MAJOR RESEARCH PROJECT ON "Impact of Social Media On Consumer

Buying Behavior"

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Declaration

I, Piyush Anand, MBA (2023–2025) Student, Delhi School of Management, Delhi Technological University, do hereby certify that the Major Research Project titled **"Impact of Social Media On Consumer Buying Behavior**" is an original work submitted by me as partial fulfilment of the Master of Business Administration degree requirements. This project work has been accomplished by me, and the research findings included herein are based upon my own effort and analysis. To the best of my belief and knowledge, this work is not submitted for any other university or institution to any degree, diploma, or certificate.

Signature (Student name) Roll No: Date: Place:

Certificate

Mr. Piyush Anand, Roll No. 23/DMBA/089 has submitted the Major research project "Impact of Social Media On Consumer Buying Behavior" in partial fulfilment of the requirements for the award of the degree of Master of Business Administration (MBA) from the Delhi School of Management, Delhi Technological University, New Delhi during the academic year 2024-25.

(Prof. Deepshree)

(Dr. Saurabh Agrawal) Head (DSM)

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Thanking You, Piyush Anand 2K23/DMBA/89

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EXECUTIVE SUMMARY

This study explores the growing impact of social media on consumer purchasing decisions. In today's digital landscape, platforms such as Instagram, YouTube, and Facebook are not just tools for communication but have emerged as powerful instruments for influencing buyer behavior. Businesses increasingly rely on these platforms for marketing, brand visibility, and direct engagement with their audience.

By understanding how consumers react to content, advertisements, and peer recommendations on social media, companies can tailor their strategies to meet evolving consumer expectations. This research delves into the psychological, social, and behavioral aspects that shape purchasing choices in the digital space, offering insights that can help businesses align with current trends and customer preferences.

CHAPTER 1 INTRODUCTION



1.1 Introduction

The advent of the internet has revolutionized communication, commerce, and social interaction. With the emergence of social networking platforms, the way individuals connect, share information, and make decisions has undergone a fundamental shift. Among the most significant transformations is how consumers now interact with brands and make purchasing decisions.

Social media platforms have become central to our daily lives, particularly among younger demographics. These platforms offer more than just entertainment—they are now key sources of product discovery, peer reviews, and promotional content. As a result, they heavily influence consumer perceptions and preferences. The modern consumer journey—right from identifying a need to post-purchase behavior—is increasingly shaped by digital interactions.

Digital marketing through social media provides businesses with tools to engage consumers directly. Personalization, influencer partnerships, and targeted campaigns have made social media

a strategic asset in shaping buyer behavior. Unlike traditional media, social platforms enable twoway communication, allowing consumers to voice opinions and influence others through their online presence.

In this context, understanding consumer behavior is vital. It involves analyzing psychological triggers, emotional responses, and socio-cultural influences. Consumer choices are rarely made on logic alone—factors like peer influence, convenience, brand storytelling, and perceived value significantly impact buying decisions. The role of emotion, ease of access, trust in influencers, and exposure to brand content on social media is now more prominent than ever.

Additionally, the pandemic accelerated digital consumption. People turned to online platforms for both interaction and shopping, making social media a dominant channel for marketing and engagement. From promotional campaigns to online reviews, various elements now contribute to shaping brand perception and influencing consumer decisions.

This research investigates how these platforms affect different stages of consumer decisionmaking. It also highlights how businesses can leverage this knowledge to adapt their marketing efforts in a digitally driven marketplace.

1.2 Problem Statement

In today's hyperconnected world, most individuals begin their day by scrolling through social media platforms, encountering promotional content, product ads, and peer recommendations. These platforms are not just communication tools—they have become virtual marketplaces influencing consumer choices.

This research aims to analyze how consumer behavior is being reshaped by social media and to identify the key factors that encourage online purchases through these platforms.

1.3 Objectives of the Study

The study is designed to explore:

- How social media affects the purchasing behavior of consumers.
- Which platforms have the greatest influence on purchase decisions.
- The role of social media marketing in increasing brand awareness and engagement.
- How user-generated content, reviews, and influencer endorsements impact trust and buying intent.
- The shift in consumer behavior post-pandemic due to increased digital usage.

1.4 Scope of the Study

This study focuses on understanding the impact of social media throughout the consumer buying journey—from need recognition to post-purchase behavior. Given the wide usage of social platforms in India, the research captures insights from a diverse audience to understand trends in digital engagement, motivations behind purchases, and shifts in behavior due to technology.

The findings of this research aim to help marketers and businesses refine their digital strategies by offering a clearer picture of how social media channels influence consumer decisions.

CHAPTER 2 LITERATURE REVIEW

In the digital era, social media has emerged as a transformative force in marketing, communication, and consumer engagement. Its influence extends across various aspects of consumer decision-making, including product awareness, evaluation, and purchase behavior. Researchers and marketers have increasingly focused on how social platforms shape consumer perceptions, build trust, and drive sales.

Several studies have highlighted that social media is now a preferred source of product information due to its interactive nature and the presence of user-generated content. Unlike traditional media, where messages are one-directional, social media facilitates dialogue between brands and consumers. Platforms like Facebook, Instagram, and YouTube enable users to share reviews, opinions, and feedback, which significantly affect how others perceive brands and products (Heinonen, 2011).

One key insight from research is the value of earned media over paid media. When users voluntarily share brand-related content, it enhances credibility and often carries more weight than brand-sponsored advertisements (Krishnamurthy & Dou, 2008). Consumers tend to trust content generated by peers or influencers more than corporate messaging, making social proof a vital element in marketing strategies.

Social media marketing is also seen as a cost-effective method for businesses, particularly small and medium enterprises. It allows brands to build online communities, engage followers, and increase visibility without the high costs associated with traditional advertising (Greer & Ferguson, 2001). As traffic to a company's online presence grows, so does its potential for higher rankings in search engines and increased customer outreach.

The behavior of consumers is closely tied to their motivation for using social media. Some engage for informational purposes, others for entertainment, and many for social interaction. These motivations influence how users respond to marketing messages. For example, emotional connections fostered through social media interactions can enhance brand loyalty and encourage repeat purchases (Jackson, 2009).

Social networks play a significant role in shaping consumer preferences and decisions. According to Yang (2012), when users see their friends recommend or endorse a product on social media, they are more likely to consider or purchase it themselves. This peer influence contributes to stronger brand impressions and positive consumer attitudes.

In terms of decision-making, consumers go through several stages—from need recognition to postpurchase evaluation. Social media influences each of these stages. Reviews, influencer endorsements, and promotional content help consumers gather information, compare alternatives, and finalize their decisions. In some cases, users even rely on social media for post-purchase feedback and brand engagement, which further contributes to customer retention.

The dynamic nature of online reviews and discussions also affects how consumers evaluate products. Dellarocas (2002) emphasized the increasing importance of online reviews as a decision-making tool. Consumers now rely more on peer feedback and less on advertisements or expert opinions. This change has empowered users and compelled brands to be more transparent and responsive.

Furthermore, research by Luo, Zhang, and Duan (2012) demonstrated a positive link between social media metrics—such as engagement and customer feedback—and a company's equity value. Compared to traditional online metrics, social media indicators were found to be more immediate and predictive of business performance.

Another study by Bianchi and Andrews (2018) explored how customer interaction with retail brands on Facebook influenced their purchase intentions. It was found that factors like authenticity, peer communication, and platform compatibility played a role in shaping customer attitudes and led to greater brand engagement.

Similarly, McClure and Seock (2020) emphasized the significance of content quality in driving social media engagement. The study revealed that well-crafted content on social platforms could increase interest and improve brand-consumer relationships.

A comprehensive analysis by Shah and Zahoor (2019) concluded that social media significantly contributes to consumer buying behavior, especially when mediated through strong customer

relationships. Their study confirmed that a majority of users rely on social media to inform their purchase decisions, often influenced by promotions, reviews, and influencer marketing.

In conclusion, the literature strongly supports the view that social media plays a pivotal role in modern consumer behavior. It serves as a platform for information, emotional connection, community building, and brand loyalty. As technology continues to evolve, so will the patterns of consumer interaction, making it imperative for marketers to stay adaptive and responsive.

CHAPTER 3 RESEARCH METHODOLOGY

Research methodology provides the framework for systematically collecting, analyzing, and interpreting data to address the research questions. In this study, the methodology outlines the approach used to assess the influence of social media on consumer buying behavior, combining both qualitative and quantitative strategies to derive meaningful insights.

3.1 Research Design

The research design serves as a blueprint for conducting the study. This project employs a **mixed-method approach**, combining both qualitative and quantitative methods to ensure a more comprehensive understanding of the topic.

3.1.1 Triangulation Approach

To enhance the validity and depth of the study, the **triangulation method** was adopted. This approach involves integrating multiple perspectives and sources to interpret findings more accurately. Based on Denzin's (1978) classification, four types of triangulation were considered:

- **Data Triangulation**: Gathering data from various demographic groups to capture diverse perspectives.
- Investigator Triangulation: Consulting secondary sources and expert opinions to reduce researcher bias.
- Theory Triangulation: Applying multiple theoretical lenses to interpret consumer behavior.
- Methodological Triangulation: Using surveys, literature review, and observational insights to assess the same phenomenon from different angles.

Triangulation adds credibility to research findings and helps in corroborating evidence from various sources.

3.1.2 Qualitative Research

Qualitative research was utilized to explore non-quantifiable aspects such as attitudes, preferences, and perceptions. This method provided insights into how consumers feel about brand messages on social media, the role of influencers, and emotional drivers behind purchase decisions. Interaction with respondents and thematic analysis of secondary content formed the basis of this component.

The qualitative method was particularly useful for understanding the behavioral and psychological dimensions of consumer engagement that are not captured through numbers alone.

3.1.3 Quantitative Research

Quantitative analysis was employed to validate hypotheses through measurable data. Structured questions were developed to gather responses on consumer behavior, social media usage patterns, and purchasing frequency.

This phase enabled statistical interpretation and generalization of findings to a broader population sample. The data was analyzed to identify trends, correlations, and the degree of influence social media has on buying decisions.

3.2 Data Collection Method

Both primary and secondary data sources were used:

Primary Data: Collected using a structured online questionnaire (Google Forms). The survey targeted individuals across different age groups to capture varied responses regarding social media use and its effect on their purchases.

Secondary Data: Derived from scholarly articles, journals, digital marketing reports, and previous research studies to provide theoretical grounding and context.

The primary research employed an **exploratory approach**, ideal for areas where the phenomenon is evolving and not thoroughly defined.

3.3 Sampling Design

A **simple random sampling** technique was used for data collection. The survey was shared online with a broad audience, aiming to capture general consumer behavior across different age brackets.

Sample Size: 100 respondents

Sampling Unit: General public (users of social media)

Geographic Focus: Urban India

The selected sample was expected to represent the digital consumer segment that actively interacts with brands on social media.

3.4 Questionnaire Design

The questionnaire was designed with **multiple-choice questions (MCQs)** to ensure clarity and ease of response. The questions focused on:

- Frequency and purpose of social media usage
- Platform preference

- Engagement with brand content
- Influence of reviews, ads, and influencer recommendations
- Impact on actual purchase decisions
- The simplicity and structure of the questionnaire allowed for efficient data collection and analysis.

CHAPTER 4 DATA ANALYSIS & FINDINGS

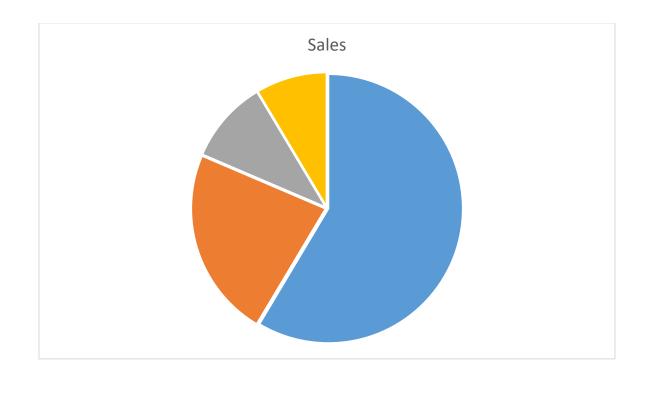
DATA ANALYSIS

This chapter presents an analysis of the data collected through the survey, focusing on respondents' social media usage habits and their impact on purchasing behavior. A total of 100 responses were received from individuals across various age groups.

	No. of Responses
15-25	42
26-35	19
36-45	18
46-55	15
56 and above	6
Total	100

Title: Age Distribution

Sources : Own Analysis



Interpretation :-

The majority of responses came from the 15–25 age group, highlighting that younger individuals are the most active social media users. The number of respondents gradually declined with increasing age, indicating that digital engagement is highest among younger demographics.

Which social media	No. of Responses
Facebook	35
Instagram	32
WhatsApp	47
YouTube	53
Total	100

Title : Which s	social Media
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Sources : Own Analysis

Interpretation :-

YouTube and WhatsApp emerged as the most frequently used platforms, with a significant number of users also active on Facebook and Instagram. This suggests that many users engage across multiple platforms, reflecting a multi-channel digital lifestyle.

Findings

- 1. Youth Dominance: Respondents aged 15–25 constituted the largest share of the sample, emphasizing that social media consumption is highest among this group.
- 2. **Daily Usage Trends**: Approximately one-third of participants reported spending 0–2 hours daily on social platforms, confirming the growing importance of these channels in everyday life.
- Extended Usage Post-Pandemic: Around 13% of respondents spend more than six hours a day on social media—an increase likely driven by behavioral shifts during and after the COVID-19 pandemic.
- 4. **Brand Engagement**: Over half of the participants (52%) follow brands or companies on social media, largely to stay updated with news, offers, or product launches.
- Social Proof Influence: Around 36% of respondents agreed that social media functions as a form of electronic word-of-mouth, impacting purchase decisions through peer recommendations and reviews.
- 6. Attractive Offers as Motivation: Discounts and exclusive promotions were cited as major factors motivating purchases on social platforms.
- 7. **Brand Perception**: Roughly 37% of respondents stated that a brand's presence and content on social media influenced their opinion of the company.
- Purchase Decisions: More than half of the participants (54%) acknowledged that social media played a role in their final buying decision—especially through product reviews and user feedback.
- Marketing Importance: About 46% of those surveyed believed that social media significantly enhances brand visibility, helping businesses generate leads and increase sales.
- 10. Role of Influencers and Celebrities: The majority agreed that influencer partnerships and celebrity endorsements positively impact brand reach and consumer interest.
- 11. **Frequency of Online Purchases**: A notable portion of respondents indicated that they make online purchases at least once a month.

Suggestions

• Enhance Visual Appeal: Brands should invest in eye-catching, informative, and relatable content to improve consumer attention.

• Share Authentic Information: Content must be accurate and transparent to build long-term trust.

• Offer Incentives: Social media-exclusive deals and discounts can drive higher engagement and sales.

• Encourage Customer Interaction: Active brand-customer conversations through polls, Q&As, or feedback loops improve loyalty and retention.

Limitations

• Limited Sample Size: The survey was conducted with only 100 respondents, which may limit generalizability.

• **Geographical Constraints**: Responses were primarily gathered from a specific region, which might not reflect national or international patterns.

• Cultural Differences: Buying behavior influenced by culture and local preferences was not deeply explored in this study.

• **Potential Bias in Responses**: As the data was collected via Google Forms, some responses may lack accuracy or sincerity.

• **Time Constraint**: The research was carried out over a limited period, restricting the ability to capture evolving consumer trends over time.

• Narrowed Objectives: Due to scope limitations, the research focused on selected aspects of social media's impact on consumer behavior.

CHAPTER 5 CONCLUSION

This study highlights the substantial role that social media plays in shaping consumer behavior in the modern digital economy. From product discovery to final purchase, consumers are increasingly influenced by the content they engage with on platforms like Instagram, YouTube, Facebook, and WhatsApp. The findings confirm that social media acts as a powerful medium for brand communication, consumer education, and promotional influence.

Younger demographics, especially those aged 15–25, are particularly responsive to digital marketing efforts. They rely on reviews, influencer recommendations, and peer opinions when making buying decisions. Visual content, offers, and brand engagement play a significant role in converting interest into action. Social media has effectively become a digital form of word-of-mouth, where trust is built not only through brand messaging but also through community interactions and user-generated content.

The study also underscores how consumer expectations have shifted post-pandemic, with more time spent online and a growing reliance on digital platforms for shopping. Businesses that successfully adapt to these patterns—by building credible, engaging, and interactive social media strategies—stand to gain greater visibility, stronger customer relationships, and higher conversions.

In essence, social media is no longer just a support tool in marketing; it is central to understanding and influencing consumer behavior. For companies, this means continuous innovation and responsiveness are required to remain relevant in the rapidly evolving digital landscape.

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