Bachelor Thesis

The Effects of Social Media on the Online Consumer Behaviour of University Students

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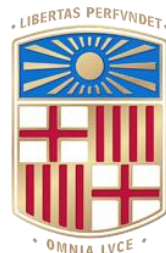
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ABSTRACT

This research paper studies the influence that Social Media platforms and the interactions that take place within them have on the online consumption decisions of University students. In order to analyse these effects, several criteria have been taken into account such as gender, frequency of use of Social Media platforms and usual consumption patterns. Results from the questionnaires that were distributed amongst the students revealed that Instagram and Twitter are the two platforms that, besides being the most used, have the biggest influence on users when it comes to the online consumption decisions of University students. Additionally, it was found that E-WOM has become the main source of information that is used by consumers prior to making a consumption decision online.

Keywords: Social Media, Online Consumption, eWOM, Social Media Marketing, University Students

RESUM

Els Efectes de les Xarxes Socials en el Comportament de Consum en línia dels Estudiants Universitaris

Aquest treball de recerca estudia la influència que les plataformes de xarxes socials i les interaccions que tenen lloc a través d'elles tenen en les decisions de consum en línia dels estudiants universitaris. Per analitzar aquests efectes s'han tingut en compte diversos criteris, com el gènere, la freqüència d'ús de les plataformes de xarxes socials i les pautes de consum habituals. Els resultats dels qüestionaris que es van distribuir entre els estudiants van revelar que Instagram i Twitter són les dues plataformes que, a més de ser les més utilitzades, tenen més influència en els estudiants universitaris a l'hora de prendre decisions de consum en línia. A més, es va constatar que la E-WOM s'ha convertit en la principal font d'informació que utilitzen els consumidors abans de prendre una decisió de consum en línia.

Paraules Clau: Xarxes Socials, Consum en Línia, eWOM, Màrqueting de Xarxes Socials, Estudiants Universitaris.

CONTENTS

I. INTRODUCTION

Consumption is a core part of our everyday lives. From the minute we wake up we are confronted with situations that have some element of consumption to them. The most mundane everyday tasks such as what to eat for breakfast, which clothes to wear or what perfume to put on involve consumption decisions. As a result, humans develop patterns of consumption from an early age.

For many years, marketing practitioners and policy-makers have analysed and tried to understand consumer behaviour and the factors that shape and influence it in different environments. For businesses, understanding why and how consumers shop and consume in the ways they do is important to develop products, market them adequately and to effectively communicate with customers during and after the purchase.

With the increasing availability and usage of the internet, companies have had to change their sales strategies and focus on catering to the new online demand for products and services. Social Media has been a growing trend for many years, and it has become a useful platform for businesses to promote their products and services. Online marketing simplifies the targeting process, and social networking sites are the perfect place to gather customers and gain knowledge about their preferences. Therefore, marketing efforts are increasingly focused online as the reach that can be achieved through them is significantly higher than that of traditional marketing channels such as television or radio.

As the usage of Social Media is especially high amongst young people, companies often use these networks to target their younger audience. For this reason, and for the purpose of this thesis, University students were used as the reference group to analyse the impact of Social Media on students' online consumption patterns.

To do so, a quantitative approach was used in the form of questionnaires that were distributed amongst University students. The results of the questionnaires have been used to illustrate the effect that Social Media platforms and electronic word-of-mouth recommendations have on their online consumer behaviour. The frequency of usage and the presence on different Social Media platforms give an insight on the direct effects for each case.

II. OBJECTIVES AND HYPOTHESIS

The main objective of this study is to measure the effect that Social Media has on the online consumer behaviour of University students. More specifically, the study aims to analyse the influence, if any, that Social Media advertisements, online reviews, and other electronic word-of-mouth resources have on their online purchasing frequency and their willingness to buy certain products or services as a result of these opinions.

In order to do so, several factors such as the gender, general usage of each Social Media platform, and awareness of the advertisements are taken into account in order to analyse whether they have an influence on the results obtained.

Ideally then, the study will shed light on the ability that Social Media and electronic word-of-mouth have on modifying and influencing the purchasing patterns of young consumers and how companies benefit from these effects.

As a result, to make the study more measurable and according to the objectives mentioned above, a series of hypotheses have been proposed that will be tested throughout the research, being accepted or rejected on the basis of the results obtained.

Thus, the hypotheses are the following:

$H1_0$: The use of Social Media increases the amount of purchases made online.

$H1_a$: The use of Social Media does not increase the amount of purchases made online.

$H2_0$: E-WOM has a high influence on consumer's purchasing decisions.

$H2_a$: E-WOM does not have a high influence on consumer's purchasing decisions.

$H3_0$: Compared to males, females are influenced more easily by Social Media ads.

$H3_a$: Both males and females are influenced by Social Media ads on an equal basis.

III. METHODOLOGY

With the aim of answering the research question as thoroughly as possible, and also to be able to firmly and accurately accept or reject the proposed hypothesis, it was decided that the best way to approach this study is by means of a hybrid methodology.

Firstly, in order to gather an idea about the existing studies and research about the topic of consumer behaviour, a qualitative literature review will be carried out in which important publications and research that is relevant for this study will be collected, reviewed, and analysed. This will be done by means of an academic search engine, and it will help build the theoretical framework that will serve as guidance for the study.

Secondly, a quantitative approach by means of a closed-ended questionnaire will be used. This questionnaire will be distributed amongst University students in order to provide real opinions and experiences that will be relevant to the study. The collected data will then be grouped and analysed in order to detect any general tendencies within the study that can lead to conclusions about the research objectives.

Finally, to round up the study, the theoretical framework will be combined with the findings obtained from the questionnaires in order to answer the research question and accept or reject the proposed hypothesis.

IV. LITERATURE REVIEW

4.1. The History of Consumers

Many years ago, consumers needed to provide their families with the goods that were necessary for them to survive. This meant producing their own clothing, food, and other essential objects from the resources that were available to them. If a family was able to produce surplus, this would be traded for other goods. Likewise, there was no such thing as choosing between different products or brands, as there was simply not enough to pick from.

In the middle age, the practice of exchanging goods with the other members of the village became increasingly popular. However, once money started being in circulation, goods were sold in exchange for money. This allowed consumers to acquire products that were of higher worth than their own. Nowadays, we continue to exchange goods for money. However, part of this interaction is now done online.

After the Industrial Revolution in the eighteenth century, an increase in production led to lower prices that made goods more readily available to consumers. Consequently, marketers started to develop new ways of distributing and advertising the goods to consumers all over the world. Another result of the Industrial Revolution and its increase in production was the expansion of product lines and the appearance of different brands. This was the time when manufacturers realised that they could persuade consumers to buy more than they actually needed by applying specific persuasion and marketing tactics.

Once the First World War had passed, disposable income began to increase, and people could choose on what they wanted to spend their money. This meant that marketers had to start putting more efforts into making products attractive to consumers. In order to understand why consumers did or did not buy their products, many companies started to use different psychoanalytical theories.

In an attempt to target products and brand to specific consumer needs, marketers also began classifying consumers on the basis of variables such as age, gender, occupation, and income. This allowed for an easier segmentation of society as well as more targeted advertisements, which would allow marketing efforts to be rewarded with sales.

Nowadays, after many years of tireless marketing strategies, consumers are not fooled as easily anymore and the reasons for buying a certain product have changed. This has led to new attempts to classify types of consumers. One of the most used classification of consumers

is that of Gabriel and Lang (1995, 2006) who have defined the following 9 types: chooser, communicator, explorer, identity-seeker, hedonist, victim, rebel, activist, and citizen.

However, although the reasons for buying a certain product or service are no longer the same as they used to be, the process that consumers follow in order to decide which products they consume can be explained in general terms.

4.1.1. The Consumer Decision Making Process

When making a decision, we seek to solve a problem or achieve a desired goal. However, not all decisions follow the same process. Depending on the problem that needs to be solved and the nature and context of the person deciding, the decision-making process will differ. The level of involvement that a consumer has with the purchase is a key factor influencing the decision-making process.

According to Szmigin & Piacentini (2015), decisions such as choosing our University degree are referred to as high involvement decisions, as they are important and will affect aspects of our life. Other decisions are less important such as choosing what to eat and are therefore considered to be low involvement. The main difference between these 2 decision-making processes is that in the high involvement decision a choice is made following a process of search and evaluation. In the low involvement decision, the choice is made without these intervening steps.

In the consumer behaviour context, active learning involves the acquisition of knowledge before purchase and therefore extensive information search (Erdem et al., 2005). Although problem recognition occurs in the low involvement decision, just as it does in high involvement, the consumer uses beliefs formed from passive learning in order to make their choice. Passive learning is the acquisition of knowledge without active learning (Krugman and Hartley, 1970).

Each day, we are exposed to many different products and brands that we see on advertisements, in stores, or even in friend's houses. All these impressions of brands are saved in our memory for the time we decide to make a purchase. The brands we had previously been exposed to now become part of our initial consideration set: our potential purchasing options.

The traditional "Five-stage model of the consumer buying process" by Kotler & Keller (2012) involves five steps that consumers move through when buying a product or service. A

marketer needs to understand these steps in order to move the consumer to buying the product, as well as achieving an effective communication with them to ensure future sales.

However, consumers do not always move in the exact order through the process as many of the purchase decisions people make are based on a routine choice process (Belch G. & Belch M., 2009). Therefore, low-priced and frequently purchased products often have a faster decision process which consists of little more than recognizing the problem, engaging in a quick internal search, and making the purchase.

4.1.1.1. Problem Recognition

The first stage of the decision-making process is problem recognition. According to Kotler & Keller (2012), problem recognition is a realisation that a problem needs to be solved through purchase. This realisation may be triggered by internal factors such as hunger or thirst, or external factors such as having to buy a birthday present.

The aim of marketers is to intentionally create an imbalance between a consumer's actual state and his/her ideal state by using advertisements and promotions. As a result of this imbalance, the consumer will develop a need which will lead him to make a purchase (Szmigin & Piacentini, 2015).

According to Szmigin & Piacentini (2015), there are 2 types of problem recognition: need recognition and opportunity recognition. Need recognition is where one moves easily between an actual and an ideal state. An individual can return to their ideal state by making a simple consumption decision.

On the other hand, opportunity recognition is a situation where the consumer may recognise a lack in their actual state that they were not aware of before. Perhaps they see an advertisement for a new computer, or a friend tells them about a holiday that they have been on. This makes one wish to make purchases that they originally did not even consider.

4.1.1.2. Information Search

The second stage of the decision-making process is information search. Kotler & Keller explain that this is the process by which we identify appropriate information to help aid our choice in a decision-making situation. The consumer can search for information both internally and externally. Internal information comes from our memory and past experiences we have had

with the products. External information can refer to the advice and opinion of family and friends on their experiences with purchasing a certain product. A very commonly used source of external information is reviews on the internet that allow for a much wider array of opinions.

As mentioned in the previous step, there are two types of problem recognition. In the case of need recognition, the information search may be quite simple as we already know from previous experience the location of the nearest preferred sandwich bar. When in an opportunity recognition situation, it is probable that we do not have the information readily available to make the decision, so the search process will be more complex. Kotler & Keller (2012) conclude that the amount of time that is dedicated to searching for information depends on the consumer's previous experiences with buying the product, the type of problem and the level of interest.

4.1.1.3. Evaluation of Alternatives

Following the information search, the consumer is faced with several choice alternatives. The results of the information search can be placed into different categories (Narayana and Markin, 1975):

- ➢ **Evoked set:** includes all brands the consumer is aware of which might meet their needs.
- ➢ **Consideration set:** includes all brands from the evoked set the consumer might actually consider buying.
- ➢ **Inept set:** those brands that the consumer might have come across during their search or from previous experience but would not consider for this decision.
- ➢ **Inert set:** includes those brands not under consideration at all.

Once consumers are aware of the alternatives that might meet their needs, they need to narrow their evoked set down to the brand that they might actually consider buying. This is the step when marketing efforts are most important because they will help the consumer decide whether or not to choose the brand.

When a consumer has narrowed down his evoked set and has established his consideration set, he must now use an appropriate criterion to select the chosen brand. Usually consumers end up choosing based on the attributes that they consider most important. These could be price, quality, availability, or quality amongst many others. The formation of beliefs and

positive attitude towards a brand can lead to an intention to purchase and they become part of an individual's evaluation criteria. However, this does not mean that consumers will buy any product that they have positive attitudes or beliefs towards.

4.1.1.4. Final Purchase Decision

When a consumer decides which brand to buy, he/she must then complete the decision process and actually make the purchase. In order to do so, consumers may need to make additional decisions such as when and where to buy the product, and how much to spend on it. For this reason, there is often a delay between the purchase decision and the actual purchase. This is the case especially for expensive products such as automobiles and other electronics. For nondurable products, which include many low-involvement items such as everyday goods; the time between the decision and the actual purchase may be short.

4.1.1.5. Post Purchase Decision

Both happy and unhappy customers might tell others about their purchase experience (word of mouth). The difference that appears between a consumer's expectations of a product prior to its purchase and the actual experience once the product has been purchased is commonly known as the disconfirmation paradigm. The difference between the two will indicate the satisfaction or dissatisfaction that the customer feels. Often times, consumers purposely search for reasons for their satisfaction or dissatisfaction. Attribution theory seeks to understand how consumers rationalise this. Attributions arise when one evaluates the extent to which the initial product performance corresponds to one's level of aspirations vis a vis that product, and one then questions the cause of the outcome (Weiner, 2000: 383).

4.1.2. Variations in Consumer Decision-Making Theories

The traditional model of consumer decision-making process was criticized throughout the years, and other scholars have added relevant focuses and factors. For example, Solomon et al. (2006) argued that the traditional model uses a rational perspective, whereas consumer behaviour is often irrational and therefore "such a process is not an accurate portrayal of many of our purchase decisions". According to Solomon et al. (2006), consumers do nott go through this sequence whenever they buy something. The author talks about purchase momentum, which is when purchases are led by last moment impulses and they leave no time for planning.

Another researcher Armano (2007) has a different non-linear view of the decision process, the so-called "Marketing Spiral". The author explains that the spiral amplifies the more the consumer engages, from interaction to engagement, to participation, to conversation, to affinity, to a community. According to Armano (2007), this process may repeat itself by adding more cycles to the spiral.

McKinsey & Company (2009) supports the traditional decision-making model but showing it as a circular process with four phases: initial consideration; active evaluation, or the process of researching potential purchases; closure, when consumers buy brands; and post-purchase.

4.1.3 From Traditional Consumer Behaviour to Online Consumer Behaviour

With the rise of the internet and the increasing amount of companies that offer their products online, purchases have experimented a shift towards online stores. The online sector has been slowly increasing its market share in the past two decades. According to the Commerce Department, the total rose from below 5 percent in the late 1990s to about 12 percent in 2019.

Katawetawaraks and Wang (2011) conducted a study to provide an overview of the online shopping decision process by comparing the offline and online decision-making process of consumers and identifying the factors that motivate online customers to buy a product or service online. As a result of this study, it was found that marketing communications are processed differently offline than online, and therefore have an effect on the consumer's decisions.

There have been numerous models from different authors presented on the subject of Online Consumer Behaviour, but the most relevant model was proposed in 2012 by two management professors from India, Ujwala Dange and Vinay Kumar: The FFF Model.

The *FFF Model of Online Consumer Behaviour* is a tweaked version of the traditional model by Kotler & Keller (2012). This model takes into consideration the internal and external factors that affect online consumer buying behaviour before proceeding to discuss the main filtering elements that a customer applies to the selection of an online store. Finally, it looks at the revised filtered buying behaviour that leads to the final selection process.
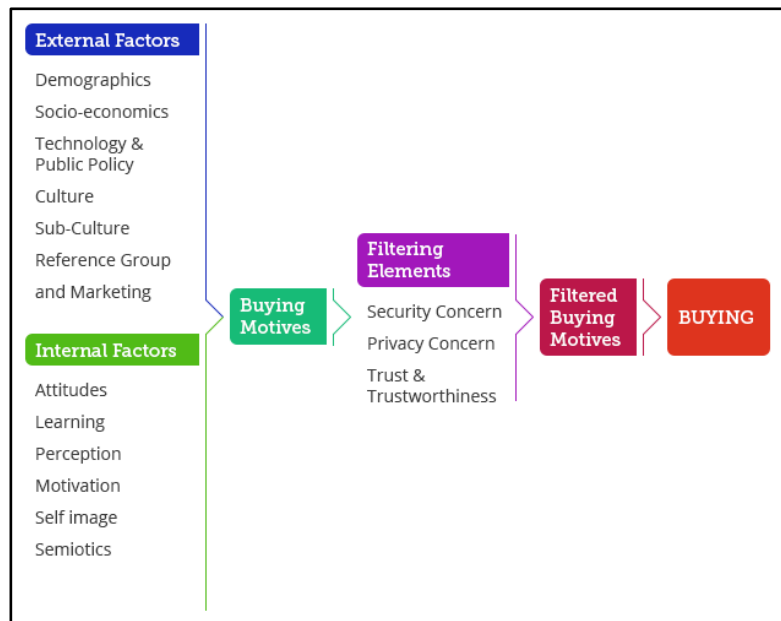
Figure 1: *FFF Model by Kumar and Dange (2012)*

Kumar and Dange (2012) identified external and internal factors as the first element that motivates customers to buy products or services online. According to the model, the external factors include those aspects that are beyond the control of the customers, like their demographics, technology, and public policy; culture; reference groups; and marketing. Besides the external factors, they also identified internal factors, which include personal traits, behaviours, attitudes, learning, perception, motivation, self-image, and semiotics. The outcome of these external and internal factors is defined as the buying motives of the online consumer.

Hereafter in the model, the filtering elements are considered. According to Kumar and Dange (2012), filtering elements to online buying include security, privacy, and trust. Therefore, if an online store is not designed and configured according to the benchmarks set within the consumer mind in relation to these aspects, the customer will not buy from it.

Internet comes with many pros and cons. A negative aspect of the internet is that stored information that companies keep from their clients can easily be hacked. This information often includes credit card details and other sensible details. Therefore, customers now are more aware of the risks that come with internet purchases and make careful purchase decisions.

Another major setback of the internet concerns the matter of privacy. Often the personal information of customers is mishandled or stolen by third-party companies to send unsolicited emails and spam to customers. This can get very annoying and inconvenient for the customer.

Therefore, if a customer does not trust a store's privacy policy then it is highly likely that he/she will not make any purchases from that store. For this reason, it is important to reassure customers that their data will not be handed over to any third party for marketing purposes.

The most important factor to consider for online purchase is trust. For companies, online trustworthiness is the most essential part in building long lasting customer relationships. However, there is now a high level of diminishing trust in online stores, especially when it comes to small and medium stores. Large companies like Amazon and eBay have managed to acquire a strong customer base by building trust with their clients over many years.

The last part of the FFF model covers what the authors call the filtered buying behaviours, which are a set of expectations and motives revised by the filters discussed above.

4.2. The Origins of Social Media

In 1979, computer scientists Tom Truscott and Jim Ellis from Duke University created the so-called Usenet, a worldwide discussion system that allowed Internet users to post public messages. However, the term Social Media that we know today originated almost 20 years before that, when Bruce and Susan Abelson founded "Open Diary" an early social networking site that brought together online diary writers into one community.

As the Internet increased its availability and popularity, new social networking sites such as MySpace (in 2003) and Facebook (in 2004) emerged. These platforms were the origin of the term "Social Media" and contributed to the prominence it has today.

Although MySpace and Facebook give us an idea about the implications of Social Media, in order to obtain a formal definition of the term, we must first analyse two concepts that are related to it: Web 2.0 and User Generated Content.

4.2.1. Web 2.0 and User Generated Content

Although the Internet and the World Wide Web (WWW) are closely linked, they are not the same thing. While the internet can be imagined as a big network of computers all connected together, the WWW is a set of webpages that are found within this network of computers.

In 1989 Tim Berners-Lee invented the World Wide Web as he was searching for a new way for scientists in universities and institutes around the world to easily share the data from their

experiments. Although hypertext and the internet already existed, no one had thought of a way to use the internet to link one document directly to another.

Once the WWW was put in the public domain, it allowed everyone, not just scientists, to connect in a way that was not possible before. This made it easier for people to access information, share it, and communicate with others. The only downside to this system was that most people could not create their own webpages as they did not have the necessary programming skills that were needed to create the HTML code by hand.

In 2004 the term Web 2.0 emerged, and it referred to a new way in which software developers and end-users started to utilize the World Wide Web; that is, as a platform whereby content and applications are no longer created and published by individuals, but instead are continuously modified by all users in a collaborative manner. As a result, personal web pages such as *Encyclopedia Britannica Online* were replaced by blogs, wikis, and social networking sites.

As for User Generated Content (UGC), it is defined as the sum of all ways in which people make use of Social Media. The term is usually applied to describe the various forms of media content that are publicly available and created by end-users.

According to the Organisation for Economic Cooperation and Development (OECD, 2007), UGC needs to fulfil three basic requirements in order to be considered as such: first, it needs to be published either on a publicly accessible website or on a social networking site accessible to a selected group of people; second, it needs to show a certain amount of creative effort; and finally, it needs to have been created outside of professional routines and practices.

As a result of these conditions, content exchanged in e-mails or instant messages, replications of already existing content, and all content that has been created with a commercial market context in mind are excluded from UGC.

4.2.2. Definition of Social Media

Based on the above clarifications about the meaning and origin of the concepts Web 2.0 and UGC, we can now give a more detailed definition of what Social Media really is. Although there have been various authors that have given definitions for the term Social Media, we can highlight two that have been commonly used:

"Social Media are interactive computer-mediated technologies that facilitate the creation and sharing of information, ideas, career interests and other forms of expression via virtual communities and social networking services."

Kietzmann et al., 2011, Business Horizons, 54(3), 241-251

"Social Media is a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content."

Kaplan & Haenlein, 2010, Business Horizons, 53, 59-68

4.2.3. Types of Social Media

Within the general definition, there are various types of Social Media that need to be distinguished further. However, although there is no systematic way in which different Social Media applications can be categorized, it is important that any classification scheme takes into account applications which may be forthcoming.

To create such a classification scheme, Kaplan & Haenlein (2010) rely on a set of theories in the field of media research (social presence, media richness) and social processes (self-presentation, self-disclosure), the two key elements of Social Media. If we combine these dimensions, we obtain a classification of Social Media which we have visualized in **Table 1**.

		Social presence/ Media richness		
		Low	Medium	High
Self-presentation/ Self-disclosure	High	Blogs	Social networking sites (e.g., Facebook)	Virtual social worlds (e.g., Second Life)
	Low	Collaborative projects (e.g., Wikipedia)	Content communities (e.g., YouTube)	Virtual game worlds (e.g., World of Warcraft)

Table 1: *Classification of Social Media by Kaplan & Haenlein (2010)*

As for social presence and media richness, collaborative projects such as Wikipedia and blogs score lowest, as they are often text-based and only provide for a relatively simple exchange. Content communities such as YouTube and social networking sites score a little higher due to their ability to share pictures and videos in addition to text-based communication. On the

highest level are virtual game and social worlds such as World of Warcraft that tries to replicate all dimensions of face-to-face interactions in a virtual environment.

With respect to self-presentation and self-disclosure, blogs score higher than collaborative projects, as the latter is usually focused on very specific users. Similarly, social networking sites have more self-disclosure than content communities. Finally, virtual social worlds involve a higher level of self-disclosure than virtual game worlds that have strict rules that must be followed by users.

4.2.4. Social Media Marketing and E-WOM

According to Tuten and Solomon (2017), marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

The classic view is that companies accomplish these goals by following *marketing mix* that includes the so-called four P's: price, product, promotion, and place. However, with the rise of the internet and Social Media, Tuten and Solomon (2017) recommend adding an additional P: participation, which would transform simple marketing into social media marketing.

Then, Social Media Marketing is the utilization of social media technologies, channels, and software to create, communicate, deliver, and exchange offerings that have value for an organization's stakeholders (Tuten & Solomon, 2017).

Traditional marketing strategies involved the use of traditional means of communication to pass information about products and brands from marketers to consumers. According to Killian and McManus (2015), these methods gave marketers and business firms the upper hand in deciding the information that reached consumers. The practices used in marketing involved the use of formal methods that were impersonal and unidirectional, which limited the capacity of consumers to influence product development or provide feedback to firms (Armstrong et al., 2015).

The traditional communication means are undergoing revolutionary changes, which are not only affecting communication but also influencing marketing (Stone & Woodcock, 2014). Leeflang et al. (2014) argue that the internet is the main factor fuelling changes in the marketing sector. The use of the internet is instrumental in shifting control of information from the hands of the marketer and the firm to the hands of the consumer.

An important factor changing the marketing environment is the use of social media. The use of social media to communicate is increasing leading to rapid changes in transferring information from one user to another (Tuten & Solomon, 2017). One of the ways through which social media significantly influence marketing is the use of word of mouth (Killian & McManus, 2015).

Traditional word of mouth is one of the oldest ways of conveying information (Dellarocas, 2003), and it has been defined in many ways. One of the first definitions was by Katz and Lazarsfeld (1966), who described it as the exchanging of marketing information between consumers in such a way that it plays a fundamental role in shaping their behaviour and in changing attitudes toward products and services. One of the most important characteristics of WOM is that the opinions comes from non-commercially motivated individuals, so communication is perceived as unbiased and honest.

With the internet, word of mouth has evolved to include the use of electronic platforms to communicate, leading to the emergence of electronic word of mouth – E-WOM. One of the most comprehensive definitions of E-WOM was proposed by Litvin et al. (2008), who described it as all informal communication via the Internet addressed to consumers and related to the use or characteristics of goods or services or the sellers thereof. The advantage of this tool is that it is available to all consumers, who can use online platforms to share their opinions and reviews with other users. Where once consumers trusted WOM from friends and family, today they look to online comments (E-WOM) for information about a product or service (Nieto et al., 2014).

According to Goldsmith (2008), the two main social communication features of E-WOM are information and advice. Consumers in E-WOM seek for information pertaining to particular products and brands from other consumers. In addition, consumers with experience with different products can help other consumers by providing advice to them on the features of products. This kind of advice highlights the positive and negative characteristics of products, which is intended to either encourage or discourage other consumers from making purchases (Hung & Li, 2007).

4.2.5. Social Media and University Students

Based on the twenty-first century learner characteristics, it can be said that current technologies have an important place in students' daily life. After the rise of Web 2.0, internet users have had an active role in creating content on the web, commenting, chatting, uploading, sharing, recommending, and linking (Musser, 2007). This situation has enabled

users to reflect their ego, opinions, thoughts, and feelings on the web. Social networks have emerged to meet the interaction needs of people. This environment allows individuals to interact with other individuals without time and space limits (Greenhow et al., 2009).

Researches indicate that social networking sites are being used by various age groups, but one of the most frequent groups is university students (Miller and Melton, 2015). According to Miller and Melton (2015), University students use social networks such as Facebook and Twitter more than once every day. However, it is seen that such social networks are perceived and used mainly for social purposes (Roblyer et al., 2010).

Social Media platforms such as Instagram are very popular with young people, according to Hootsuite, 59% of young people engage with this medium. It appeals to their creative side and you can quickly capture millennials' attention with stunning visuals. Instagram Stories are also a great way to connect with younger users. The marketing benefits of using Instagram are dramatic, according to Hootsuite "75% of Instagram users take action, such as visiting a website, after looking at an Instagram advertising post".

Teenagers spend around 31 hours a week online, according to the Telegraph online. With Social Media sites such as Facebook now attracting over 750 million active users, it is important to recognise that around 50% percent of these users are teenagers. Therefore, it becomes very interesting to analyse the behaviour of University students online and how the content on Social Media platforms affect their online consumption patterns.

Given these findings, companies have the opportunity to market their products and services that are targeted towards young consumers on Social Media. The extensive number of hours that university students invest into social networking sites make for the perfect way to advertise and sell products online.

V. ANALISIS OF THE FINDINGS

5.1. Results and Interpretation of the Questionnaires

5.1.1. The Sample

To investigate the effects of Social Media on the online consumption patterns of University students, an electronic survey was distributed to students at the University of Barcelona. A total of 100 students took part in the survey. Of these, 58 were female and 42 were male. Thus, of those who participated in the survey, 58% were female, and 42% were male.

The sample was purposely kept relatively even in order to achieve an unbiased result and avoid extreme answers as a result of too many females, or too many male respondents.

These results can be found in **Table 2**.

| Gender	Number of respondents	Percentage
Female	58	58%
Male	42	42%
Other	0	0%

Table 2: *Gender of Sample*

5.1.2. General Usage of Social Media

In order to gather a general idea about the usage of Social Media of the sample group, the survey included a couple of questions that were related to the Social Media consumption habits of University students. To be more precise, the survey asked about the amount of time that the user spent on Social Media accounts, as well as their most used Social Media platforms.

The results for the amount of time spent on Social Media accounts showed that more than half of the surveyed users (58%) spend more than 3 hours a day on Social Media platforms, followed by 26% of the users that spend between 1 and 2 hours a day on their Social Media accounts. Only 2% of the surveyed students claim to spend less than 30 minutes a day on Social Media, while 14% of them spend between 30 minutes and an hour on these platforms.

As for the Social Media platforms that the students use the most, results show that Instagram and Twitter are the clear leaders of the board, followed by Facebook. LinkedIn was only chosen 13 times, which proves it is not frequently used amongst University students. Some of the other platforms mentioned by the surveyed students are WhatsApp, TikTok, and Pinterest. However, these platforms are not frequent enough to be considered within the study.

The results of these two questions are illustrated in **Graphs 1** and **2**, which allow for a more visual representation of the data.
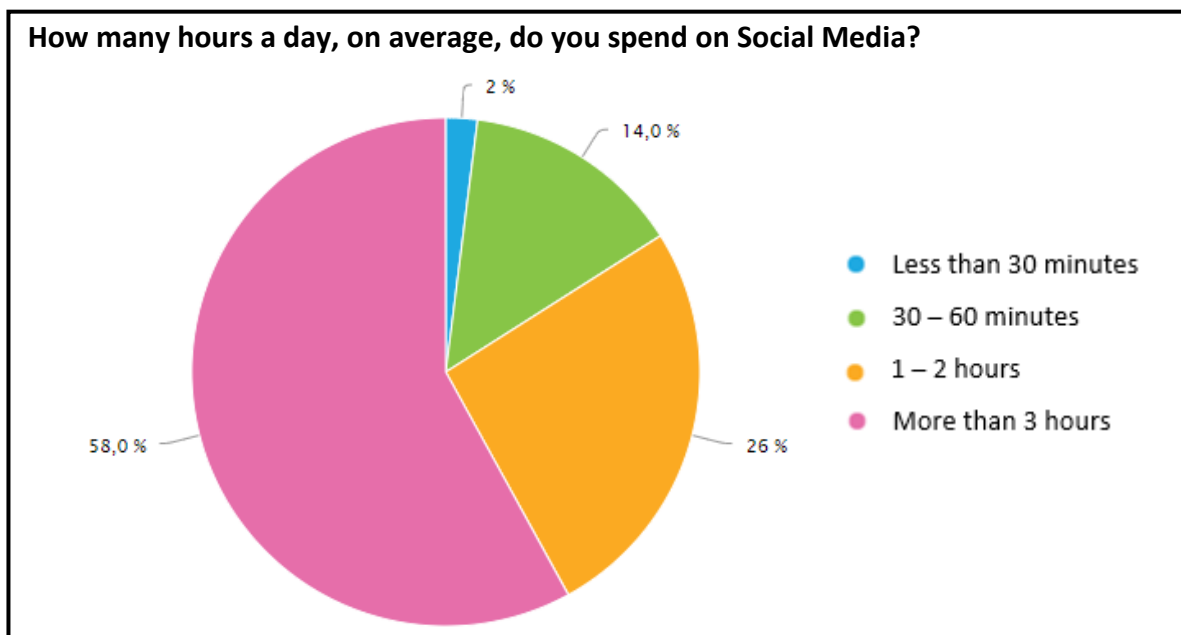
Graph 1: How many hours a day, on average, do you spend on Social Media?
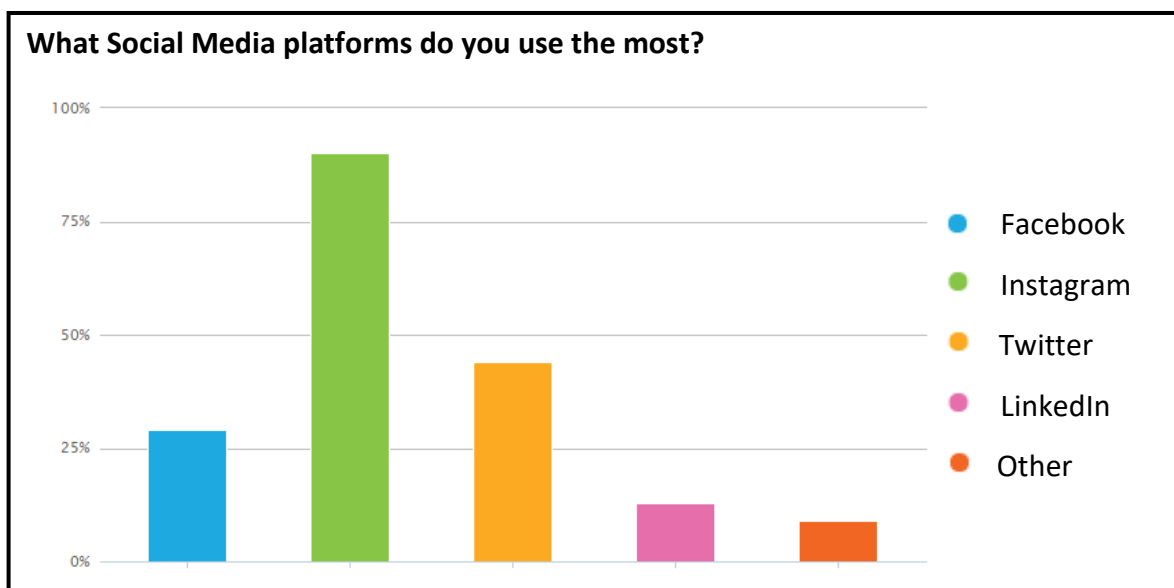
Graph 2: What Social Media platforms do you use the most?

5.1.3. Social Media and Product Advertisements

With the aim of analysing the influence on University students of company advertisements, celebrity endorsements, and online reviews that take place on Social Media platforms, they were asked several questions in relation to those topics in the questionnaire.

The results obtained help to check for the effectiveness of such marketing practices conducted by companies and brands as well as to analyse the effect that they have on the online consumption patterns of University students.

Firstly, the students were asked if they followed any companies or brands on their Social Media accounts. A very high percentage of the surveyed students (86%) confirmed that they follow at least one company on Social Media, whereas the remaining 14% claimed they did not follow any companies or brands on their accounts.

Therefore, as a result of following companies and brands on Social Media, the majority of the students that took place in the survey are confronted daily with advertisements and product endorsements on their Social Media accounts that could have an effect on their consumption decisions online.

The results of this question are illustrated in **Graph 3**.

Do you follow any companies or brands on your Social Media accounts?

14,0 %

86 %

● Yes

● No
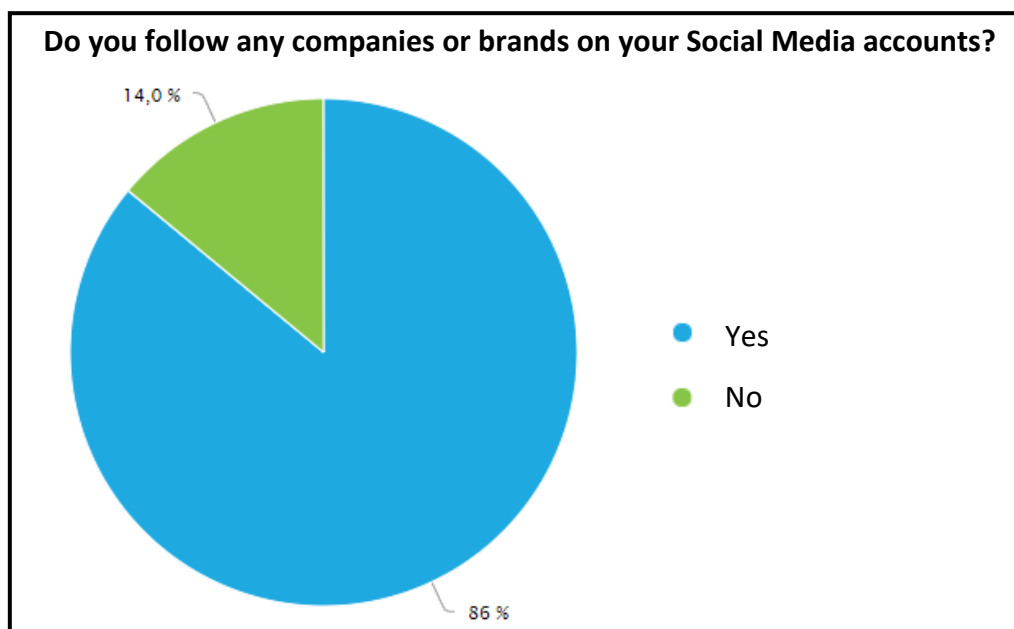
Graph 3: Do you follow any companies or brands on your Social Media accounts?

Hereafter, the students were asked whether they considered that Social Media influencers and celebrity endorsements that promote products in exchange for monetary compensation have an influence on their online purchasing decisions. As these types of advertisements are becoming increasingly more common, it becomes important to analyse their influence on consumers.

Although more than half of the respondents (58%) claimed that Social Media influencers and payed promotions had no effect on their purchasing decisions, the results were relatively even. Therefore, there is a chance that if we would take a bigger sample these results would be different. However, considering the current sample, we can assume that the consumption patterns of University students are not generally influenced by payed promotions and influencers that appear on their Social Media accounts.

The results of this question are illustrated in **Graph 4**.
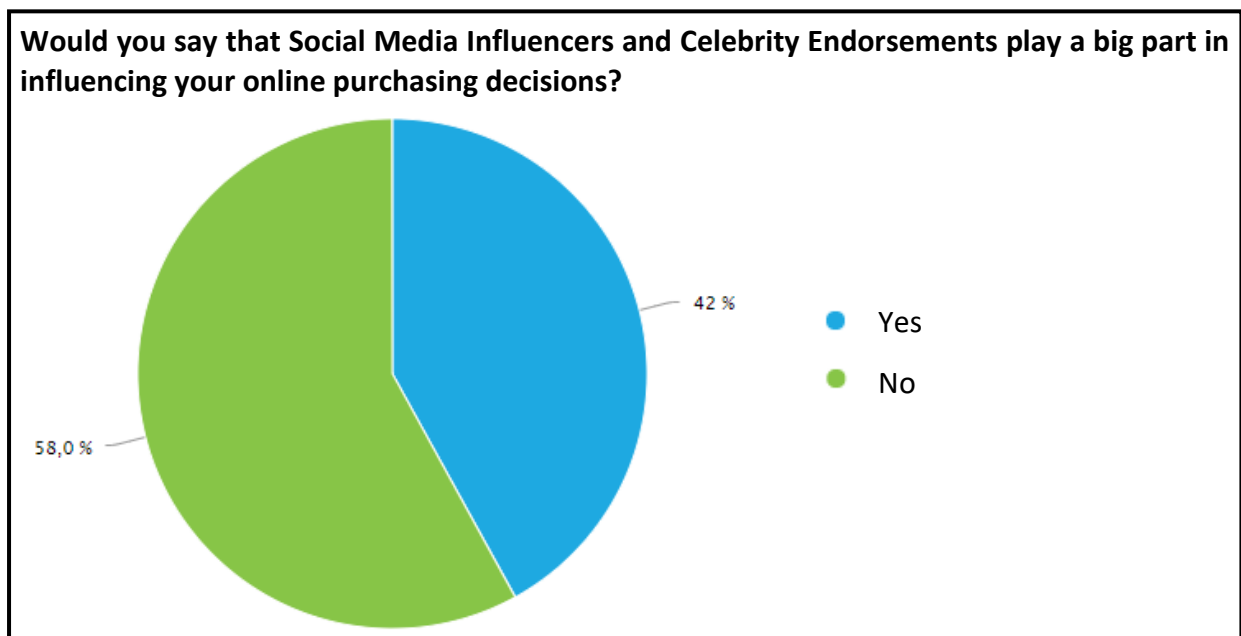
Would you say that Social Media Influencers and Celebrity Endorsements play a big part in influencing your online purchasing decisions?

42 %

58,0 %

● Yes

● No

Graph 4: Would you say that Social Media Influencers and Celebrity Endorsements play a big part in influencing your online purchasing decisions?

Moreover, the respondents were asked about their general perception towards advertisements on Social Media. This is important to analyse, as advertisements that are generally ignored produce no effect on the consumer.

Similar to the previous question, the results were relatively even, with 58% of students claiming they generally pay attention to such advertisements, whereas the remaining 42% said that they did not pay attention to them.

The results of this question are illustrated in **Graph 5**.

Do you pay attention to advertisements on Social Media?
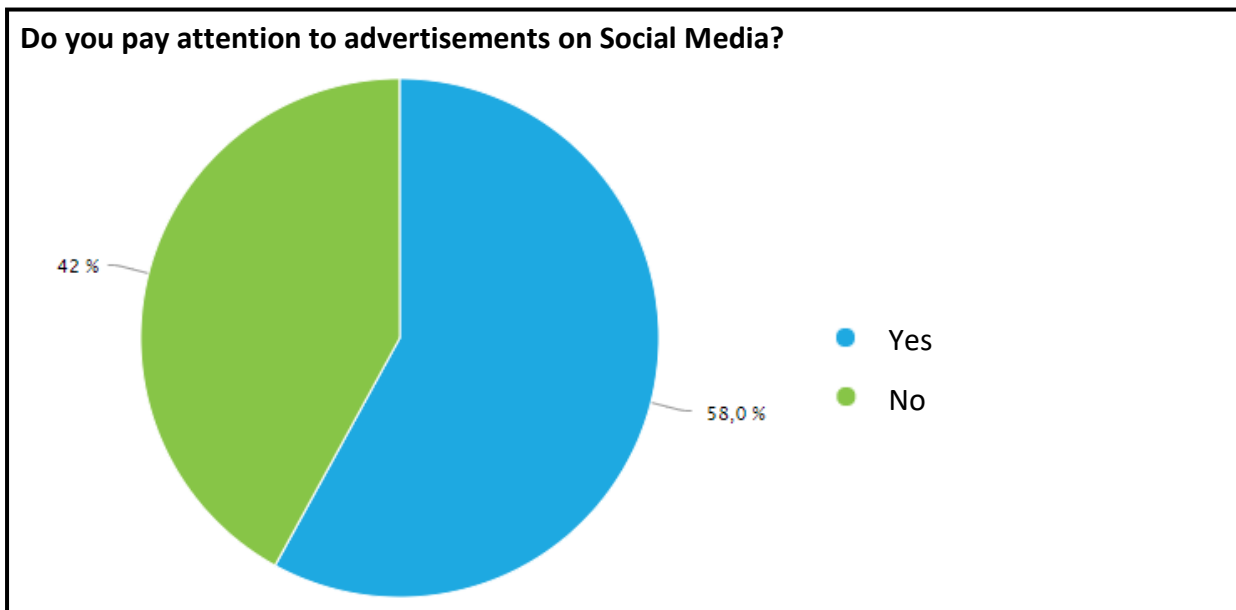
Graph 5: Do you pay attention to advertisements on Social Media?

5.1.4. Social Media and Online Purchases

Once some general information about Social Media usage amongst University Students, as well as their usual reaction towards advertisements on their accounts was obtained, it was time to gain some knowledge about their consumption patterns in relation to these advertisements.

In order to do so, the students that participated in the survey received a few questions related to their online consumption habits as a result of their perception of Social Media advertisements.

To begin with, the participants of the survey were asked whether they had ever made an online purchase as a result of an advertisement that appeared on their Social Media account. As we know, companies use specific algorithms that generate customised advertisements for each user. Therefore, companies aim to generate advertisements that are attractive to their recipients and result in a purchase.

Out of the 100 participants that answered the questionnaire, 50 admitted having previously made a purchase as a result of an advertisement on their Social Media account, although only rarely. A total of 22 students claimed to have made several purchases resulting from such advertisements, whereas the remaining 28 students stated that they have never followed through with such a purchase.

Out of the participants that admitted to having previously made purchases, 54% of them stated that they were related to fashion, whereas 30% of them were in relation to technology. Beauty made up 25% of the answers, and the remaining 15% involved purchases such as food, tickets for events, and household items.

Finally, in order to determine which Social Media platform/s had the biggest influence on online purchases, the students were asked to select the platform that they considered had the highest impact on their online purchasing behaviour. The results were very clear and indicated that Instagram is the leading platform (87%) when it comes to influencing their users to purchase certain products. Facebook came in second place with 13%, and LinkedIn only received an insignificant 1% of the votes.

The results to these questions can be seen in **Graphs 6**, **7**, and **8.**
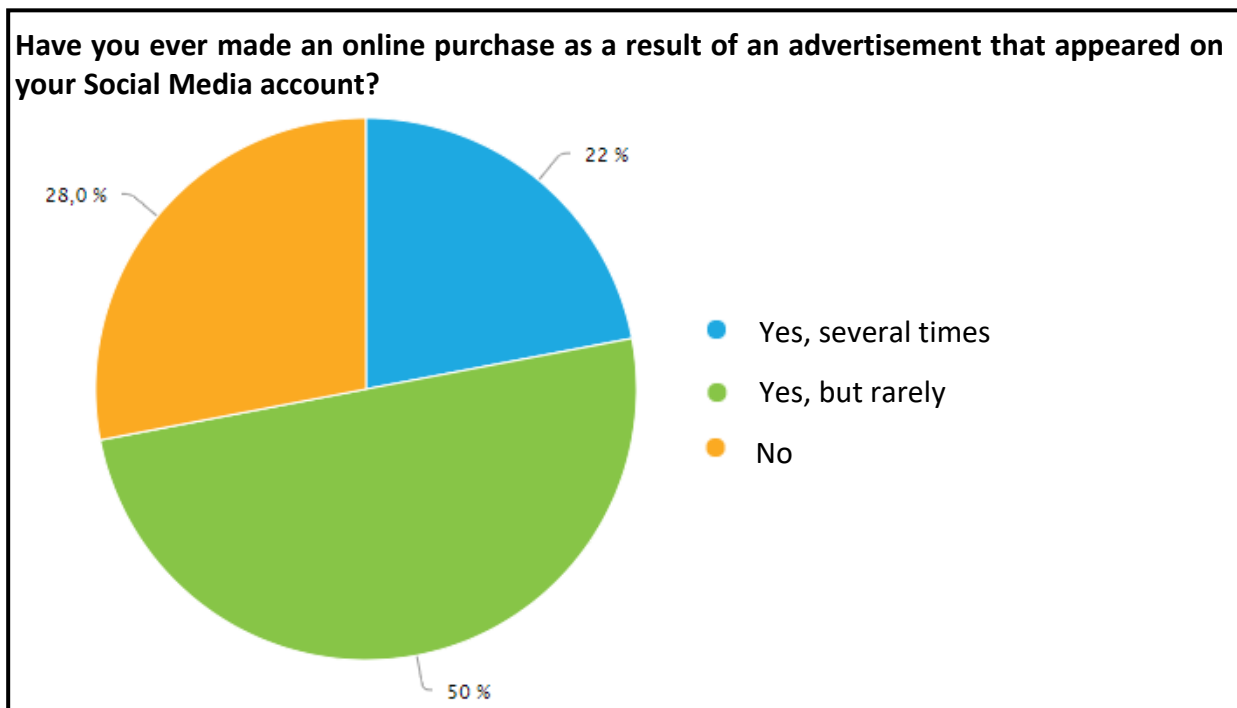

Graph 6: Have you ever made an online purchase as a result of an advertisement that appeared on your Social Media account?

If you have made an online purchase as a result of an AD on Social Media, what type of purchase was it?
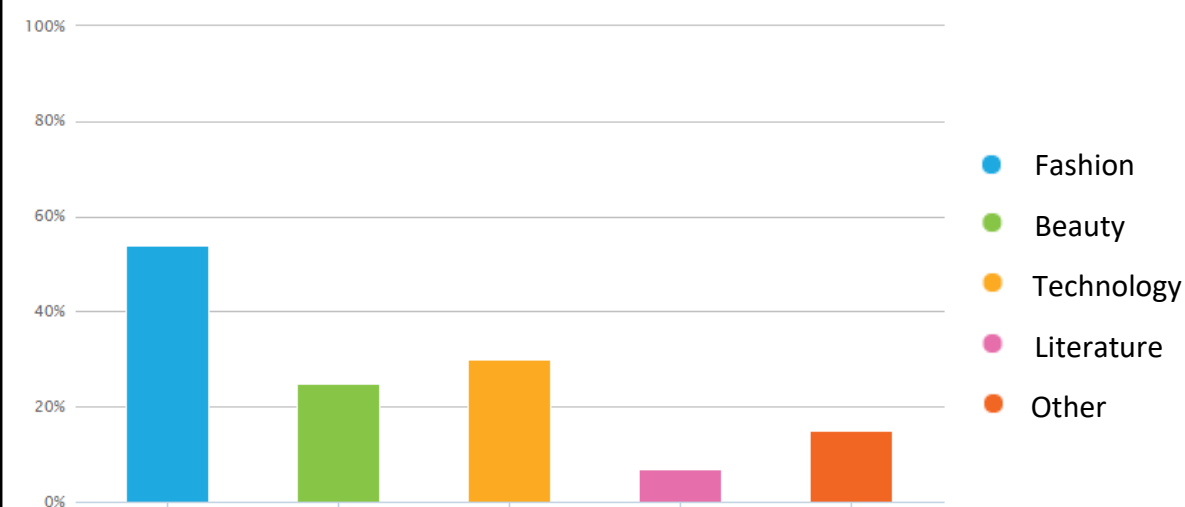
Graph 7: If you have made an online purchase as a result of an AD on Social Media, what type of purchase was it?

What Social Media platform do you think has a higher influence on your online purchasing behaviour?
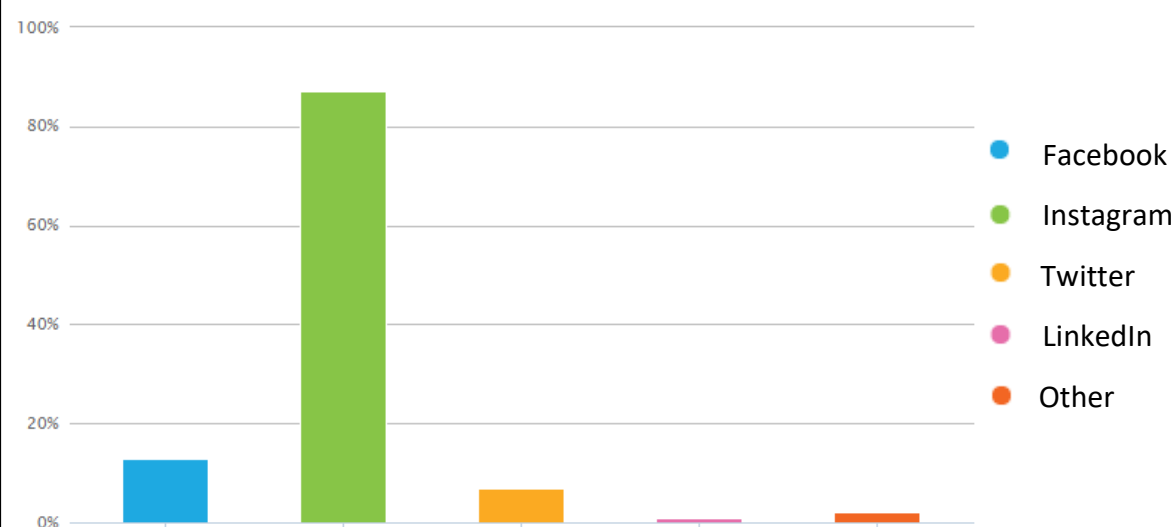
Graph 8: What Social Media platform do you think has a higher influence on your online purchasing behaviour?

5.1.5. Social Media and E-WOM

Reviews, comments, and opinions online have become an essential part of the pre-purchase behaviour of online consumption. In order to gather the real effects of E-WOM on University Students and the impact that it generates on online consumption patterns, the survey included a couple of questions in regard to this matter.

Firstly, students were asked if they read online reviews before purchasing a product online. More than half of the participants (59%) claimed that they always read reviews online prior to purchase, whereas 36% admitted to sometimes reading them. The remaining 5% of the students said that they never read online reviews before purchasing a product.

As a result, it can be said that most students use online reviews to gather thoughts and opinions about products that they would like to purchase. Although some do not always rely on them, this could be a result of past experience with the product or brand, or due to the purchase being rather insignificant or repetitive.

In order to relate the use of online reviews to the actual purchasing decision process, the students were asked to rate the correlation between online reviews and their online purchasing decision behaviour.

Almost half of the sampled students (48%) strongly agreed that reviews and comments on Social Media about products had an effect on their purchasing behaviour. Another 34% simply agreed on that fact, whereas 12% of the students neither agreed nor disagreed. The remaining 5% and 1% corresponded to the students that disagreed and strongly disagreed with the statement provided.
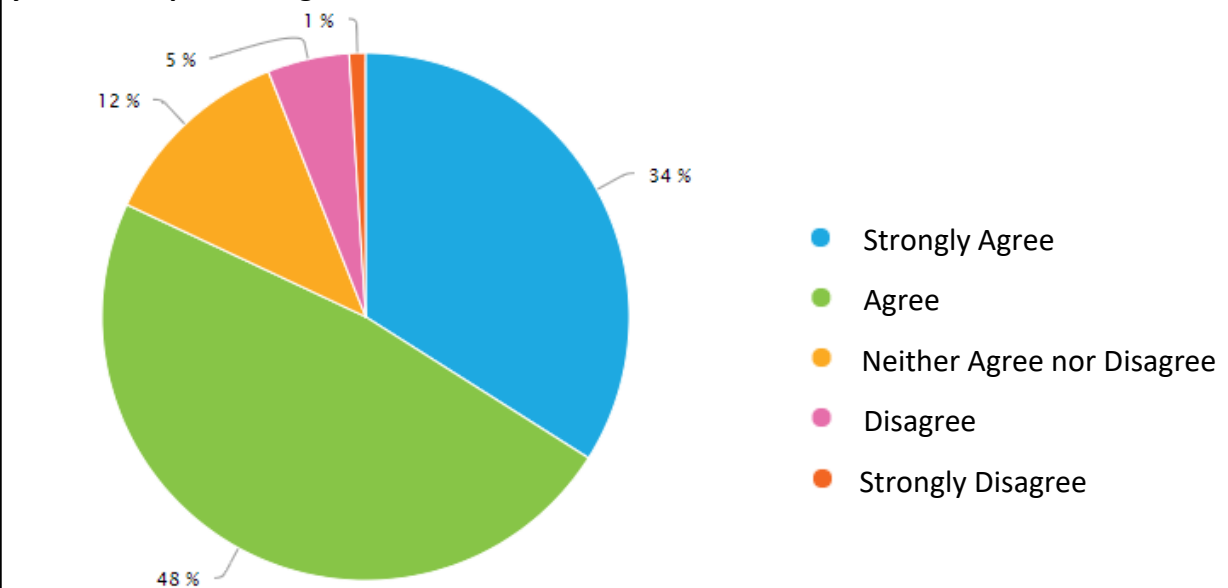
Then, if we analyse these results, we can confirm that over 80% of the students agree in some measure that online reviews and comments, negative or positive, have an impact on their purchasing behaviour. This shows that E-WOM plays a huge part in the online purchasing decision behaviour of University Students, being able to completely shift their perception and willingness to buy.

Do you read online reviews before purchasing a product online?

5 %

36 %

59 %

- Always
- Sometimes
- Never
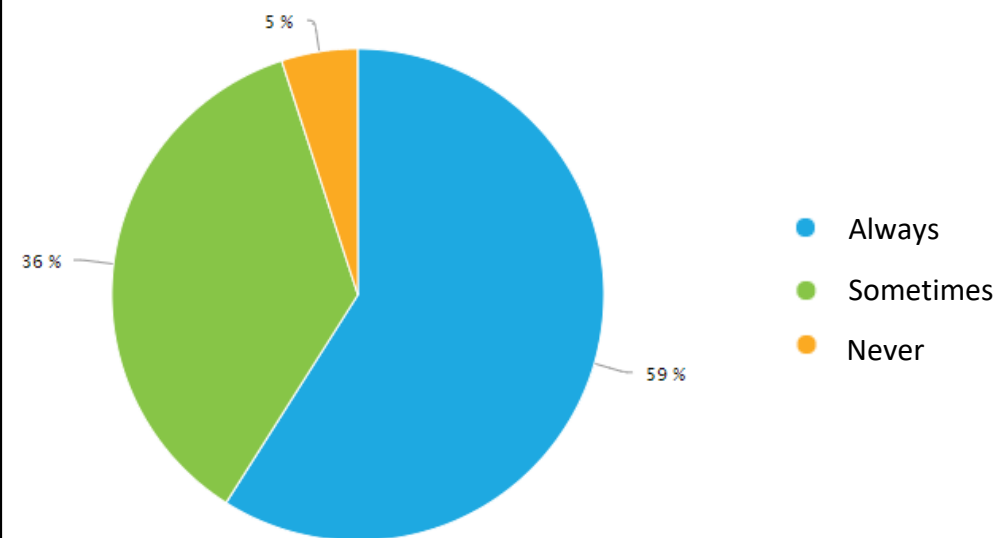
Graph 9: Do you read online reviews before purchasing a product online?

Do you agree that reviews, comments, and posts about products on Social Media affect your online purchasing decision behaviour?

1 %

5 %

12 %

34 %

48 %

- Strongly Agree
- Agree
- Neither Agree nor Disagree
- Disagree
- Strongly Disagree

Graph 10: Do you agree that reviews, comments, and posts about products on Social Media affect your online purchasing decision behaviour?

5.1.6. Correlation between Gender and Online Purchasing Behaviour

It is commonly known that men and women have different mentalities that determine their perspectives, motives, and behaviours. Whether this difference is the question of nature or nurture is debatable, but the fact remains and has always been the point of particular interest to brands and companies. Since the Internet has taken over numerous aspects of our life, it

becomes increasingly interesting to analyse the effects of Social Media Marketing on the online shopping behaviour among women and men.

To determine if there is a difference between the influence of Social Media on women and on men, the survey answers were divided by gender as shown in **Graphs 11** and **12**.

Although initially it could be assumed that the effect of Social Media is different for women and men, the survey answers shows only a slight difference. In fact, more than half of the surveyed men and women pay attention to advertisements on Social Media almost equally.

As for online purchases that were made as a result of these advertisements, both men and women have made such purchases (more than 75%). However, in the case of women, 31% of the respondents have made several purchases, whereas in the case of men it is only 9,5%.

Therefore, we can conclude that generally there is no difference between the online purchasing behaviour of women and men as a result of Social Media advertisements and reviews. However, it could be assumed that the frequency of the purchases is higher for women than for men.
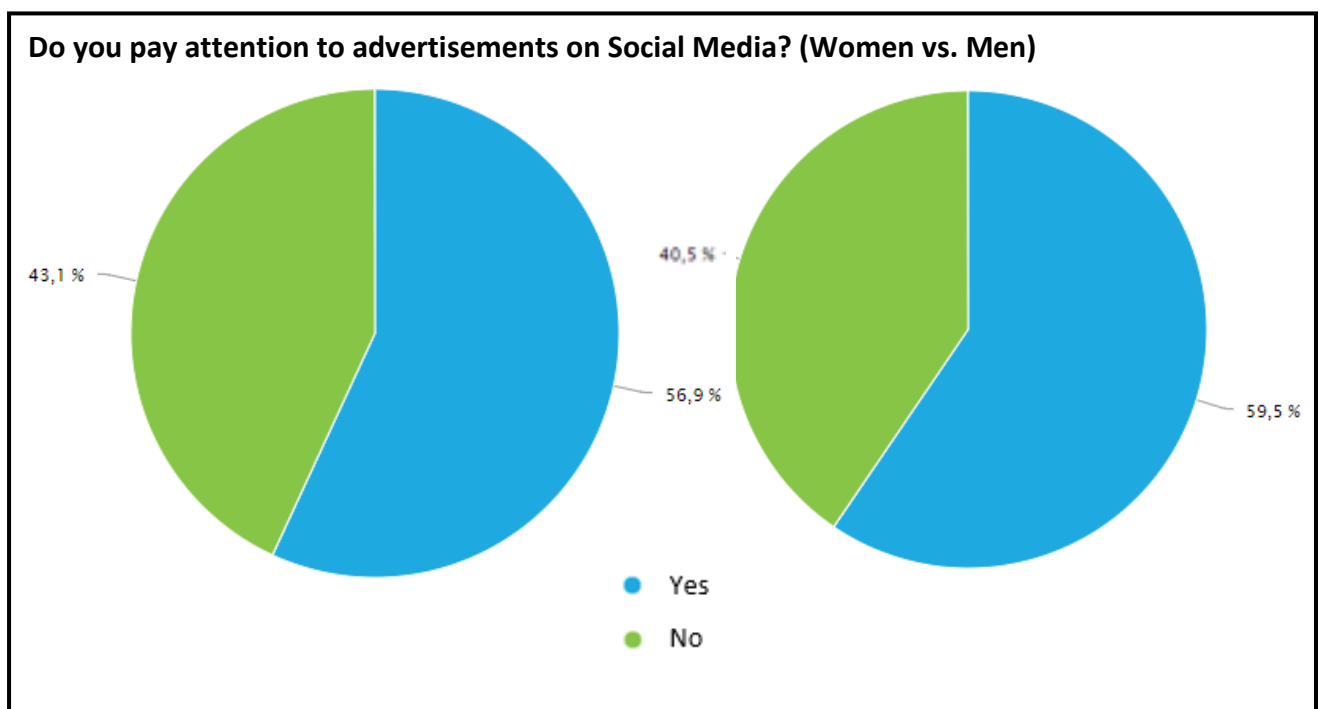
Graph 11: *Do you pay attention to advertisements on Social Media? (Women vs. Men)*

Have you ever made an online purchase as a result of an advertisement that appeared on your Social Media account? (Women vs. Men)

27,6 %   31,0 %

41,4 %

9,5 %

28,6 %

61,9 %

- Yes, several times
- Yes, but rarely
- Never
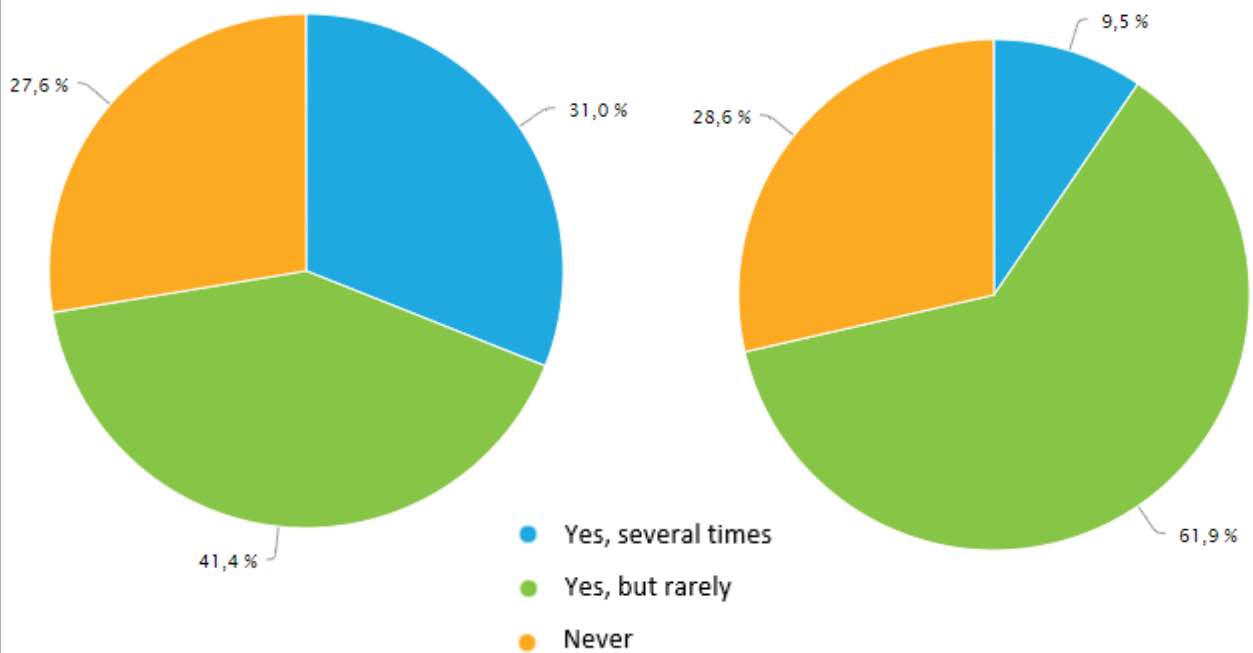
Graph 12: Do you pay attention to advertisements on Social Media? (Women vs. Men)

VI. CONCLUSIONS

As a result of the development of technology and the rise of Social Media, young consumers have become mobile consumers and companies are benefiting from Social Media platforms to develop their marketing campaigns. The accessibility and transparency of Social Media has led to changes in how consumers position themselves in today's market, which are inevitable and necessary for companies to equip a new marketing approach.

By means of compiling relevant literature about the subject as well as conducting a survey amongst students, this study has shown the effects that Social Media has on the online consumer behaviour of University students. However, in order to appropriately draw conclusions from this study, the originally proposed hypothesis must be accepted or rejected according to the evidence found.

The first hypothesis that was proposed to be tested by this study was the following:

> **$H1_0$:** The use of Social Media increases the amount of purchases made online.

> **$H1_a$:** The use of Social Media does not increase the amount of purchases made online.

Subsequently to gaining an insight on general consumer behaviour theories by means of the literature review, the analysis of the questionnaire answers provided an up to date picture of the online consumption behaviour of University students.

It appears clear that more than half of the surveyed students spend more than 3 hours a day on their Social Media accounts. This showed that consumers, especially young ones, have a high dependency on the Internet and their social networking platforms, and consequently dedicate large amounts of time to them. Moreover, and as a result of this usage, 72% of the surveyed students have made one or several purchases as a result of Ads on their Social Media accounts.

Therefore, it can be concluded that the elevated amount of time that is spent on Social Media platforms has an increasing effect on the consumption decisions of University students, by leading them to purchase products or services that they otherwise wouldn't have considered. These results lead us to accept the proposed hypothesis that the use of Social Media increases the amount of purchases made online.

The second proposed hypothesis is related to the effects of electronic word-of-mouth:

H2₀: E-WOM has a high influence on consumer's purchasing decisions.

H2_a: E-WOM does not have a high influence on consumer's purchasing decisions.

By means of the survey, University students were asked about their perception and use of online reviews, comments, and other electronic word-of-mouth sources. As previously analysed, more than half (59%) of the surveyed students admitted to always reading online reviews and comments, and 36% read them only sometimes. However, almost the entirety of the sampled students (82%) agreed that online reviews and comments can completely shift their perception and willingness to buy the searched products or services.

Therefore, results have shown that E-WOM techniques are of great importance in the online consumption world and have a high influence on young consumer's purchasing decisions, positive as well as negative. These results support the hypothesis (H_2) and lead us to accept it.

The last proposed hypothesis led to analyse the effect of Social Media ads on the different genders of the respondents:

H3₀: Compared to males, females are influenced more easily by Social Media ads.

H3_a: Both males and females are influenced by Social Media ads on an equal basis.

As the behaviour of males and females is often not the same, this study analysed the difference of the impact of Social Media ads on the two genders. By dividing the survey answers in to male and female respondents, it became easy to see the correlation between gender and online purchasing behaviour. The results showed that males and females pay attention to advertisements on Social Media almost equally. As for online purchases that were made as a result of these advertisements, both men and women have made such purchases (more than 75%). However, in the case of women, 31% of the respondents have made several purchases, whereas in the case of men it is only 9,5%.

Therefore, we can conclude that generally there is no difference between the online purchasing behaviour of males and females as a result of Social Media advertisements. However, it could be assumed that the frequency of the purchases is higher for women than for men. Nevertheless, the hypothesis that females are influenced more easily by Social Media ads has been rejected as a result of the obtained information from the survey that showed similar behaviours between the two genders of the sample.

To conclude the study, we can see that two out of the three proposed hypotheses have been accepted. This shows that the initial assumptions about the effects of Social Media on the online consumption patterns of University students are almost entirely accurate. Although the use of Social Media does increase the amount of purchases made online, as well as E-WOM can have negative or positive effects on these purchases, we were also able to determine that gender doesn't necessarily have an influence on the consumer behaviour of these students.

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ANNEX I: Questionnaire

1. What is your gender?

    O Female

    O Male

    O Other (please specify)

2. How many hours a day, on average, do you spend on Social Media?

    O Less than 30 minutes

    O 30 – 60 minutes

    O 1 – 2 hours

    O More than 3 hours

3. What Social Media platforms do you use the most? (you can select more than one)

    O Facebook

    O Instagram

    O Twitter

    O LinkedIn

    O Other (please specify)

4. Do you follow any companies or brands on your Social Media accounts?

O Yes

O No

5. Would you say that Social Media Influencers and Celebrity Endorsements play a big part in influencing your online purchasing decisions?

O Yes

O No

6. Which of the following can influence your decision to purchase a product online? (you can select more than one answer)

O Knowledge or awareness of the brand

O Previous experience

O Information from the internet (e.g. reviews, forums)

O Information from mass media (e.g. TV, magazines)

O Information from friends and family members

O Others (please specify)

7. Do you pay attention to advertisements on Social Media?

O Yes

O No

8. Have you ever made an online purchase as a result of an AD that appeared on your Social

Media?

    O Yes, several times

    O Yes, but rarely

    O No

9. If you have made an online purchase as a result of an AD on Social Media, what type of

purchase was it?

    O Fashion

    O Beauty

    O Technology

    O Literature

    O Others (please specify)

10. What Social Media platform do you think has a higher influence on your online

purchasing behaviour?

    O Facebook

    O Instagram

    O Twitter

O LinkedIn

O Other (please specify)

11. Do you agree that searching for information about a product or service is easier on Social Media compared to Mass Media?

O Strongly Agree

O Agree

O Neither Agree nor Disagree

O Disagree

O Strongly Disagree

12. Do you read online reviews before purchasing a product online?

O Always

O Sometimes

O Never

13. Do you agree that reviews, comments, and posts about products on Social Media affect your online purchasing decision behaviour?

O Strongly Agree

O Agree

O Neither Agree nor Disagree

O Disagree

O Strongly Disagree

14. On a scale of 1 – 10, how likely is it that you purchase a product online as a result of

Social Media?