying action.

#### Search of Information

The final purchase decision will not be made at once, even when individuals acknowledge, recognize their problems, and pay attention to the available products; likewise , when prospects have a certain interest in a product or service, they tend to go through the following steps before carrying out any action – identifying available options, studying information of selected options, and eventually judging

which of these options can most likely deliver the best outcome (Silverman 2001).

#### Evaluation of Alternatives

Once an option is identified as the best suitable solution according to the individual's needs after accumulating sufficient information, they undertake alternative evaluation (Sternthal and Craig 1982 46). Depending on their motives or goals, consumers establish criteria for evaluating choice alternatives (Sternthal and Craig 1982 46). In order to ensure the outcome within the expectation, individuals require relevance of experience. Direct and indirect experience, which individuals, serve as indicators during the buying process.

#### Purchase Decision

Kotler and Keller (2009) have suggested that during the course of evaluation, consumer eventually forms preferences among the brands in the choice desk, however, there are two factors, which can interfere between the purchase intentions and purchase decision – attitude of the others and unanticipated situational factors.

**Figure -1.2**  
**Steps between evaluation of alternatives and a purchase decision**



#### Post Purchase behaviour

After the consumption, the consumer then experiences certain levels of satisfaction or dissatisfaction, and evaluates the wisdom of the choice made in selecting the alternative. Two potential outcomes are derived from this phase – satisfaction or dissonance. When consumer experiences dissonance towards the purchase, the choice is 'devaluated' and the consumer begins the process of searching, obtaining information and evaluating their options for future buying decision, in which triggers new behaviour. (Sternthal and Craig 1982).

### III. Research Question:

Today Social media advertisements have got an increasing growth rate. It provides a global platform for the marketers throughout the world. The marketers should know how consumer attend, process and select the information before a purchase. They must know about the changes social media has brought to consumers in different stages of their decision making. On this background the present study "Consumer Decision-making process in Social Media platform" has been undertaken.

IV. Objectives of the Study:

In this regard, the following objectives are finalized:

1. Social media have significant influence on first stage of decision making process - Problem recognition.
2. Social media have significant influence on second stage of decision making process – Information search.
3. Social media have significant influence on third stage of decision making process – Evaluation of alternatives.
4. Social media have significant influence on fourth stage of decision making process – Purchase decision
5. Social media have significant influence on fifth stage of decision making process – Post purchase behaviour.

V. Methodology:

For Consumer decision making process in social media platform, the consumer on the Facebook advertisement were taken into account. Because Facebook is the popular social media in Coimbatore, in which majority of the consumers are actively participating. To collect the data on social media advertising a suitable questionnaire was constructed and tested before administering. For the study, the data was collected from 800 respondents who have experience in social media-Facebook. The consumers were chosen from Coimbatore city. The Mean and Standard deviation were tested to find the influence of consumer decision making process in social media platform.

VI. RESULTS OF THE STUDY

The results of the analysis were given below

Problem Recognition

In the problem recognition stage, the consumer recognizes that the good, service, organization, person, place or idea under consideration may solve a problem of short age of unfulfilled desire. It is the initial step in the purchase decision, perceives a difference between a person's ideal and actual situations big enough to trigger a decision.

It is tested in the social media environment and the results are given below

Null Hypothesis

H0 : Social media does not have significant positive influence on the first stage of consumer decision making process – Problem recognition.

Table – 1.1  
Problem Recognition-Descriptive Statistics

Problem recognition Constructs	N	Minimum	Maximum	Mean	Std. Deviation
	Statistic	Statistic	Statistic	Statistic	
1. Social media triggers me to purchase a product or service	800	1	5	3.64	.913
2. I get drawn into a world of my own space when browsing products on social media platforms	800	1	5	3.71	.875
3. Through Social media I learn about the product that are used by people like me	800	1	5	3.74	.831
4. Social media community introduces me the new avenues and ways of life by offering information about the new products that suits my needs	800	1	5	3.75	.819
5. Social media community let me know about the new uses of existing products	800	1	5	3.74	.860
6. It introduces the importance of new upcoming in the modern day life style	800	1	5	3.81	.808

7. Through social media community I could understand the convenience of using certain products that I don't know before	800	1	5	3.81	.805
Valid N (likewise)	800			3.74	

The above Table-1.1 reveals that social media positively influences the first stage of consumer decision making process – Problem recognition. Therefore the null hypothesis is rejected. It is evidenced from the overall mean score 3.74. Since all the seven statements is more than 3, it can be concluded that the decision making process is positively influenced by social media.

Information search

The second stage in purchase decision process is search for information. In this stage consumer tries to gather much information as he can. It is tested in the social media environment and the results are given below:

Null Hypothesis

H0 : Social media does not have significant positive influence on the second stage of consumer decision making process – Information search

Table -1.2  
Information search - Descriptive Statistics

Information search Constructs	N	Minimum	Maximum	Mean	Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic
1. Information searching is easier for me through social media	800	1	5	3.96	.828
2. I do search for related information on social media before a purchase	800	1	5	3.77	.934
3. Social media influences me to try new brands/ products by providing information	800	1	5	3.74	.928
4. Social media provides me more effective platforms to new products/ services to draw attention	800	1	5	3.72	.924
5. Through social media, I feel that, I have a good understanding on the product features which I am browsing	800	1	5	3.67	.886
6. Social media provides me with quick access to large volume of information about product/services	800	1	5	3.70	.864
7. In social media information is less biased and I do follow for my decisions	800	1	5	3.62	.880
8. Social media provides me more information about product details and availability	800	1	5	3.74	.880
9. Social media provides truthful information which I consider in my purchase decision	800	1	5	3.39	1.090
10. In social media information is more accurate and dependable and used to seek such information for making my final decision on purchase	800	1	5	3.51	1.007
Valid N (list wise)	800			3.68	

The above Table-1.2, clearly states that social media positively influences the second stage of consumer decision making process – Information search. Hence the Null hypothesis is rejected. It is also evidenced from the overall mean score 3.68. Since all the ten statements is more than 3, it can be concluded that social media have positive influence on the information search of decision making process.

### Evaluation of Alternatives

The third stage in the purchase decision process is evaluation of alternatives. From the information gathered in the previous stage all the available alternatives are compared as per some criterion. The criterion on the basis of which comparison is made depends upon the motive or goal that the customer wants to satisfy. Therefore the consumer must carefully engage in an evaluation of alternatives before make a decision. In this stage consumer learn about various alternatives, their features, strength and weakness

It is tested in the social media environment and the results are given below.

### Null Hypothesis

**H<sub>0</sub>** : Social media does not have significant positive influence on the third stage of consumer decision making process – Evaluation of alternatives

**Table – 1.3**

### Evaluation of alternatives - Descriptive Statistics

Evaluation of alternatives constructs	N	Minimum	Maximum	Mean	Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic
1. Social media advertisements have a higher credibility and helps me in choosing products	800	1	5	3.61	.927
2. I rely on information available on social media if I have uncertainties regarding a purchase	800	1	5	3.62	.999
3. I change my initial purchase preference after searching relevant information via social media sites	800	1	5	3.63	1.230
4. Social media communities helps me in choosing the product when I have a number of alternatives to choose from	800	1	5	3.68	.959
5. Social media helps me in assemble the information about products and brands	800	1	5	3.74	.909
6. Social media assists me in reviewing information and to reach conclusion	800	1	5	3.68	.845
Valid N (list wise)	800			3.65	

The above Table–1.3, clearly states that social media positively influences the third stage of consumer decision making process – Evaluation of alternatives. Hence the null hypothesis is rejected. It is also evidenced from the overall mean score 3.65. Since all the six statements is more than 3, it can be concluded that social media have positive influence on the evaluation of alternatives of decision making process.

### Purchase Decision

The fourth stage in the decision process is purchase decision. Once the available alternatives are evaluated by the consumers they formulate beliefs regarding the alternative which have an impact on the attitude, intention and ultimately the choice that the consumer make among the various alternatives.

It is tested in the social media environment and the results are given below.

### Null Hypothesis

**H<sub>0</sub>** : Social media does not have significant positive influence on the fourth stage of consumer decision making process – Purchase decision

**Table -1.4**

### Purchase Decision -Descriptives

Purchase decision constructs	N	Minimum	Maximum	Mean	Std.Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic
1. Social media helps me in deciding my choice	800	1	5	3.74	.915
2. Social media supports to identify the best product	800	1	5	3.73	.875
3. The products that I purchased through social media is appreciated by my friends	800	1	5	3.69	.884
4. I don't think that I purchase in social media accidentally	800	1	5	3.65	.968
5. I don't think that I purchase in social media impulsively	800	1	5	3.57	.936
6. I Feel purchase through social media is rational	800	1	5	3.59	.869
7. I feel comfort in social media to decide my choice	800	1	5	3.69	.913
8. I don't feel disturbed while deciding on my purchase when I am in social media	800	1	5	3.59	.961
9. I decide my purchase most of the times through social media than other ways	800	1	5	3.48	1.041
10. I can get more genuine comments on for my decision in social media which helps me to pursue.	800	1	5	3.68	1.017
11. I feel that social media appears to be more honest and helps me in deciding my purchase	800	1	5	3.55	1.036
12. I feel that social media is time efficient to decide on the purchase of the products	800	1	5	3.60	1.002
Valid N (list wise)	800			3.63	

The above Table-1.4 clearly states that social media positively influences the fourth stage of consumer decision making process – Purchase decision. Hence the null hypothesis is rejected. It is also evidenced from the overall mean score 3.63. Since all the twelve statements is more than 3, it can be concluded that social media have positive influence on the purchase of decision making process.

### Post purchase behaviour

The last stage in purchase decision is Post purchase behaviour. After the chosen alternative is consumed by the consumer a post-purchase evaluation takes place where in certain level of satisfaction or dissatisfaction is experienced by them. From this stage two possible outcomes are derived – satisfaction of dissonance. If a consumer experience dissonance towards the selected alternative the alternative is 'devaluated' and the consumer begins the process of searching, obtaining information and evaluating other alternatives for future buying decision.

It is tested in the social media environment and the results are given below.

### Null Hypothesis

**H<sub>0</sub>** : Social media does not have significant positive influence on the fifth stage of consumer Decision making process – Post purchase behaviour

**Table -1.6**  
**Descriptive Statistics**

	N	Mini- mum	Maxi- mum	Mean	Std.Devi- ation
	Sta- tistic	Statis- tic	Statis- tic	Sta- tistic	Statistic
1. I likely to share com- ments to peers or friends through social media after a purchase	800	1	5	3.69	.985
2. I likely to change my attitude towards certain brand or product or service after I had read positive comments about it	800	1	5	3.67	1.029
3. The feedback on social media affects my purchase	800	1	5	3.61	.996
4. I feel encouraged to voice out my opinion after a purchase through social media platform	800	1	5	3.64	.961
5. Through social media I effectively share my experience of a newly purchased product or service with others	800	1	5	3.67	.911
Valid N (list wise)	800			3.63	

The above Table-1.6 clearly states that social media positively influences the fifth stage of consumer decision making process – Post purchase behaviour. Therefore null hypothesis is rejected. It is also evidenced from the overall mean score 3.63. Since all the five statements is more than 3, it can be concluded that the social media have positive influence on the post purchase behaviour of decision-making process.

**Conclusion:**

Consumers are actively using social media platforms as a tool in validating of the purchase decisions. Consumers are highly selective in attending; process and selecting the information before a purchase take place. Social media offered a two-way communication flow. This principle feature of social media has created a new landscape in supporting the socialisation of information and has forced the marketers to give up what they old mindset in dealing with mass media marketing. Marketing through social media focus on building relationships between consumers and companies. The consumers have to go through all the stages before a purchase.

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