

A STUDY ON SHOPPERS INTERACTION THROUGH SOCIAL COMMERCE TECHNOLOGIES

Dr. G.S. Sandhya Nair¹

ABSTRACT:

The Traditional shopping still finds a place in the contemporary societies. The traditional shopping provides visual satisfaction as customers move around from rack to rack checking the displays and looking at the mirror for reflections. The ability to physically choose the products checking out its pros and cons are still preferred by customers. Customers prefer in-store shopping as they get the items immediately, the physical confirmation of items, bargaining, advice from associates and in most cases the products preferred are electronics, fashion products and house hold appliances. The customer gets the product immediately after the customer pays the money. These conventional shoppers likes to check the products that they are interested to buy in the store.

The Social shopping depends on the Social Media interaction or electronic Word of Mouth (e-WoM). The WoM communication is the most important driver for purchase decisions. The WoM of communication may be online/e-WoM or face-to-face/ offline. The Social Shopping is channelised through the internet which is also known as e-WoM. The internet provides a platform to easily locate the product without physically moving around. In Social shopping the price of the same products offered by different companies can be compared. Better discount offers can be identified with 24 X 7 shopping convenience.

¹ Assistant Professor in Commerce, Sree Vivekananda College, Kunnankulam, email:sandhyanaargs@gmail.com
This article is published based on the Minor Research Project study conducted which was funded by UGG 2016-18

The on-line shopping provides better variety of products and it is easy to find items on-line than in-store. The choice between the on-line and in-store shopping based on the convenience and merchandise aspect. The WoM communication influences both traditional as well as on-line shopping.

The Social Commerce Technologies facilitate e-WoM which can influence both traditional and on-line shopping. The delighted customers of the company must be channelised to become the best salesman as people trust other people more than the company. The positive word of Mouth communication of customer both on-line and off-line generated more sales. The present study focus specifically on the shoppers interaction through social commerce technologies. The study aims to contribute to the academic community and the existing literature.

KEYWORDS: Social Shopping, Social Commerce tools and technologies, e-Word of Mouth Communication, On-line and Off-line Word of Mouth

INTRODUCTION:

Social shopping is a social network integrated shared shopping experience. It is a platform where e-commerce meets social networking. Friends, Groups, Likes, Comments, Recommendations, Discussions, Votes, Shares etc., are combined with shopping experience in social shopping.ⁱ Like minded people are brought together in the Social Shopping Platform. People help each other in identifying and choosing products. The Social communities influence the customers to shift from “Like” to “Buy”.ⁱⁱ Through social commerce the companies personifies themselves and their brands to become an integral part in the social shopping ecosystem. The social commerce refers to the business models and social shopping is referred as the experience of the consumers.

The concept of social commerce was developed by David Beisel to denote user-generated advertorial content on e-commerce sites, and by Steve Rubel to include collaborative e-commerce tools that enable shoppers "to get advice from trusted individuals, find goods and services and then purchase them". The social networks that spread this advice have been found to increase the customer's trust in one retailer over another.

The buying process is a series of steps that a consumer will follow to make a purchase decision. A standard model of consumer decision making includes- Awareness (Marketing Campaign, WoM), Interest, Consideration (usefulness and usability), Evaluation (asking the experts) and Purchase. The model can further be extended and elaborated with the following levels:

1. Needs and wants Recognition
2. Information Search and Product discovery
3. Evaluation of Choice
4. Purchase and
5. Post purchase evaluation

Social Networking is an incredibly popular on-line communication channel representative of the latest trend in Web 2.0 technology. Social Networking, from its origins as chat and messaging, has evolved to include image, video and music file sharing, as well as the ability to join and create groups and events, and participate in a host of other interactive activities. Facebook, MySpace and Twitter make up the three most popular Social Networking sites and each promote varied levels of interactivity and communication. Social Network Marketing takes advantage of growing audiences by marketing business, brands and organisations via social networks.

The social networking sites have developed e-commerce as an excellent channel for meeting business solutions. Social media "generally refers to websites featuring user-generated content or material created by visitors rather than the website publishers. In

turn, these sites encourage visitors to read and respond to that material.”ⁱⁱⁱ Social media is changing the way that people communicate and behave Lorrie Thomas, on-line Marketing (New York: McGraw-Hill, 2011),. The top four social media networks are Facebook, Youtube and whatsapp. The term Social Commerce is used to describe an emerging trend where the seller and buyer are connected to the on-line social media networking.

Social Commerce is a subset of electronic commerce that supports social interaction between seller and buyer. It is assisting the user contributions in the on-line buying and selling of products and services. Facebook and Twitter are some of the examples of on-line social media networking in social commerce.

Social networks are becoming the new on-line marketplaces with new research showing why shoppers are looking to Facebook, Instagram and Twitter for their next on-line purchase. Consumers regularly search for specific product and service information. Retailers have to focus more on their on-line strategies and identify social networks as a tool for brand enhancement. The consumers still have a fear to buy on-line as they are not sure whether the retailer will support them after sale or whether they have to face a product or service failure.

The electronic environment in retail sales is always challenging. The electronic marketing environment still has a greater scope and more to be achieved. Retailing is a high-tech global growth industry that plays a very vital economic role in the society. As it continues to evolve and change, it is essential to look back when many experts, 15 years ago thought that internet would make the consumers abandon Malls and Shops and shopping would be through the internet and also the traditional retailers would be replaced with techno-savvy entrepreneurs. But to the contrary internet is not replacing the traditional retailing culture instead; it is rather enhancing the activities undertaken by traditional retailers.

IMPORTANCE OF THE STUDY:

The present information driven markets are socially connected. The information is expected to be free from constraints on place, control of content and restrictive access on consumption. The information sharing reduces the opportunities for market exploitation.^{iv} The effect of social interactions through the social networking sites on on-line and off-line purchase behavior, among the different sections of customers will be explored and compared in the present study.

The findings of the study are expected to contribute to the academic literature on social commerce and its role in the retail communication process. Furthermore, this research would contribute directly to the area of Information Technology due to a common interest in studying the environments and contexts in which people, information and technology interact and interplay.

OBJECTIVES OF THE STUDY:

1. To compare the stages in Traditional and Social Shopping
2. To discuss the gender based opinion on the use of social commerce technologies in e-WoM communication
3. To discuss the gender based perception of Social Commerce technologies in purchasing decisions
4. To discuss the gender based perception of Customer Engagement through Social commerce technologies

HYPOTHESIS:

- 1.5.i H₀: There is no significant relationship between the gender of the respondent's and the perception of use of social commerce technologies in e-WoM communication
- 1.5.ii H₀: There is no significant relationship between gender and the perception of social commerce technologies in purchase decisions

METHODOLOGY:

A research design provides a framework for the collection and analysis of data. It is a blue print according to which the research is being conducted and that specifies the method of study and formulate the research problem. The research design used for the study is exploratory.

The purpose of this study is to identify the trends in the consumer purchase decisions comparing its influence from the social and on-line word of mouth. Purposive sampling was adopted to select 174 samples of which 72 were females and 102 were males. The study employed primary data collections through structured questionnaire and interview from customers of Central Districts of Kerala – Thrissur and Ernakulum. Secondary data were collected through literature available from the books, journals, websites etc. The present study adopted both qualitative and quantitative approaches for analysing data collected. Percentage analysis, mean weighted average method are used as tools for analysis. Correlation was used to test the hypothesis. The data are presented through tables and chats

LITERATURE:

Social media is a relatively new construct in the communication world, a great many researchers and authors have provided their own interpretations of what it can be defined as (Chung and Austria, 2010; Dutta, 2009; Hoffman, 2004; Cova & Pace, 2006 Jones, 2009). As varied as the understandings may be from author to author, one thing remains consistent; social media is growing at a phenomenally rapid pace. Furthermore social media has revolutionized the way in which people communicate and that brands communicate with their consumers.

Hughes (2005) suggested that the types of word of mouth communication (WOM) can be classified into two types: positive word of mouth communication and the communication of negative word of mouth. Positive WOM communication is the process of delivering information through word of mouth that made by one individual

to another individual based on the experience that is positive about a product, service, or company. Negative WOM communication is a process of interaction of word of mouth that is based on negative experiences gained from one individual to another individual of a product, service or company.

Experience that is positive implies that the experience gained either an individual or individuals directly or indirectly to the use of a product, service or company along with the satisfaction or fulfilment of individual expectations. Conversely, negative experiences are the experiences gained in the individual either directly or indirectly, that is not accompanied by contentment. In other words, products or services consumed cannot meet expectations (Hughes, 2005).

Associated with the types of WOM communications, Hughes (2005) classifies the word of mouth communication (WOM) to 9 level or levels that started from minus 4 to plus 4. At the level of minus 4, the information conveyed through word of mouth are the things that are negative, whereas the level of information conveyed plus 4 are the things that are positive. Positive WOM communication falls into tiers or levels plus 1 to plus 4, while negative WOM communication belong to the level of minus 1 to minus 4. Levels of word of mouth communication (WOM) can be described as follows (Hughes (2005). **Burke** (2006) defines social networking sites as: “a loose affiliation of people who interact through websites. The web enables any person to build a vast number of relationships with others, regardless of geographical distance.”^v.

Kaplan and Haenlein (2010, 61) define social media as “a group of Internet based applications that build on the ideological and technological foundations of Web 2.0, and allow the creation and exchange of user generated content.”^{vi}. **Sinclair and Vogus** (2011, 294) cite O’Reilly’s (2005) definition: “social media is a broad term that describes software tools that create user generated content that can be shared.”^{vii}

Chung and Austria (2010) postulate that Social media includes various methods of on-line communication such as social networking, user-sponsored blogs, multimedia sites, company sponsored websites, collaborative websites as well as podcasts.

This definition includes just about the entire scope of the activities that a majority of individuals who participate in on-line communications would be involved with.^{viii}

Dutta (2009) further reiterates this point by stating “it’s no secret that social media—global, open, transparent, non-hierarchical, interactive, and real time—are changing consumer behavior and workplace expectations.” It is becoming increasingly difficult and in some cases, impossible to follow traditional communication structures of non-transparency and hierarchy when people communicate via social media platforms. This is particularly true of business communication. Consumers now have more access to information than they ever had before.^{ix}

Hoffman (2004) supports the above statement, “the Internet makes available numerous information sources that consumers may draw on as they search for information and construct choices about commercial offerings. These information sources include social media sites, on-line product reviews (either by peers or experts), and uncensored in-depth product information on a variety of Websites, among many other sources.^x

Cova & Pace (2006) put forth that “consumers in consumer-generated brand communities want to become influential participants and regard brands as ‘belonging to us’ and not as companies that supposedly own them. They are driven by a similar passion or ethos to form and engage in on-line brand communities, thereby producing their own cultural meanings around brands.^{xi}

Social media is a fundamental shift in the way we discover and share information. It provides individuals and particularly retailers with the ability to cultivate and have ongoing conversations and touch points with their customers and potential customers. Every retailer has a unique tribe of customers or a niche group of consumers. Social media helps broaden that group and engage with them like never before.

Jones (2009) summarizes it well in stating that "Social media essentially is a category of on-line media where people are talking, participating, sharing, networking, and bookmarking on-line." From the above, it is evident that social media sites as a construct have evolved over time to encompass a considerably wider scope of the consumers' on-line experience. When consumers make a purchase, they are buying more than just the product; they are buying into the brand.^{xii}

Keller (1993) maintains the above statements by putting forth that brand perceptions are attributes in consumer memory that are linked to the brand name. **Solomon**(2010) defines perception as the process by which stimuli are selected, organized or interpreted. Marketers play a crucial role in shaping and defining brand perceptions in consumers.^{xiii}

Findings from several research studies previously conducted indicate that brand perceptions play a pivotal role in the consumer purchase experience because they are said to influence consideration and evaluation, and therefore ultimately, purchase (Nedungadi 1990; Keller 2003).^{xiv} Several factors may influence brand perception, the factors include but are not limited to elements such as; price of the product, the way in which the product is packaged, where the product is sold, reviews and feedback by reference groups on the product, and indeed how product information is disseminated or advertised. This research study will explore the shoppers interactions through social media sites, namely Facebook and blogs .

SUMMARY OF FINDINGS:

The main aim of Social Commerce is to assist companies in engaging customers with their brands according to the social behaviour of the customers. Social commerce also provides customers with a platform to discuss about their brand on their website, as well as provides all the information that the customers need to research and compare and choose the company's product from their competitors.

The respondents in the present study preferred social interactions as it improves the communication with external communities such as companies and its customers. It allows the prediction of the future trends, and also keeps the customers engaged with the company. The influence of social commerce on purchase decisions depends on the gender and usage pattern, the purchase decisions of male respondents are more influenced by the social interactions through social commerce technologies. The female respondents use social commerce tools such as - Share & Like for WoM communication. The Male respondents use tools such as Share, Like and Comment for WoM communication. Both female and male respondents preferred to "Recommend" as well as give a "Like" to a positive recommendation/ comment in the on-line platforms. More than female respondents the men preferred to share negative comments during social interactions.

The female respondents discuss about the variety of products, and they share the post purchase experience among their on-line peers. The male respondents preferred to discuss the overall features of the company, variety of the products, price of the products, quality of the products and the delivery system of the company with their on-line peers. The Male respondents feel that there is customer engagement through social interactions. Among the digital sources of information in social media which influence the brand awareness, Facebook is considered as the most popular source followed by youtube and whatsapp.

Among the techniques of social media communication which influences the purchase decisions are posts in social network sites followed by website content and review sites and advertisements in social network sites. The content type in social media marketing communication that enhances brand awareness is video followed by articles, case studies and blog posts. The study reveals that the shoppers use the social channels as the tools and/or platforms for communication with their peers and for providing them a space to socialize their opinions, perceptions and profiles to the on-line community.

Since social media is a two way interaction between the brand and the individual, retailers can quickly get an understanding of which of their products are favoured by buyers. Retailers also track customer insights as feedback and adjust their offering to reflect customer needs. Creating multiple on-line communities filled with entertaining and valuable information, interesting insights about the brand and an active fan base, retailers will ensure that visitors to their social media are converted to fans and eventually, if the social media strategy is being done well, to repeat customers.

Tracking the number of people commenting, liking and sharing the content are used to measure the effectiveness of the social media strategies. This is a good indicator of which content is working best and which is not working at all. The traditional media marketing are getting unpopular and expensive compared to the social media. The Physical traditional marketing gets promotions through the social media. The retailers should spend more on the social media marketing which can attract the customers to the physical as well as virtual markets where the product and services are offered.

The present study shows that majority of female and male respondents visit social networks as part of their shopping behaviour and use images they see on social media sites to inspire purchases. The research also shows that Facebook is the most popular site where retailers and customers interact. Creating engaging and shareable content

is just an extension of native advertising, which is rapidly becoming the least intrusive, most effective way to market to consumers. Social commerce technologies provide early warning of problems and opportunities, ideas for products or service innovation, market expansion ideas, customer service tips, exposes competitive threats and weaknesses to the business.

The contents that are circulated in the web can be a boon or a bane. A negative comment or a post may affect the reputation of the brand. The social engagement in the web connects all the stakeholders, who become participants rather than viewers. Customer engagement in the social business sense means that the customers are willing to take their time and energy to interact about the brand and the company in the on-line platform. The engagement process is fundamental to successful social marketing and to establish successful social business practices. There is a larger implication as the customer conversations enter the purchase cycle.

CONCLUSION:

Customers are a part of the marketing department as a result of the social commerce technologies. The content generated and shared by the customers forms the foundation of the business and the brand. The customer engagement is the central to the effective social technology and the creation of social business. The technologies and strategies can be combined to drive better businesses- building processes in both marketing and operations. It was found that the gender of the respondent's and the perception of use of social commerce technologies in e-WoM communication and the relationship between gender and the perception of social commerce technologies in purchase decisions are significant.

On the social web, customers become an integral part of the sales process. The business that uses social media is building a formidable marketing and customer relationship management system in the social media sphere. Strategies for opening up

to collective ideas of the customers and stakeholders, putting their ideas into action for building business powered by social technology is a crucial step and has to be integrated with the overall business strategy. Thus Social media improves business through the personal activities of the customers. Successful social marketing will become an even more important component of overall marketing strategies, and that marketers will have to think longer, harder and more creatively if they want to be able to fulfil the newly created potential of social commerce.

- i <https://digitalintelligencetoday.com/social-commerce-definition-word-cloud-definitive-definition-list/>
- ii <https://www.performics.com/surprising-shopping-study-results-men-engage-more-frequently-than-women-in-five-of-six-online-social-shopping-activities/>
- iii www.fathomdelivers.com/glossary
- iv Evans and Mckee “Social Media Marketing- The Next Generation of Business Engagemant” (2015) Wiley Publishing, Inc.,Indianapolis, Indiana
- v <https://dl.acm.org/citation.cfm?id=1753613>
- vi <https://www.tandfonline.com/doi/pdf/10.1080/14241277.2015.1120014>
- vii ijmsrr.com/downloads/2905201617.pdf
- viii www.researchgate.net/publication/305905309_RELEVANCE_OF_SOCIAL_MEDIA_IN_MARKETING_AND_ADVERTIS
- ix <https://pdfs.semanticscholar.org/3e9e/0d96689f19d0db80a601777ba9fd973203f.pdf>
- x <https://www.emeraldinsight.com/doi/full/10.1108/YC-07-2016-00622>
- xi https://marketing.conference-services.net/resources/327/2342/pdf/AM2011_0433.pdf
- xii www.icommercecentral.com/.../effectiveness-of-social-media-networks-as-a-strategic
- xiii <https://www.emeraldinsight.com/doi/full/10.1108/13555850810864524?>
- xiv <https://www.marketingscience.info/wp-content/uploads/staff/.../BrandAdvertising.pdf>

REFERENCE:

Websites

1. <https://www.hastac.org/blogs/haley117/2013/06/07/social-medias-affect-human-interaction>
2. <http://open.lib.umn.edu/sociology/chapter/20-2-sources-of-social-change/>
3. <https://www.bartleby.com/essay/Positive-and-Negative-Effects-of-Social-Media-FKKN3USTC>
4. <http://www.icommercecentral.com/open-access/effectiveness-of-social-media-networks-as-a-strategic-tool-for-organizational-marketing-management.php?aid=66382>
5. <http://blog.higherlogic.com/2012/04/03/what-is-social-business-a-clear-definition>
6. https://en.wikipedia.org/wiki/Social_technology
7. <https://entrepreneurship.duke.edu/news-item/the-meaning-of-social-entrepreneurship/>
8. http://www.scielo.br/scielo.php?script=sci_arttext&pid=S0034-75902015000400444

e Books

1. The Guide to Facebook Live
2. 25 Actionable Social Media Strategies You Can Implement Today
3. The Definitive Guide to Lead Generation with Facebook Ads
4. Social Media Data Cookbook – For Marketers
5. B2B Marketing Innovation ebook
6. How Do I Build An Audience On Social Media?
7. Marketing Rule Book
8. The Future of Social Media Lead Management

Journal Article

1. Chen and Tao. The Impact of Users' Participation on EWOM on Social Commerce Sites: An Empirical Analysis Based on Meilishuo.com Multimedia Information Networking and Security, 2012
2. Kim and Srivastava Impact of social influence in e-commerce decision making. In Proceedings of the ninth international conference on Electronic commerce. Proceedings of the ninth international conference on Electronic commerce, 2007
3. Mikalef, Giannakos and Pateli Shopping and Word-of-mouth intentions on social media Journal of theoretical and applied electronic commerce research, 2013

Books

1. Deepak Chawla & Neena Sondhi " Research Methodology-Cases & Concepts" II Edition (2016) Vikas Publishing
2. Efraim Turban, Judy Strauss, Linda Lai "Social Commerce: Marketing, Technology and Management" Nov 2016, Springer International Publishing Switzerland
3. Kothari & Gurav " Research Methodology" III Edition, New Age International Publisher
4. Swapna Pradhan " Retail Management Text & Cases" 4th Edition, Tata McGraw-Hill Education