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Social Media and Online Shopping: Exploring Interactions and Implications in the Digital Environment

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Abstract

The advancement of technology and the widespread use of the Internet have significantly amplified the impact of media on individuals reshaping our lifestyles and social interactions. In light of the marketing strategies have swiftly transitioned to digital platforms proving to be more effective. Social media now plays a role in sparking competition, among businesses vying for consumer attention. The rapid evolution and intricacies of the landscape have posed challenges in pinpointing promotional tactics to maximise profits. This study delves into phenomena related to consumer behaviour and the sway of social media platforms on purchasing decisions. Despite studies exploring the impact of social media marketing on consumer behaviour, research remains limited within Romania's context. As such, there is a lack of understanding regarding the interconnectedness between social media engagement buying patterns and attitudes towards social media ads. To bridge this knowledge gap, this research investigates how social media influences consumer buying behaviour and preferences towards advertising on these platforms. These insights offer a foundation for fostering e-Commerce growth and enhancing revenue generation via social media advertising.

Keywords: Social Media, E-Commerce, Social commerce, Marketing communication strategies, Online promotional communication.

JEL Classification: M31.

1. Introduction

The new customer is known for being adaptable, always connected and dependent on channels when making buying choices. However, they also appreciate real-world interactions. They rely more on their connections than on big companies or brand names (Kotler et al., 2017).

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The widespread use of media over the years highlights its role in sharing information and advertising products. Based on the data from DataReportal (2024a) in January 2024 there were 5.35 billion people using the internet globally with a remarkable 5.04 billion actively participating in various social media platforms. This suggests that a large portion of internet users are also active on media. It is important to keep in mind that while these numbers show the popularity of social media usage, they may not necessarily reflect individuals due to factors like accounts.

Social media utilisation has faced a rising trend in Romania, the number of active users as of January 2024 being of 13.30 million, which represents 67.4 percent of the country's population. Moreover, in Romania there are 18.06 million internet users, which reflects an internet penetration rate of 91.6 percent. Mobile technology is also widely utilised in Romania, the country depicting a total number of connections of 28.00 million, which is above Romania's number of inhabitants (DataReportal, 2024b). These figures provide clues concerning Romania's standing and also acknowledge the meaningful effect that social media platforms have on the society of the present and the power that e-Commerce businesses have in this context to develop.

2. Literature Review

2.1 Social Media's Impact on Consumer Behaviour

Social media platforms, for instance Facebook, Twitter, and YouTube, are instruments which permit links and provide organisations a method that is cost-efficient and helps them interact in a direct way with customers, in line with Kaplan and Haenlein (2010). With the multitude of choices to consumers, the presence of marketing on media and the interaction between brands and customers have become essential in shaping organisational strategies according to Lindermann's insights from 2004 (Lindermann, 2004).

Wiktor and Sanak Kosmowska's (2021) research reveals a link between online content communication and corporate competitiveness. They assert that nurturing the loyalty of customers and developing the competitive advantage of a brand on the market is influenced by effective content dissemination. Dwivedi et al. (2021) manifest the same concern and claim that online content communication shapes the competitiveness of an organisation by fortifying customer relationships and creating awareness. In addition, Momen et al. (2020) view online content communication, as a component of internet-based marketing, as being an integrative element in the establishment of brand value and the development of the organisational standing. Alvarado-Karste and Kidwell (2021) indicate that communication holds particular significance in encouraging the relationship between brands and consumers, to ultimately increase organisational competitiveness.

2.2 Impact of Social Media on E-Commerce

In the e-Commerce field, leveraging networks for marketing with the aim of boosting customer relationships. Small and medium sized enterprises (SMEs) are influential elements in national economies, proving their adaptability and their ability to generate income. Business support has been realised by technology, these entities receiving digital resources such as social media and online platforms to carry on customer relationships, expand market presence, and increase their operational efficiency. In the case of SMEs that wish to attain competitive advantage in the market landscape of today, the usage of advertising is a central topic. The impact of brands on consumer choices and the manner in which customers can influence the conduct of each other triggers a consequence that determines ongoing purchases, alleviated earnings, as well as consistent organisational success over time. SMEs' decision to adhere to social media marketing is determined to a great extent by elements such as competitors, industry experts, and customer feedback. Recent media studies have mainly approached the understanding of opinion leaders' importance in influencing the dynamics of communication.

The research of Arora et al. (2019) evaluated the usage of three social media platforms, Facebook, Twitter, and Instagram, thereby emphasising social media as a means to link with audiences.

Social media marketing (SMM) presents significant and positive influence on customer loyalty for e-Commerce (Yadav & Rahman, 2018). Another strong influence on online commerce is represented by influencer marketing (IM), which by using digital environment opinion leaders (influencers) and associating them with the brand image, encourages their followers to participate in co-creating the brand image on social networks (Vrontis, 2021). In times of social media influencers on platforms such as Instagram play a crucial role, in inspiring and impacting consumer purchasing choices (Brown et al., 2019). Many businesses use paid advertising on media to reach customers. Consumers see these ads as a source of information about products and services they are interested in (Chetioui et al., 2021). Medium-sized enterprises face difficulties in integrating media platforms and pinpointing the importance of business values (Abed et al., 2015).

In circles, there is an emphasis on social commerce as a distinct type of e-Commerce. This concept involves using media, online platforms, and various communication channels for interactions. Research by Wang and Xie (2020) explains that social commerce leverages social media technologies to enhance relationships, facilitate business information exchange and support buying and selling activities through user-generated content. It is observed that e-Commerce platforms have evolved to meet consumers desire for sharing opinions and reviews by integrating features, to those found on social media sites.

This progress is not extensive enough to label it as a type of trade. Instead, it indicates a growing understanding among businesses about the consumers' interest, in conversing about their buying decisions.

The rise in popularity of media platforms provides an avenue for expanding Business-to-Consumer (B2C) and Consumer-to-Consumer (C2C) e-Commerce

commonly referred to as social commerce. Take Facebook, the platform, for instance, with a whopping 3.049 billion users globally (DataReportal, 2024a). Recent usage data reveals that the average user now spends 2 hours and 23 minutes daily on media. It is necessary to understand the way in which users, technology, and social factors interconnect, in order to grasp opportunities pertaining to social commerce, even though the potential exists (Wang & Zhang, 2012). The research of Fitriani et al. (2023) underline the magnitude of progresses by taking advantage of social media platforms to attain sustainable competitive advantage and to boost general performance.

Since the outbreak of COVID 19 there has been a shift, from online shopping methods involving images and videos to the rising trend of livestream shopping. Consequently, numerous apps dedicated to livestream shopping have seen a surge in popularity, as noted by Wang and Oh in 2023 (Wang & Oh, 2023).

3. Research Questions / Aims of the Research

The widespread use of social media has opened the doors to digital marketing platforms. People spend more time on media; with increasing daily competition, it is getting fierce every day. Even though many researches tackled the effects of media on shopping behavior, discussing the preferences of promotional strategies on social apps in Romania was almost nonexistent. Accordingly, limited understanding exists on the link between media and buying behavior and consumer attitude towards companies' social media engagement. As such, this research examines the relationship between social media use and buying behavior, social media activity and psychological well-being, and purchasing behavior and promotional activities on platforms. Amidst the changing environment of e-commerce and

Electronic commerce: It is increasingly recognized that the role of understanding social media platforms and their effects on engaging with customers through marketing is paramount in the changing face of retail, shifting consumer behaviors, and fierce market competition. While doing this, and as businesses strive to differentiate and thrive in a fast-moving environment, the knowledge and implications that arise from this research provide valuable direction. By looking into media trends, analyzing the impact of social media marketing, identifying the factors of success, and analyzing consumer behavior, this research will identify valuable insights for companies and marketers looking for success in the digital age, while also giving recommendations. The research makes its contribution to knowledge in a more detailed understanding of how online shopping has evolved, more particularly regarding the contributions branding and social media marketing have had toward shaping the future of the retail landscape.

The importance of this study is that it provides both insight and practical values, even to the stakeholders in the commerce sector. In other words, this research will have implications, particularly on how shopping interacts with social media marketing. This research work is done primarily for companies operating in the domain. It can be a source of fine-tuning of strategies regarding social media marketing. The guidance and recommendations that can be drawn from the report

will help businesses raise their visibility, fine-tune customer engagements, drive up sales figures, and foster brand loyalty. For marketeers and digital strategists, this research will help them by providing insight into trends and good practice in branding and social media marketing to underpin their decision-making. Inspire ideas for campaigns that engage consumers in the digital space. For the study, we categorised social media marketing methods into types such as Paid Advertising (PPC), Influencer Marketing (IM), Micro Influencer Marketing, Organic Promotion, Contests, Events, and Carousel Ads.

The analysis of the results is related to the research objectives set in this work. In the process of operationalisation, we put forward two research hypotheses:

Hypothesis 1.

Null Hypothesis (H0): There is no significant relationship between social media and online shopping through social media marketing in the context of revolutionising e-Commerce.

Alternative Hypothesis (H1): There is a significant relationship between social media and online shopping through social media marketing in the context of revolutionising online shopping.

Hypothesis 2:

Null Hypothesis (H0): Influencer Marketing strategies have no significant effect on customer engagement through social media marketing in the context of revolutionising online shopping.

Alternative Hypothesis (H1): Influencer Marketing has a significant effect on customer engagement through social media marketing in the context of revolutionising online shopping.

4. Research Design

The research employed an approach involving comprehensive data collection and analysis. A survey was conducted with 130 individuals who have experience in online shopping representing groups such as different age ranges, online shopping habits, and preferences.

The study employed both qualitative and quantitative research methods. The survey contained inquiries aimed at collecting information on participants' online shopping habits, preferences, and views on marketing tactics. Ended questions also enabled participants to offer insights that offer a profound insight into their motivations and emotions.

This study adopts a research methodology utilising an empirical case approach with an emphasis on testing hypotheses.

The study utilised data from sources such as DataReportal, Statista and other open sources. In terms of timing, the research followed a sectional design collecting data at a specific point in time, the beginning of 2024.

A five-point Likert Scale questionnaire was employed to measure all variables with the scale ranging from agree (1) to disagree (5). The questionnaire comprised two sections; the first covering the three variables under scrutiny and

the second focusing on details of respondents, like age, gender, occupation, and location of residence.

The information was gathered by sending surveys to the participants, through Google Forms and utilising platforms like WhatsApp, Facebook, and Instagram, which are seen as methods for gathering data from individuals amid the pandemic. To safeguard the confidentiality and anonymity of the participants, their personal information and responses were kept confidential. Not shared with any parties. The survey responses were then sorted in a spreadsheet. Transferred to SPSS.

The initial phase of data analysis involved assessing the characteristics of the participants, including age, gender, and location. This was followed by conducting an analysis using SPSS (e.g. mean maximum value, standard deviation) to verify accurate data input and explore the distribution pattern of the data

5. Result and Discussion

More than half of the respondents are female (56.2%) compared to male respondents (43.8%). Contrary to that over half of the survey participants (52.3%) fall within the 25-39 age bracket. This has reflected that the respondents are primarily young adults and have purchasing power. The majority of people spend between 1 to 3 hours on media, with 65 respondents or 50%. Most respondents are employed, making up 78.5% of the group and hold a bachelor's degree as their level of education at 56.9% followed by master's degrees at 18.5% and MBA/CFA at 16.9%.

Although Facebook is a better-known platform, WhatsApp takes the lead in a big way with a response rate of 73.8%. Facebook, YouTube, WhatsApp, and TikTok are all known platforms with rates above 90%.

Coming in next after WhatsApp is YouTube, at 69.2%, and then Facebook and Instagram, which tie at 64.6% each.

Interesting enough, 82.3% of the respondents indicated they had bought products promoted on media platforms, and the portion 83.1% discovered that they now often use many products and brands. These data raise questions about consumer preference in market segments. 42.3% of respondents indicated they shop online at least once a month, while 37.7% shop online weekly. In expenditure terms:

Also, 46.9% spend between 1001 lei and 2000 lei monthly. On the level of satisfaction in online shopping, 59.2% declared to be satisfied, and 33.1% that they are very satisfied.

When it comes to social media promotion preferences, both promoted ads and content from followed individuals (micro influencers) are equally favored at 54.6%. Giveaway contests follow with 38.5% with influencers at 32.3% and organic content from companies/brands at 27.7%. This research identifies how algorithms play part in finding out customer needs. For example, paid ads within the social media population remain the most utilized means of promotion. The influencers are at times not viewed positively, more so when promoting the products. This is an aspect that calls for more study to reflect this relationship. In this regard, it is evident that a

friend, who might be a non-influencer or a micro-influencer, can become brand promoters without negative comments.

Purchase behaviour is swift and dynamic with 33.3% of respondents making a purchase upon finding the desired product and up to 20% taking 1 2 days to decide. These findings underscore the importance for companies to pinpoint strategies for persuasion and targeting customers according to their needs in a competitive landscape with limited space.

Social media users engage for reasons such as entertainment connecting with friends or addressing work related matters.

The top platforms people use to connect with brands are Facebook, with a usage rate of 63.1% and Instagram, at 52.3%. Businesses should pay attention to this shift in consumer behaviour. It can be frustrating when advertisements interrupt your viewing pleasure, especially when you are fully immersed in a show. However, during browsing or while seeking entertainment ads might seem tolerable.

6. Conclusions

The current study opened up how e-commerce shopping environments must change while summing up the strategies for social media marketing. It indicates that media marketing is one of the most importance-infusing factors in establishing contact with clients. Online survey analysis, case studies, and consumer behaviour were used in exploring the driver for brand success in e-commerce. It also shows how proper use of social media strategies could mean more than sales but building of communities and loyalty among shoppers. While presenting the study results, it is still understood that it may have some level of bias and the volatile nature of marketing. The study results and recommendations therefore provide a direction to businesses and marketers in their efforts to fit in with the current digital space. As shopping trends change, these strategies from the study, provide a blueprint in constructing a customer online shopping journey that results into transformation. Respondents show a liking to promotion formats in social media, indicating that organizations should apply a strategy in different ways.

Though the promotion methods included the study, it did not focus on video, images, or text. The study of these is very important to understand. As discussed, the study of merchant case studies is important regarding strategies about social media marketing.

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