

The Impact of Social Networks on Buying Decisions

Adriana Ioana Filip (Croitoru)

“Valahia” University of Targoviste,

Doctoral School of Economics and Humanities / Management, Romania

filipadrianaioana@yahoo.com

Mălina Dârja

“1st of December 1928” University of Alba Iulia, Faculty of Economic Sciences, Romania

malina.darja@uab.ro

Abstract

Marketing communication through social networks has become over time a very important and indispensable phenomenon, the life of society and organizations taking a very large scale, thanks to it. Just like society, organizations are in constant communication with the environment in which they operate. Thus, the success of companies, on social, economic and financial level, is due mostly to the way in which managers initiate and carry out the communication process with the society.

Marketing communication has developed both conceptually and practically. The old concept of marketing communication meant a rational communication (that is, a communication fixed on the product and its characteristics), and the new concept of marketing communication prompts companies to expand their communication with society through more extensive advertising (for example, newspapers, magazines, radio, social networks).

Key words: consumption, consumer, purchasing decision, social networks

J.E.L. classification: M 21

1. Introduction

Consumption encompasses (Popescu, 2004) the entire conduct of an end-user of services, material and non-material goods, for example including the behavior of patients of a doctor or parishioners towards a church. This approach is consistent with the meaning of the marketing concept, being the result of the accumulation of information that refers to a good or service meant to satisfy the consumption requirements.

Consumer income and expenditure may influence the demand for the consumption of goods or services, hence resulting in the expansion or restriction of the market (in a particular area, or for a particular product, for example), diversification of consumption requirements and modification of purchases made. Thus, the solvency of consumer demand and the accessibility of shopping are influenced by the size of market prices.

The consumer is the person to whom a wealth of information about goods and services comes, being free in his choices to be able to meet his needs. Through its choices, it manages to shape the producer of goods or services, due to its budget, needs, tastes, preferences or traditions.

The consumer can be considered any economic topic that meets his needs or a micro group of belonging, for example the family, and the factors that determine people to buy are physical (hunger, thirst, clothing, etc...) and its purchasing power (income, price of products and services).

We, people, are different between us, and the needs, preferences and interactions with those around us can characterize us in a certain category of consumers. Thus there are several behavioral typologies, such as: the sociable consumer, the direct consumer, the brain consumer, the interactive consumer, the silent consumer, the curious consumer

Sociable consumers are lively consumers who like to feel good. Their attention is captured through fun, they are very energetic, enthusiastic and talkative people. They can also be inattentive and very rattling when it comes to shopping, because they mostly choose more expensive things and put a higher price on them.

Interactive consumers: Like brain consumers, they make decisions very slowly, but are always open when it comes to trying new things. They are conformist people, who like to do most of the time what they do everyone, being good listeners, he said, especially when it comes to trying new goods or services.

Silent consumers. They are introverted consumers who like to analyze and observe quietly without asking questions. They are attentive to the actions that those around them do and prefer not to ask for details.

Curious consumers. There are people who like to always try new products and services, not being “loyal” of a particular brand. They like to experience the market a lot, they always get informed and ask a lot of questions before buying anything.

The decision to buy and consume results from the accumulation of information, the perception, attitude, motivation and behavior of the individual.

It is influenced in large part by people's rational behavior, which is defined as a “internal consistency of a” decision and “maximization of own interest”.

2. Theoretical background

The decision to buy and consume results from the accumulation of information, the perception, attitude, motivation and behavior of the individual (Pelau, 2012)

It is influenced in large part by the rational behavior of people, this being defined as a “internal consistency of a decision” and “maximizing your own interest” (Badarau Horea, 2011). Some aspects of the purchase decision have lately been neglected, such as emotion in economic theory.

Thus, because technology evolves a lot and the education of the population is higher and higher are removed limitation in the buying process, because people can no longer just buy products at a lower price, it is bound to more complex purchases of products with higher quality and higher personal satisfaction, but this is a little more difficult because the prices of goods and services are rising quite often and a lot, and the budget of most consumers remains the same or is growing very little.

Another aspect would be the social environment of which the consumer belongs, because there is a tendency to imitate the decision to buy others.

In conclusion, a buying decision can be based on emotions, budget, social environment, habits and preferences. The decision-making process of buying a good or service consists of several components: Appearance of an unmet need, Search for information and identification of alternatives, mental evaluation of alternatives (Blithe, 1998).

The socialization movement on the internet has gained a great magnitude lately, and according to statistics, in the coming years, it is estimated that the Internet consumers will grow more and more. Readers become producers in this new public space called social media. Through this process people's perceptions of reality change (for example, I can say that in social media life one can see only what one wants to see), human relationships being transformed into virtual relationships superimposed on real life. So, as examples to understand this evolution I say that in just 30 years, the radio has 50 million listeners in 13 years, television has 50 million viewers, in less than 9 months Facebook has reached a total of 100 million users, although the internet took about 4 years to reach this number (Cebotaru, 2015)

The Internet replaces television, a case studied in the UK in 2006 by the YouGov Survey. He noted that people spend at least 20 hours online a week, with Britons claiming that because of the internet, they no longer watch television so often. Television is gradually losing users, with television using less than an hour a day. This leads to 27 million people watching more than 3.5 billion videos online. Most of them are viewed on Facebook, with the network growing by 387% from 2007 to 2008.

In order to understand how a social network can influence the consumer buying decision, we first need to understand what it is and how it can help us improve our social life.

Marketing communication through social networks has become over time a very important and indispensable phenomenon, the life of society and organizations taking a very large scale, thanks to it. Just like society, organizations are in constant communication with the environment in which they operate. Thus, the success of companies, on social, economic and financial level, is due mostly to the way in which managers initiate and carry out the communication process with the society.

Marketing communication has developed both conceptually and practically.

Thus, the old concept of marketing communication meant a rational communication (that is, a communication fixed on the product and its characteristics), and the new concept of marketing communication prompts companies to expand their communication with society through more extensive advertising (for example, newspapers, magazines, radio, social networks (Grossek, 2006)).

Even though this communication has advanced so much, the techniques by which it is made have more distant origins (there were early forms of advertising, public relations, sponsorship and patronage, and patronage, since antiquity).

As an example, I can give Ancient Greece. When the ships loaded with products and goods arrived, they were announced by singing people, who were called “*messengers*”. Like the ancient Greeks, the Romans had their own method of advertising and communication.

For example, signs and drawings engraved on stones and tile were found in the ruins of the city of Pompeii, which represented the goods and products sold in those times (sign of hams - showed people that there was a butcher shop, a pair of boots - showed that there was a shoemaker).

So, earlier, even if people had informal relationships, they were strong and tight, with manufacturers not needing to communicate in a sophisticated manner. This was due to the fact that both customers, suppliers and manufacturers were focused on trust and fidelity, the reputation of a good or product being given its quality.

The evolution of advertising was triggered by the invention of Johannes Gutenberg (Popescu, 2004), namely the printing machine, which appeared in 1455 and the first rotary printing press, designed by the American Richard Hoe, appearing in 1846, this represents the refinement of Gutenberg's invention.

This is how about 10,000 newspapers and about 100 magazines were published by the end of the XIX century. A little later, a promotional technique appears, namely offering promotional premiums. As an example, we have B. T. Babbitt, a soap maker who is thinking of selling soap marketed by the piece. To the detriment of it, out of the habit of society, consumers bought all the soap per kilogram. Thus, Babbitt decides to give consumers promotional premiums, namely: every 25th box of soap purchased, it offered a painting.

The most important feature of the new communication concept is the identification and satisfaction of customer needs and requirements, from this we can deduce that the changes that take place over time are quite complex. If earlier we talked about advertising through “*messengers*”, today we are talking about advertising through social networks.

With the advent of the Internet, the online environment helps marketing communication of suppliers and manufacturers with consumers of goods and services.

This form of communication, through the internet, is made up of transmitters and receivers, the exchange of information being made from both sides resulting in high interaction and feedback. Online advertising through social networks is economically, financially and socially useful, as information on services and products can be updated daily, weekly or depending on how an organization decides it is necessary to meet customer needs and requirements (Popescu, 2002).

An important feature of online communication 'in addition to the possibility of constant updating, it's the fact that people can send feedback. They can be negative and positive, so they can help organizations produce and market according to requirements, tastes and pleasures (Russel and Lane, 2003).

The Internet is known as the main tool used in marketing activities on social media, claiming: “marketing communication is intended to support the marketing plan by sending the marketing promise, while helping the target audience to trust the specific advantage of the ” advertiser and according to the American teacher, by the name of Terrence A. Shimp “marketing communication represents all the elements included in the marketing mix of a brand, having the role of facilitating transactions by sharing ideas with consumers of the brand or customers ”.

Analyzing the above definitions, I can say that the online environment has a great potential to make the brands, products, services, objectives and goals of a known organization, because there is a very advanced technology.

Marketing communication through social networks is done through: videos, photos, websites, e-mails, podcasts, virtual flyers, virtual brochures, presentations, blogs, etc.

3. Research methodology

Based on the arguments, we conducted a questionnaire that highlights the impact of social networks on the purchasing decision.

Objectives of the study, how consumers proceed to the selection of a supplier of such services/beauty salon; identification of the components of the marketing mix and to what extent they influence the purchasing decision (price, product, product, product, promotion); identification of decision-makers; determination of the percentage of users who use social networks for the purpose of buying beauty services; identifying the level of trust that consumers have only by viewing the profiles on the social media of the provider or salon

We conducted a questionnaire that contains questions that are intended for observation, this being the most important element of a research, it is a very used method to be able to directly and efficiently collect all the information I need.

Method of spreading the questionnaire for finding out the necessary information:

This questionnaire was conducted online, being distributed on social media platforms. These are: Facebook, WhatsApp and Instagram.

Target individuals are people with active social media accounts over the age of 14 who are part of different communities, cities, counties or online groups.

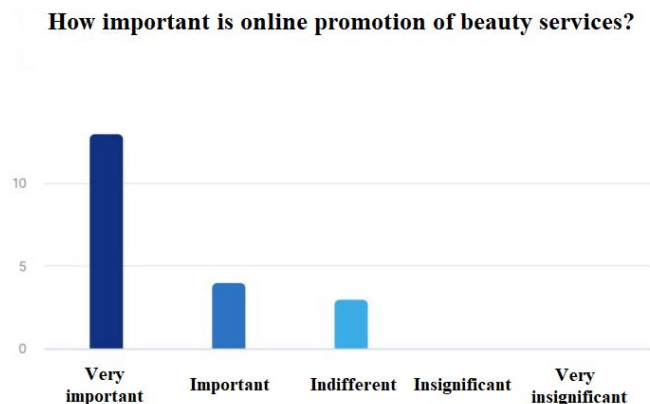
Analysis of the data obtained after the study. This study was conducted by 85 people active on social networks, both male and female, over the age of 14. By receiving the answers of these people, I try to test the validity of the initial premise, namely the impact of social networks on the purchasing decision.

The result was that social networks play a very important role on the purchasing decision and influence the consumer a lot, helping him to make the most correct decision for him.

4. Findings

The responses received and gained from the case study help to observe a change in the behavior of online consumers, the decision to buy and the factors that influence the purchasing decision. Promoting on social networks makes visible a connection with consumers, helping them to make the best purchase decision as everyone thinks is best for him, he said, following the documentation and research done by them (see Figure no. 1).

Figure no. 1 Survey regarding the importance of online promotion of beauty services

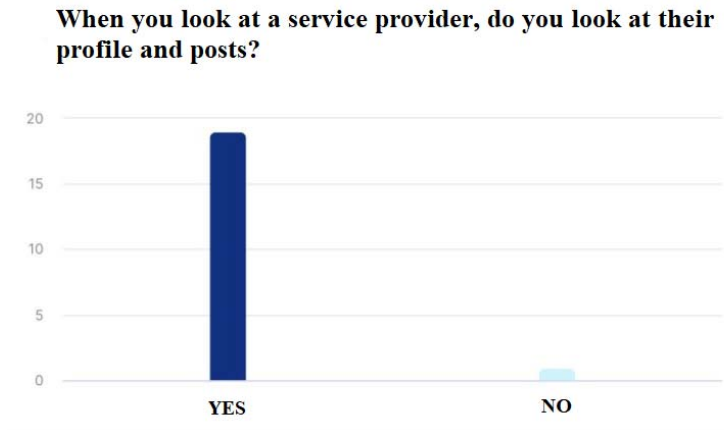


Source: results of own research

It is seen from the responses of the people who completed the opinion poll, online promotion matters a lot.

Following this question, it seems the profile and posts of salons and service providers have an important role, and almost all respondents to my questions look at them before choosing to buy a service (see Figure no. 2).

Figure no. 2 Survey regarding the importance of checking the service provider’s profile and posts

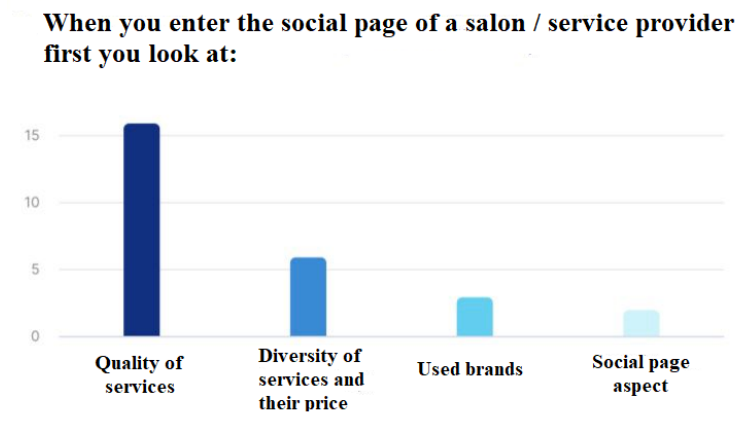


Source: results of own research

It seems that the quality of the services performed by the salons is the most important component when it comes to making a purchase decision. To some extent it also matters that there is a more diverse range of services, in accordance with their price.

In the last places are the brands used by the providers and the appearance of the page, which seems not to be as important as the quality (see Figure no. 3).

Figure no. 3 Survey regarding the importance of visualizing the salon or service provider social page



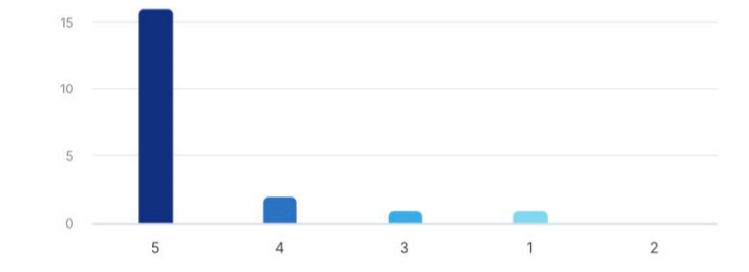
Source: results of own research.

Source: results of own research

On a scale of 1 to 5, most respondents believe that online promotion largely has a huge impact. The rest of the respondents believe that this promotion does not have a great importance on their purchasing decision (see Figure no. 4).

Figure no. 4 Survey regarding the measure in which the online promotion is important

On a scale of 1 to 5, where 1 represents a very small measure, and 5 a very large measure, in which measure the online promotion is important?



Source: results of own research

5. Conclusions

The paper highlights and shows the role and impact of the online environment on consumers of goods and services.

Thus, I can say that in the last decade technology has advanced more and more, so there are more and more users who prefer to buy using social networks, using the internet. This is an easy way to do your shopping and make a purchase decision as suitable for you as possible, because you find a wealth of information and feedback about a good or service you want to purchase. The networks have quite a big impact and can be considered “mentors” that help make this purchasing decision in accordance with the posts that appear on Facebook, Instagram, WhatsApp, WhatsApp, or others.

The more important networks are to people, the more they can say that consumers also have an impact on them, because online accounts and profiles to be as visible as possible and to reach the highest levels are needed these “internet” consumers.

Each individual profile tries to attract as many online buyers as possible through captivating posts, successful photos, and videos and with a growing impact, consumers have a lot of confidence in what appears or is being discussed on internet platforms.

That is why it is even easier for us to decide if we want to purchase a certain good or service, just by looking at the profiles on social media, they can encourage us about what to do. I think a very well-arranged, structured profile, with positive feedback and as many guides people to try what is promoted and whether the thing promoted is quality or not, it matters a lot what you see online.

6. References

- Badarau Horea, M., 2011. *Social media communication techniques*. Iasi: Polirom Publishing House.
- Blithe J., 1998. *Consumer behavior*. Bucharest: Teora Publishing House.
- Cebotaru, E., 2015. *The role of social networks globally*. [online] Available at: https://ibn.idsi.md/sites/default/files/imag_file/Rolul%20retelelor%20de%20socializare%20la%20nivel%20global.pdf
- Grosseck, G., 2006. *Marketing and communication on the Internet*. Iasi: Lumen Publishing House.
- Pelau, C., 2012. Aspects related to the analysis of the rationality of the purchasing decision of the Romanian consumer. *Theoretical and Applied Economics*, Volume XIX, No. 12(577), pp. 99-110. [online] Available at: https://store.ectap.ro/articole/809_ro.pdf
- Popescu, I., 2004. *Online Marketing Magazine*.
- Popescu I.C., 2006. *Communication in marketing*. Bucharest: Uranus Publishing House.
- Russel, J.T., Lane W., R., 2003. *Advertising manual*. Bucharest: Teora Publishing House.