International Conference on Business and Information-2011 Faculty of Commerce and Management Studies University of Kelaniya- Sri Lanka

Influence of Social Media on Purchasing Behavior – With Special Reference to Facebook Users

Fernando P.M.P. and Jayawickramarathne S.G.W.K.

ABSTRACT

Social Media had become a platform for interaction and networking for people around the globe. Online advertisers from various industries are exploring the use of Internet social networking to build brand awareness and loyalty among the users of these sites. With the trend of young adults getting more and more computer savvy and increasing the time they spend in internet, the advertisers are presented with a large crowd with a substantial potential to grow and develop as a profitable segment. At the same time these marketers are facing the challenge of conquering this market of social network users to make them loyal customers. It is immensely important for marketers to understand the role played by the social media and social media marketing when it comes to purchasing behavior of customers. The objective of this research is to analyze the influence of social media and social media marketing on the purchasing behavior among social network users, with the special reference to Facebook. An online survey was conducted among a sample of 250 young adult Facebook users. A factor analysis on the research findings revealed that the respondents are influenced by social media marketing when it comes to their decision making process and also a moderate level influence was revealed on the purchasing decision of these young adults as customers. Thus the research provides a better understanding of social network use among Facebook users, how the experiences they gain on social media affect their decision process of purchasing and provide insight into effective online marketing to young adults.

Key Words: Social Media, Social Media Marketing, Purchasing Behavior, Online Advertising