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Analyzing the Impact of Social Media: A Study on Online Shoppers of Apparel Companies in Bangladesh

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Abstract- As most of the organizations are becoming online-centric, they have to offer and sell products through different online platforms. Social media platforms serve as the most useful media for offering products to customers. So, this is necessary for them to know customers' purchasing behaviors toward different social media platforms. The purpose of the study is to enlighten how Social Media affects different stages of customers' purchasing decision making this is influential than mass media. The study is quantitative. Convenient sampling method has been adapted to collect primary data, and statistical analysis has been used for data analysis. For comparing test samples, multiple regression analysis has been conducted. Five social media platforms are considered to know their impact on decision-making stages. The study found that the impact of social media differs at various stages of customers' purchasing decision making process. More impact was observed on information searching decision, followed by evaluation of alternatives stage, purchasing stage, the post- purchasing stage and finally on need recognition stage. Influence of social networking site – Facebook was evidenced statistically significant. The impact of other social media platforms on customers' decision-making stages was statistically insignificant. Social media is found to be more influential than mass media in terms of different factors.

Keywords: *social media, online shopping, customers' decision making, bangladesh.*

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Analyzing the Impact of Social Media: A Study on Online Shoppers of Apparel Companies in Bangladesh

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Abstract- As most of the organizations are becoming online-centric, they have to offer and sell products through different online platforms. Social media platforms serve as the most useful media for offering products to customers. So, this is necessary for them to know customers' purchasing behaviors toward different social media platforms. The purpose of the study is to enlighten how Social Media affects different stages of customers' purchasing decision making this is influential than mass media. The study is quantitative. Convenient sampling method has been adapted to collect primary data, and statistical analysis has been used for data analysis. For comparing test samples, multiple regression analysis has been conducted. Five social media platforms are considered to know their impact on decision-making stages. The study found that the impact of social media differs at various stages of customers' purchasing decision making process. More impact was observed on information searching decision, followed by evaluation of alternatives stage, purchasing stage, the post- purchasing stage and finally on need recognition stage. Influence of social networking site – Facebook was evidenced statistically significant. The impact of other social media platforms on customers' decision-making stages was statistically insignificant. Social media is found to be more influential than mass media in terms of different factors.

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I. Introduction

In the marketing environment, social media is a new thing. The emergence of social media is radically changing the marketing landscape. Now, the time of one way communication where the messages were pushed out without any feedback is over (Parker, 2011). Through enabling the two–way communication, social media has created a good relationship between the customers and organizations (Hoyer and MacInnis, 2010). Purchasing through social media offer more benefits to the customers to have immediate required information, knowing the brand reputation and the marketers also can build a good connection with their customers. Use of social media can spread the word-of- mouth among the social media users. Social media enables the online shopping through influencing the customers to buy the products observing the reviews, comments, and experiences shared by other customers. Many organizations are now adopting social media for advertising their products, and the number of involving customers in social media purchasing is on the rise.

Social media influences different decision-making stages of purchasing. Through social media, customers can share ideas and contents and also write the reviews, recommendations about the organization. They also share their good and bad experiences after purchasing products. Customers have to access to the broad range of social media tools and platforms that will enable them to be connected with companies and others. There is a significant impact of social media on how information is spread among the customer groups (Sago, 2010). Although many studies showed that many people don't rely on social media for purchasing; but they get prompted by the reviews and comments of customers who purchased the products and shared their experience.

a) Study Objectives

The broad objective of the study is to evaluate the impact of social media on the customers of apparel products in Bangladesh.

The specific objectives of the study are as follows:

- To explore the impact of different social media in the stages of customers' decision making
- To analyze the factors affecting use of social media than other mass media
- To provide recommendations to improve its effectiveness

b) Research Implications

Theoretical implication: There is an insufficient study found related to impact of social media in Bangladeshi companies. So, the study will make theoretical contribution to the Bangladeshi companies.

Practical implication: This study will help the apparel companies of Bangladesh to sell and deliver the products through social media and to know which social media platform has a significant impact on customers' decision-making process. The study result will provoke them to improve insignificant social media platform so that the customers also can shop through those platforms.

c) Limitations

The study is based on a limited survey where the survey is only conducted on the online shoppers of

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different apparel companies. So, the perceptions of other product shoppers on online have been overlooked here. Otherwise, best efforts are contributed to performing the study.

II. Literature Review

There are different perceptions about social networking sites and social media. Mostly, Social Networking Sites (SNS) includes some fundamental features such as user profiles, content and a technique that enable the users to connect with each other as well as comment on posts (Gross & Acquisti, 2005; Ellison, Steinfield & Lampe, 2007; Lenhart & Madden, 2007; Winder, 2007; Boyd & Ellison, 2007 as cited in Cox 2010).

Social media can be defined as a set of internet applications that is based on technological and ideological web 2.0 foundations and allow the exchange of user-generated content (Kaplan and Haenlein, 2010). It's a broad term that indicates the software techniques enabling the user generated content to be shared (O'Reilly cited by Sinclaire and Vogus, 2011). In another study, social media is termed as the two–way communication channel where the needed facts from the individual sources seems more vivacious than the information from another medium (Solis, 2011).

In an empirical analysis, Shi and Liao (2015) disclosed that online customer review through social media affects perceived effectiveness and acquaintance with group buying. In another study, Bilal, Ahmed and Shahzad (2014) have investigated the impact of social media (YouTube, Blogs and Twitter, etc.) and social networks (Facebook, Google, LinkedIn) on the customers' decision making in the context of garments industry in Pakistan. As the research methodology, they used descriptive statistics and logistic regression. Bilal, Ahmed and Shahzad (2014) found that Facebook, Google, Blog and YouTube has positive impact in customers' decision making and MySpace, LinkedIn, Orkut, Twitter, Friendfeed, Tumblr have negative impact on customers' purchasing decision making

Before it in 2013, Goh*et al.* revealed that the involvement in social media brand communities leads to the favorable increase in buying expenditures. They also examined the impact of UGC (User Generated Content) and MGC (Market Generated Content) that present evidence of social media contents influencing consumers' buying behavior through the entrenched information and persuasion (Goh*et al.*, 2013). Another research in 2013 performed by Al-Dhuhli and Ismael showed that Instagram had made a significant change in the customers' purchasing behavior toward selecting products.

According to Zang*et al.* (2011), organizations should have the brand presence on several social networking sites for increasing the customers. Many researchers have shown that disclose of electronic word of mouth (eWOM) messages can create more interest in the merchandise group than can disclose the information made by marketers. Now-a-days, customers are better informed about the products as social media empower them to attain access to the information (Zhang et al., 2011). Website visits help customers to communicate with other users for accomplishing their purposes. When customers can interact with other, this can affect them through many factors that play a significant role in facilitating customers to have some ideas about the unknown products (Constantinides, 2004).

McKinsey & Company (2010) have revealed that social media has significant impact on customers when they are purchasing a product for the first time as they need to do research. They also disclosed that social media impact on information search in their decision-making process as from the social media platform; they can get information about the products, services and brands (McKinsey & Company, 2010). In another study performed by Jaffe (2010), this is showed that the customers trust more the word of other people word than the corporate. For the evaluation of the alternatives, forums appear as a good place for getting valuable information. Customers can discuss with the current and former customers through this. Then in the post-purchase behavior, social media also is significant. People are now using social for sharing their good or bad experience with the peers (Jaffe, 2010). According to Sago (2010), different social media sites have a significant influence on how the information is shared with consumer groups. The research performed by Sago determines the impact levels positive or negative comments about the product. The survey was conducted with 293 undergraduate university students to examine the impact level by the information source on product buying decisions (Sago, 2010).

Subsequently, one study performed by Chu (2011) examined the relationship between the Facebook group and the viral advertising responses. His study results show that the college-aged group members in Facebook involve with the higher self-disclosure level and sustain positive attitude toward social media. The result also discovered the variations in the predictors of pass-on behaviors between the non-group members and group members.

Before that, Mangold and Faulds (2009) identified that people can communicate with hundreds and thousands of people and can know about the products after the emergence of online-based social media. They argue that the social media is a hybrid component of the promotion mix. Managers shape customers' discussion though many networking platforms, blogs, promotional tools and social media tools (Mangold and Faulds, 2009).

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When customers have interest in products, they tend to go through some steps before undertaking final actions. These include determining available options, examining information of the selected alternatives and then evaluating which option will be most likely provide the best outcome. Social media delivers them this fact as customers receive information from their friends, or relatives but also from the brands regarding product features through pages they liked on Facebook or followed on Twitter (Kim and Ko, 2012). Along with this, a number of studies have delivered findings that the decision maker may seek some ways to simplify the evaluation procedure when the decision becomes multifaceted (Bruner, Good now and Austin 1956; Association for Psychological Science 2008). Customers form the choices among the brands at the time of evaluation as suggested by Kotler and Kotler (2009). Customers are undoubtedly impacted by the required information that exposes the assessments through reviews in blogs and so on. Buying intention and preference may not be entirely served as the reliable purchasing behavior prediction (Kotler and Keller 2009).

Variable Identification

There is an insufficient study about the impact of social media in different stages of customers' decision making separately, and this is also salient that there is no hint about any specific social media or social networking sites that are used most widely. Through the analysis of different studies, five social media and five stages of customers' decision making have been identified. The independent variables are five social media – Facebook, Twitter, Instagram, Online blogs and YouTube and the dependent variables are the five stages of customers' decision making – customers' need recognition, searching information, evaluation of alternatives, purchasing and post-purchasing.

Hence, the factors that influence the shoppers to use social media than the mass media have been identified on the basis of contemporary considerations of customers – effectiveness, credibility and easiness. So, three test variables are – effectiveness, credibility and easiness. The research framework has been presented below:

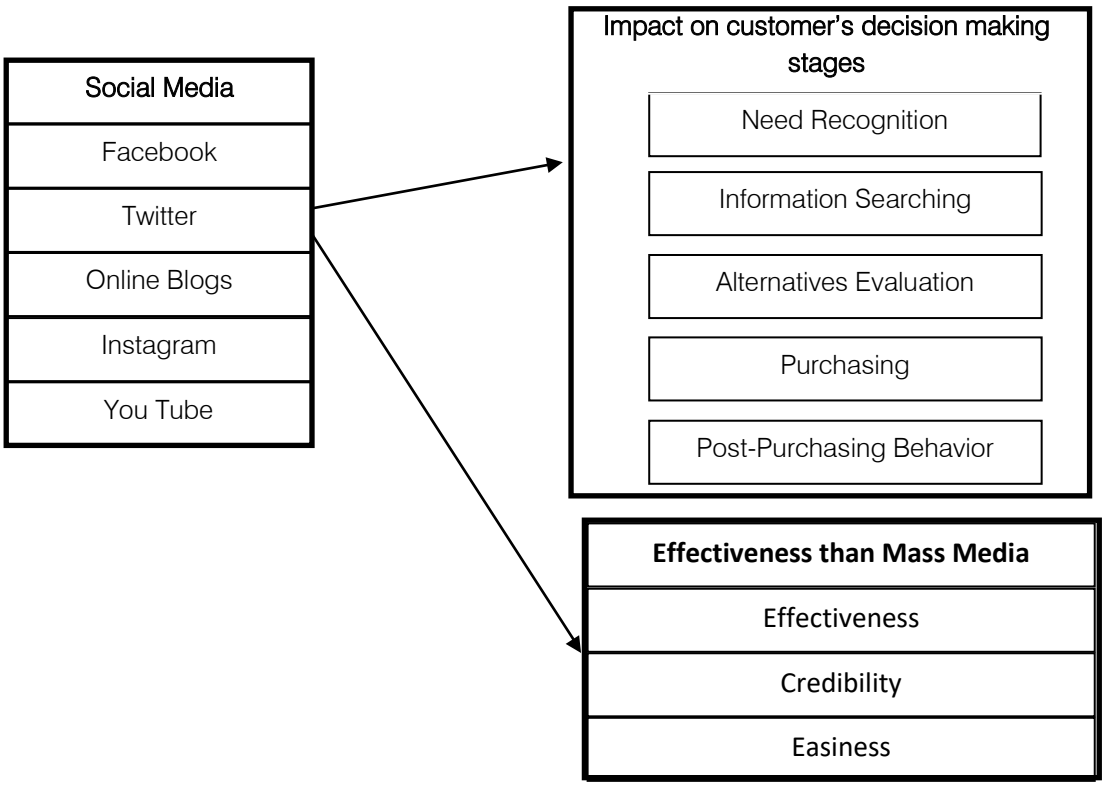

Figure 1: Research Framework

III. Research Methodology

a) Sampling Plan

The target population for this study consisted of the internet users who do online shopping. Convenient random sampling has been adopted to select the respondents. There were 450 survey questionnaires distributed, and 100 of those were returned, representing a 22% response rate. All the questionnaires were analyzed.

b) Data Collection Method

Data for the study was collected with mail survey, group post, instant messaging and direct interaction through a structured questionnaire. No incentives were given to the respondents for the

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completion of questionnaires. One filter question is asked to ensure whether respondents are qualified to be included in the research.

c) Analytical Tool

The objective of this study is to explore the impact of social media on customers' purchasing decision in the apparel industry, Bangladesh. Quantitative design fits to this study. The statistical model that best suits the study is Multiple Regression Model that predicts variable value by two more variable values. Here, multiple independent variables (social media platforms) will be analyzed against one single dependent variable (each stage of customers' decision making). To know the factors affecting use of social media rather than mass media, one sample t-test has been used.

IV. Data Analysis

a) Respondents' Profile

The study is slightly dominated by the female respondents (53.14%), and most of the respondents (70%) are in 21 – 30 age group. Most of them are students, and most of the respondents (around 45%) have income less than 15000 BDT. 55% online shoppers' have monthly expenditures of internet use within 500 BDT, and 65% are married.

b) Impact of different social media in customers' decision-making stages

Dependent	Independent	Beta	t	Sig.	R^2	F	Sig.
Need recognition	Facebook	.397	4.075	.000	.180	3.957	.003
	Twitter	-.032	-.306	.761			
	Online blogs	.039	.385	.701			
	Instagram	.059	.583	.561			
	YouTube	.100	1.012	.314			
Information searching	Facebook	.652	8.165	.000	.448	14.622	.000
	Twitter	.050	.583	.561			
	Online blogs	.069	.829	.409			
	Instagram	.086	1.037	.302			
	YouTube	.088	1.085	.281			
Evaluation of alternatives	Facebook	.411	4.326	.000	.222	5.129	.000
	Twitter	.047	.462	.645			
	Online blogs	.087	.882	.380			
	Instagram	.166	1.686	.095			
	YouTube	.094	.975	.332			
Purchasing	Facebook	.407	4.154	.000	.170	3.689	.004
	twitter	.006	.059	.953			
	Online blogs	-.015	-.146	.884			
	Instagram	.001	.005	.996			
	YouTube	.063	.630	.531			
Post Purchasing Behavior	Facebook	.398	4.075	.000	.174	3.781	.004
	twitter	.123	1.184	.240			
	Online blogs	-.099	-.972	.334			
	Instagram	-.022	-.216	.830			
	YouTube	.123	1.240	.218			

a. Predictors: (Constant), Facebook, Twitter, Online blogs, Instagram, YouTube

As presented in the above table of multiple regression analysis, R square is .180, .448, .222, .170 and .174 respectively that denotes that 18% of variance in the dependent variable (need recognition) explained by independent variable (social media), 44.8% of variance in (information searching) explained by the predictors, while 22.2% in alternative evaluation, 17% in purchasing decision, and 17.4% of the variance in post-purchasing behavior can be expounded by the five predictors (social media).

The P- value in column 5 indicates the significance of variables; is the P-value is smaller than .05, the variable is significant. According to this, the results of multiple regression analysis have been presented as follow:

1. Facebook has significant impact on need recognition
2. Facebook has significant impact on information searching
3. Facebook has significant impact on evaluation of alternatives
4. Facebook has significant impact on purchasing
5. Facebook has significant impact on post-purchasing.

From the results, this is salient that only Facebook social media has an impact on each stage of Customer's decision-making. Facebook has the most significant impact in which stage has been identified in the following table:

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Table 1: Impact of Facebook on customers' decision making stages

Dependent variable	Beta	Sig.	Order
Need Recognition	.397	0.000	5
Information searching	.652	0.000	1
Evaluation of alternatives	.411	0.000	2
Purchasing decision	.407	0.000	3
Post- purchasing	.398	0.000	4

In the above table, this is observed that Facebook as an independent variable has the significant impact mostly on information searching and evaluation of alternatives stages of customer's decision making, followed by purchasing, post- purchasing and finally on need recognition.

c) Use of social media than other mass media

Use of social media than other mass media has been analyzed regarding three variables – effectiveness, credibility, and easiness. The analysis has been performed with one sample t-test that has been presented as below:

One Sample t-test

	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Effectiveness- Social media provide more effective platforms for new products/ services/ brands to draw customers' attention than mass media	15.397	99	.000	1.11236	.9688	1.2559
Credibility- Blog posts, FB pages/ advertisements/ user reviews have higher credibility than mass media.	7.289	99	.000	.76404	.5557	.9723
Easiness- Information searching is easier through social media than mass media	13.067	99	.000	1.02247	.8670	1.1780

The respondents are asked these three Likert-scale questions. There is the significant impact of social media regarding effectiveness, credibility, and easiness than other social media as P-value is smaller than alpha value .05. Shoppers prefer social media than mass media for effectiveness, followed by easiness and credibility.

V. Overall Findings

This is observed that most of the online shoppers (98%) are active on Facebook than other social media platforms. The respondents are asked about their shopping experience in social media, and most of them (70%) stated that have been deceived many times. One of the most common problems many of them face is the inconsistency and higher product price. Their attitude toward social media purchasing has also been analyzed. There are about 36% people who have social media obsession and 45% people who have social media phobia while purchasing.

The multiple regression analysis shows that the social media platform that has a significant impact on each stage of customers' purchasing decision making is Facebook. Facebook is widely used in the apparel shopping in Bangladesh and has the most significant impact on information search stage, followed by other stages. Then one sample t-test shows that people prefer mostly social media shopping than mass media for its effectiveness, followed by its easiness and credibility.

In the research findings, customers play an active role regarding information acquisition for the availability, and accessibility of information through different social media platforms. The implication of the impact of social media in customers' purchasing decision making stage denotes the customers have been able to practice a wide range of tools of comparison, reviews and recommendation available in social media that assist them to make their purchasing decision. The use social media appears to be most influential in the information searching stage as people want to know about the product and reviews of others before purchasing. The influence of social media seems to be lower and of minor importance at the post-purchasing stage and need recognition stage compared to other stages of customers' purchasing decision making. Many people don't feel encouraged to voice out their comments and provide feedbacks to their peers, friends, relatives, and family.

From the findings of this research, this can be observed that online customers in Bangladesh are actively using social media as a tool of validating the purchasing decision; whatever they are not interested to share their word-of-mouth to others.

VI. Recommendation

Some recommendations have been provided that can be executed within the organization of apparel industry.

- Apparel industry should develop more their online presence for promoting their products through social media and social networking sites so that customers get the required information at any time.

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Such presence also will help to draw the attention of the customers who are not following those organizations.

- Organizations also can integrate several channels. Merging the online and offline promotional activities and channels will able the customers of both sides who prefer online purchasing and who don't like to get relevant and required information about the products and companies that eventually lead them to purchase.
- Customers like customization and consider this an important aspect at the time of purchasing. So, what facilities organization will provide their customers when they purchase certain things is to be described in social media platforms. Such description will help them to find out the products and save their labor, time and cost of searching.
- As online customers are to buy products through observing things without touching or experience, organizations should provide them with an assurance that if there are any defects in products, they will remain responsible.
- For encouraging the customers to share their word-of-mouth on social media, the organization is to ensure better shopping experience.

The above recommendations will be beneficial in attracting the online customers and flourishing their online shopping experience.

VII. Conclusion

To sell and deliver products to customers successfully, companies must have to know the customers' purchasing behavior. As nowadays, most of the companies are becoming online-centric, marketing products through social media platforms can play a leading role. Before that, companies need to know which social media has a significant impact on customers' purchasing behavior. So, the goal of this study was to analyze the impact of different social media platform in different stages of customers' purchasing decision-making. Findings of this study indicate one point that there is significant impact of social media (Facebook) on customers' buying decision-making. Other social media platforms don't influence online purchasing like Facebook in the Apparel companies of Bangladesh. But this influence in all stages of decision making process is not same. The most effect is observed at the information searching and purchasing stage. Another finding of this study is that why people prefer social media than the mass media for shopping. These were analyzed regarding effectiveness, easiness, and credibility. As people find social media more useful when they want to search information immediately, opinions of others about the products and evaluate the items with other alternative brands; they find it more effective, easy and credible than different mass media such as TV, newspaper, etc.

In future, further research can be conducted in other industries of Bangladesh. Another study can be conducted to investigate the impact of social media characteristics in customers' purchasing behaviors.

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