# Role of Social Media and Social Networks in Consumer Decision Making: A Case of the Garment Sector

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Abstract— The aim of this research is to examine the role of Social Media (YouTube, Blogs, and Twitter etc.) and Social Networks (Facebook, Google, Linked In) on Consumer Decision Making in context of the Apparel Industry. The method of data collection for this research involved the survey of students and faculty of University of Gujrat, Pakistan by distribution of a selfadministered questionnaire among them. Analysis technique employed is Logistic Regression. The research is limited to the students and faculty of University of Gujrat and constituent colleges. The people of different cities and students from both Private and Public sector universities in the country must be surveyed before any generalizations are made in this regard. This research provides input to different companies, particularly to those in the apparel industry, regarding what effect does having a strong social media and networks' presence has on the customers and their loyalty for the brand. The companies must exhibit an exceptional online presence and engage with customers at a personalized level in order to ensure increased brand awareness and purchase of their brands by the increasingly tech/Internet savvy customers. The research on this particular subject has not yet matured in regard to the impact of Social Media and Social Networks on consumer decision making particularly in Pakistan. This paper contributes significantly to this aspect telling companies as to how much of an online presence is compulsory these days to gain a profitable market share and competitive edge.

*Keywords*— Apparel Industry, Consumer Decision Making, Customer Purchase Intentions, Social Media and Social Networks

### I. INTRODUCTION

The matter of Strategic significance to just about every organization in this high tech and dynamic world is Relationship Building and its maintenance and enhancement. For this purpose Relationship Marketing is being used which, without any doubt is being considered as a field of growing interest among the marketers. It is being used by firms all over the world for developing thriving relationships with the customers. Companies are trying to use this aspect to gain increased knowledge and understanding of human psychology in order to gain insights into what

customers actually want and thus to know what companies should deliver and how they should deliver it to make its customers loyal.

The positive constructive relationships aid the corporations in raising awareness and winning the loyalties and trust of their customers. For this reason businesses are making heavy investments in programs that facilitate Customer Relationship Building. Out of the list of these programs Social Media and Social Networks are gaining the top spot for they are the most influential platforms for winning customer attention. Creation of unique and memorable experiences that provide both tangible as well as intangible value to the customers is the key for companies to achieve maximum gains from the use of social network and social media in return for the efforts such as time taken, cost utilized, and energy expended which are made on part of the customer.

This is particularly true in the Garments industry which is blooming with respect to online business and e-Marketing. Many large businesses all over the world have started online selling through having e-shops enabling them access to the worldwide population. On the other hand several small businesses as well as people who have no prior experience in offline business have also started selling items online including handmade clothes, readymade garments etc. This trend these days is gaining significance in Pakistan as well and is mainly increasing in importance because of the change in orientation of customers. People are now more inclined on surfing the internet and buying stuff online. They discuss, compare, rate and rank products after reviewing information existing over the internet particularly over the Social Media and Social Networking sites.

Companies hence need to act accordingly. Firstly the most important challenges being faced by contemporary organizations are to devise their social media strategies in a way that the social networks of customers are impacted by them resulting in influencing their decision making. Secondly, the organizations are facing extreme pressure from the external environment as the business is becoming more dynamic and unpredictable. Thirdly buying decisions of customers are being influenced by a number of different variables, one of which is Social media that is at the prime position. Social media and networks are offering massive potential to both the users and the organizations to get close to each other and provide mutual benefits of less cost, increased revenue and greater efficiencies. In order to get maximum advantage from these social hubs, organizations face the challenge of aligning their strategies with the changing and dynamic nature of the customers. Before doing so organizations have to understand the magnitude of relationship between the social media, social network and the consumer decision-making.

So this paper discusses the role that Social Media and Social Networks play in consumer decision making with regard to the apparel industry in Pakistan.

#### **II.** LITERATURE REVIEW

#### A. Social Networks

One of the burgeoning communication tools increasing immensely in popularity among both the people in general and the companies in particular are the Online Social Networks. These networks offer huge space for advertisements, the effectiveness of which depends on the advertiser as to whether or not he/she uses this space up to its full potential and molds it according to the needs and preferences of the users (Hadija*et al*, 2012).

According to the researchers Yang et al. (2006), the term 'Social Network' existed far before the internet came into picture. However, it got popular due to the advent of software programs that resulted in launching of the very popular social networking websites such as Facebook, MySpace and LinkedIn. These social networks today provide such a platform where people are linked together. According to Lenhart and Madden (2007) online social networks are crucial for the creation of personal networks in this era.

Out of a lot of high profile social networking sites most people are connected to Facebook. It is considered that if businesses are not on Facebook then they might have no existence at all in terms of the online world. Social networks of the likes of Facebook are the most powerful examples of socialized media. (Khan and Khan, 2012)

Few months back, Facebook surpassed one trillion page views per month. The number of its members reached to about 800 million all over the world. Today, the heart of customer activity is situated inside the social media or social networking site. In 2010, there were more than 500 million active Facebook users(Baird and Parasnis, 2011) which resulted in an increase in online market for companies.

### Importance and Use of Social Networks

Only a small number of customers use online networks to interact with people, comment and like the pages or products. Mostly these networks and communities of brands are used by people to stay up-to-date about the latest developments in brands and products by viewing the information that is available on these online communities.

Facebook brand community is although situated in a social networking siteit however, connects its members to the brands. Companies that provide brand communities should divert their focus on offering unique benefits to their customers in the form of entertainment, social affiliation and economic benefits so that they can get satisfied after purchase and loyalty to the brand and the company is increased (Gummerus *et al*, 2012).

Companies who preach Customer Knowledge Management should engage in the use of social media and social networks to gain maximum input and knowledge about customers so that further decisions could be taken accordingly. They can use different Social networking sites such as Facebook, LinkedIn, MySpace, MeetingUp etc. in order to gain a position to deal with the competition (Chua and Banerjee, 2013).

Following table displays the comparison of the four most commonly used social networks.

	Main Audience	End User Feature	General Features
MySpace	Teens, young people	Blogs, video, photo, address, bulletin calendar, email	Browse profiles, search & invite new people, film/comedy/music forum, favorites, videos, classifieds & events
Orkut	Teens, Young people	Photo, video, bookmarks, scrapbook, profile, testimonials	Friends (rank, best, good, acquaintances), search, communities, Orkut media, news
LinkedIn	Business Professional	Connections, network data, email list, recommendations	People search, jobs, hiring, categorized service providers, ask a question from professionals.
Facebook	Students	Profile, friend finder, photos, my shares, notes, events, inbox	Browse profiles, search and invite new people

Table 1: Comparison of Four Most Commonly Used Social Networks

Source: Miltiadis et al., 2009.

Social networking sites like Facebook are being used by corporations and firms to attract, engage and involve customers in building relationships with them. This does not end here. It also involves encouraging the internal customer that is the employees of the company to use business-specific social networking sites such as LinkedIn. According to (Lipsman*et al*, 2012), brands can benefit by exerting efforts on reaching the friends of their fans thus increasing their understanding of people.

In contrast to Facebook's role as a social connector, LinkedIn also serves as the most used social network site for professional users with roughly 100 million users worldwide (LinkedIn, 2011). LinkedIn is quite useful for obtaining professional network based on work, city, industry etc. Besides adding friends, new connections can also be made based on common connections. In this regard, LinkedIn demonstrates a third network principle; social distance which means to do favors for other people with whom one is closely connected. (Sacks and Nikki, 2012)

According to Heer and Boyd (2005) the surfacing of online social networks was a phenomenon that impacted millions of people at the same time. Reid and Gray (2007) stated that Usenet newsgroups were the first online social networks to appear in 1979. These online communities got most popularized during the late 1990s. In 1997 sixdegrees.com made an appearance and later in 2003 the first proper social network 'Friedster.com' came into existence. Shields (2007) stated that social networks are being used by more than 70 percent of all Americans in one form or another. These social networks are visited by millions of users, since there are no restrictions particularly in terms of monetary sign-up in case of most of these social networks, which draw advertisers to these websites too enabling them to earn sufficient cash. (Klassen, 2007)

Among these different social networking sites MySpace has been ranked at sixth position in overall traffic on the web. It has more than 47 million memberships from US alone each month (Dwyer Cited in QuantCast, 2007).

According to Todi (2008) these social networks have facilitated companies by enabling the marketers to come up with strategies that are more customized and targeted. Khan and Khan (2012) state that it has also led to increased revenues for companies, increased effectiveness and efficiency in terms of cost and development of unassailable marketing strategies. According to Klaassen (2009), through these networks e.g. a company operating on Facebook can develop a bond or relationship with its current and possible future clients. Also even though banner advertisements are not that popular, the material that is posted on the Facebook walls has great reach and it has been found out that the click through speed to websites of corporations is about 6.49%. Therefore, the companies that do not bring themselves in line with this phenomenon will be perceived to be 'out of touch' according to Khan and Khan (2012).

# B. Social Media

A virtual community can be seen in the form of Social sites which have grown immensely is terms of attractiveness and popularity over the past few years. Several people have joined these virtual communities (Kane, Chiru and Ciuchete, 2012). This social media has been the source towards the development of communities on a global level. This explosion of social media significantly changed the way of communication and impacted the ways in which companies used to interact with the customers. Also it enabled customers to become far more knowledgeable about products by making comparisons and reading reviews and participating in discussions. People all over the world interact with each other through these communities and share their private information with one another and also discuss about different products and brands through these contemporary social networking sites

Social media provides a platform for customers where they can collaborate and work together on creating strategically

significant choices with organizations that are customer centered. Such collaborations and interactions result in the development of improved understanding of the companies by the customers. This results in making customers happy and satisfied and creates stronger long lasting bonds between the customers and the business (Sashi, 2012).

Hsu-Hsien Chi (2011) stated that Virtual brand communities are preferred over Facebook advertisements. He further elaborates that people respond in almost the same manner to the use of traditional or classical promotional media. In contrast the response shown by them towards the virtual brand communities is different and significantly varied.

# Importance of Social Media for Businesses

To create an image of being up to date and continuous in development it is getting really very important to be socially active for companies as well as for professional people alike. This latest trend in turn is helping the companies to compete better in the market. This social interaction enables companies to get data which can be relied upon and considered as worthy of trust.

Certain reluctance towards the use of social media has been observed which is accounted to the spam and privacy concerns that most consumers hold. Social media can only help companies in retaining relations with customers as customers mostly visit or discuss such brands that they have a loyalty to or are already interested in or based on a recommendation by friends and family (Baird and Parasnis, 2011). Naylor*et al* (2012) also describes the privacy importance in the social networking domain depicting higher positive response if the identity remains anonymous.

According to a research conducted for the purpose of examining the impact that marketing and promotions through online social media has on Customers' purchase intent in 2011, 33% of the respondents were prone to using internet for participating in social media platforms. This research further exclaimed that social marketing methods should be used in collaboration with these older media channels to provide the most enriching experience to customers. (Ramsunder, 2011)

Among social media sites after Facebook, on the second rank is Twitter that has more than 250 million users (Dweyer, 2007). Twitter got launched in 2006 and according to Baird and Parasnis (2011) since that time till March 2010 people from all over the world had used twitter that resulted in sending of more than 10 million Tweets (messages) through this Social media site. These tweets did not halt here. In fact the number of tweets got doubled and increased to about 20 billion. Also the latest Social media technologies like online sharing of videos (YouTube, and Flickr), social bookmarking (Digg) and networking (Twitter), blogging, online testimonials and rating sites (Yelps) etc. have led consumers towards creation of exciting and unique personal experiences.

Twitter has a significantly influential contribution in facilitating major organizations. It can help to create popular political movements, the biggest example of which can be seen in the form of current President of the United States, Mr. Obama who successfully launched his election campaign using Social Networking sites. These are also useful in launching new careers. All such sites have power to generate something positive and generate benefits both for the organizations itself as well as for the customers. (De Vita, 2012)

# C. Social Media, Social Networks and Consumer Buying Decisions

It has been observed that about 45% of people seek friends' advice before they consider making any purchase decision and most of the discussion on these subjects is done online on social networking sites. This trend has increased the reason for buyers to pay more attention to social media. According to Qualman (1994), 64% of the consumers make a first time purchase based on an online experience. Hence, the digital presence of brands now-a-days has increased to a magnanimous level mainly because of online social media.

It has been noted that even though some companies get mentioned only a few times a day over the internet, others like Dell receive mentions of up to and in fact more than 25000 in just one day. Companies like Dell, Gatorate etc. realize the significance of social media in consumer buying decisions and hence have special social media strategists and analysts to access, keenly observe and intervene to maintain a good online presence (Qualman, 1994)

According to Qualman (1994), Social media plays an important role in intensifying the relationship between the company and its customers. Effective and efficient communication channels facilitate this relationship ultimately leading to positive perceptions towards the company and hence positive purchase intentions.

According to Kim (2007), several E-companies are promoting online social communities that enabled and encouraged customers to write reviews, rate the reviews given by others and talk about products with people they trust, thus sharing their experiences regarding product use and purchase over the internet. This facilitated a positive perception towards companies' products and lead to an increase of confidence in purchasing them. The interactions and relationships that take place within a group of people forms a graph. It facilitates methods for discussing and sharing people's brand experiences with others. These methods or mediums include messengers and online social communities and blogs like MSN, Twitter, YouTube, Friendfeed and Tumblr.

Many E-commerce websites have changed their interface from websites who merely sell a product to websites offering a place where people can communicate, discuss and share their concerns regarding the product and its purchase. They facilitate interactions among consumers. These websites then capture this data and use it to influence the buying decisions of customers.

According to Mir (2012), thousands of internet newsgroups and online chat rooms have emerged which are influencing the buying decisions of consumers. These are useful as when a large number of online users provide the same opinion about a brand, the credibility of the brand is increased. Jonas (2010) also agrees with this phenomenon.

Both social media and social networks contribute in every stage of the consumer decision-making model given in Fig. 1 below:



Fig. 1: Consumer Decision-making Model by Kotler and Armstrong (2008)

# D. Online Apparel Business

Fashion brands were the last one to come up onto the increasingly popular world of social media and networking. But being on the social media and maintaining a strong and positive online presence is a challenging job for brands as several privacy and security concerns are involved (Morrissey, 2010). Yet this is a burgeoning field that offers several advantages to the companies using it and so brands are jumping into supporting and using this increasing trend of social media and networks.

According to the Apparel Magazine (2010) the brands that developed strategies for and devoted their resources and money and contributed time and efforts in creating and maintaining an online presence particularly on the social media are getting positive results for their efforts as the online purchasing and discussions about products and services on social communities has expanded immensely over the past few years. Through the development of online groups and communities interaction with customers has increased at a personal level which resulted in improved sales for the companies using this medium.

According to Olivier (2008) now a day's customers want to buy products online and for that they are looking for companies and providers that are trustworthy so that they can comfortably shop on their websites. This online medium has facilitated the companies by enabling them to place their products online where the product reaches millions of potential buyers simultaneously. This results in a greater and easier reach to a larger target market for the company.

Apparel Magazine (2010) conducted a research regarding 72 brands which included brands like Louis, Hugo Boss and Ralph Lauren. According to the research it was found out that the traffic and presence of people to the online sites of these brands which had presence on social media had almost doubled in the year 2010. This is mainly attributable to the changing trends and use of online social mediums by people all over the world.

Apart from changing the ways in which interpersonal communications take place between individuals, the social media is also reshaping the manner in which clothing goods and services are being marketed and sold. On online platforms all over the world the different fashion retailers are maintaining online social communities (Stephenson, 2009).

According to McPartlin and Dugal (2011), in case of clothing and footwear, in United States 71% of the people make an online purchase. In China, the percentage is 60% and is 23% in case of The Netherlands. Availability of this information from customers enable the retailers in the Garment and Footwear industry to make decisions regarding places to invest their money in and the returns that they can expect from those particular investments.

Companies/Brands are constantly blogging about their products giving tips and fashion advice; they are updating their profiles and are regularly using twitter in order to positively mold their brand's image and value in the eyes of the world. Their main target is now customers who spend most of their time online and prefer brands that are easily approachable through online media. The companies are trying to create and maintain positive long lasting relationships with such customers (Stephenson, 2009).

#### **III. METHODOLOGY**

Based upon the literature review, the following model was conceptualized (Fig. 2).

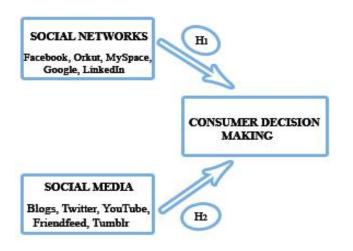


Fig. 2: Proposed Model Overview

The methodology used involved the collection of primary and secondary data whereby the primary data was collected with the help of self-administered questionnaires and secondary data was gathered by literature review.

#### A. Hypotheses

The three hypotheses developed for this research are given below (Table 2):

	LIST OF HYPOTHESES	
H <sub>0</sub>	Media and Social Networks do not have any impact on	
	consumer decision Making.	
	The first hypothesis is given below.	Below 20
H <sub>1</sub>	Social Networks have a positive impact on the Consumer Buying Behavior.	35.8
	This hypothesis is shown in detail below.	
H <sub>1a</sub>	Facebook has a positive impact on the Consumer Buying	
14	Behavior.	35.3
H <sub>1b</sub>	Google a positive impact on the Consumer Buying Behavior.	
H <sub>1c</sub>	Orkut has a positive impact on the Consumer Buying	Up to and
	Behavior.	10 years
	The second hypothesis is shown below.	10
H <sub>2</sub>	Social Media (Blogs, Twitter and YouTube) have a positive	
	impact on consumer decision Making.	R
	This hypothesis is given below in detail.	23.7

Table 2: List of Hypotheses

H <sub>2a</sub>	Blogs have a positive impact on the Consumer Buying Behavior.
H <sub>2b</sub>	Twitter has a positive impact on the Consumer Buying Behavior.
H <sub>2c</sub>	YouTube has a positive impact on the Consumer Buying Behavior.

#### **B.** Participants and Instrumentation

The sample of this study is taken from the students of University of Guirat and all its constituent colleges by using Taro Yamani (1967) formula ( $\mathbf{n} = \mathbf{N}/\mathbf{1} + \mathbf{N}\mathbf{e}^2$ ). The resulting sample size by using this formula came out to be 390. This 390 constitutes the Sampled Population and the entire population of University of Gujrat is the Targeted Population. Out of the 390 questionnaires371 were properly filled as the remaining contained inadequate information and had therefore gotten void.

The respondents were surveyed using a Self-administered, Structured Questionnaire. The questionnaire of the research is comprised of four sections. First section comprises of the demographics (Age, Gender, Educational level and Area). The second section involves questions regarding the usage and influence of social media. The third section involves questions regarding the usage and influence of social networking sites. The fourth section consists of two questions about the overall contribution of social media and social networks in the decision making of consumers.

A five point Likert scale is used ranging from 1 = Strongly Disagree to 5 = Strongly Agree.

## C. Analysis

In order to check reliability of the data obtained to ensure that the sample of pilot study exhibits possible varied groups on the basis of differences in demographics, the data obtained from 37 respondents was entered in SPSS to be analyzed. The Cronbatch Alpha value for this data came out to be 0.855 which shows that the data is very reliable.

The Logistic Regression is the basic technique that will be used in this study to predict the relationship between the constructs but let us first discuss the Descriptive Statistics.

#### D. Descriptive Statistics

The following, Table 3 represents the values of descriptive statistics for the data collected from the sample.

	LIST OF HYPOTHESES	Table 3: Descriptive Statistics Values					
$\mathbf{H}_{0}$	Media and Social Networks do not have any impact on consumer decision Making.			Age	(%)		
The first hypothesis is given below.		Below 20 21 – 3		21 - 30		31-40	
$H_1$	<b>H</b> <sub>1</sub> Social Networks have a positive impact on the Consumer Buying Behavior.		<b>35.8</b> 6.			2.2	
5 6		Gender (%)					
This hypothesis is shown in detail below.		Male				Female	
H <sub>1a</sub>	Facebook has a positive impact on the Consumer Buying Behavior.	<b>35.3</b> 64.4		64.4			
H <sub>1b</sub>	Google a positive impact on the Consumer Buying Behavior.			Educat	ion (%)		
H <sub>1c</sub>	Orkut has a positive impact on the Consumer Buying	Up to and	Up to and 12 Years 14		ears	16 Years	18 and
п	Behavior.	10 years					Above
	The second hypothesis is shown below.	10	46.4	8.9		34.2	.5
<b>H</b> <sub>2</sub> Social Media (Blogs, Twitter and YouTube) have a positive impact on consumer decision Making.		Residential Area (%)					
		Rural		Urb	an	Suburbs	
This hypothesis is given below in detail.		23.7		69		7.3	

#### Interpretation

According to the descriptive statistics' table, the rows for the variable of Age show that out of the 371 people who responded 133 fall below the age of 20. Number of respondents falling between the ages 21-30 is 230 and only 8 respondents are above the age 31.

It can also be seen that out of the total number of respondents, 35.3% were males and 64.4% were females. These percentages represent the characteristics of both the genders properly. Out of the total number of respondents including both males and females, 10% have obtained 10 years of education. Those with 12 years of education are 46.4%, with 14 years of education are 8.9%, and those with 16 years of education are 34.2% of the total respondents. Only 0.5% of the respondents had an education level of 18 years and above. Out of these people 69% are inhabitants of urban areas, 23.7% belong to the rural areas and only 7.3% respondents were from the suburbs.

Apart from the above facts, according to the calculations it was found out that in terms of overall contribution of **Social Media** on Consumer Decision Making, about 47.7% respondents strongly agree with the statement that Social Media has a highly influential role in consumer decision making. 40.4% agree with it. 18.3% people were neutral to the statement, 1.9% disagreed and 1.1% respondents are strongly against this statement.

In terms of the overall contribution of **Social Network** on Consumer decision making, it can be seen that 38.8% respondents strongly feel that Social Networks have an influence on consumer decision making. 46.6% respondents are in agreement with the statement in addition to the 38.3% who strongly agree with it. 10.9% of the respondents are not so sure about their perception about this statement. 2.2% disagree with it and just a percentage of 1.9 respondents strongly disagree with the statement.

This means that majority of the people are of the opinion that Social Media and Social Networks play a very influential role when it comes to decision making of consumers regarding different products.

### E. Logistic Regression Analysis (Social Networks)

In this paper, Binary logistic regression is being used to predict whether Social Networks (Binary independent variable) play any role in purchase of different products by consumers or not. In this regression model we consider the effect of Facebook, Orkut, Google, Own decision, LinkedIn and blogs, which are being used as the independent variables, on Consumer decision making which is the dependent variable.

Using SPSS-16 we performed logistic regression in order to determine whether or not the formulated hypotheses are correct.

From the output, the classification table shows that our model (with all predictors & the constant) is 85.1% accurate; it can also be said that the full model 85.7% correctly classifies the cases.

The frequently preferred test of goodness-of-fit is the Hosmer and Lemeshow Test. In our model, it was observed that the value p = 0.514, which indicates our model predicts

values in a good way. The overall significance is also tested using the Model Chi square, which is under the Obnimus tests of model coefficients, that is significance, indicates that our model with predictors is significantly different from the constant only model; meaning there is a significant effect for the combined predictors on the outcome variable.

The individual parameter estimate was tested using the Wald statistic, the results of which showed that only the Social Networking sites, Facebook, Google and own personal decision and constant are significant, having the p-value of less than 0.05. The social networks Orkut, LinkedIn and MySpace are insignificant indicators. These three indicators are not useful for prediction so we exclude these variables form the model. Hence on the basis of given data we can conclude that Social Network depends only on Facebook, Google, own personal decision and constant.

In this model the value associated with Google has come out to be 1.429. This means that when use of Google is increased by one unit it is1.429 times more likely for its consumers to purchase after being influenced by Google. Similarly a one unit increase in the use of Facebook will lead to a 1.571 times increase in the consumer purchase decision for a particular product and a one unit increase in the use of one's own decision leads to 1.738 times increase in the consumer purchase decision.

Social Media has an increasing trend all over the world but in case of Pakistan in particular such activities take long to mature. Reasons behind this fact are lower literacy rate, less purchasing power of people, limited access to social media, trust deficiency and hesitation of online purchasing.

The larger cities of Pakistan are more vulnerable to accept the global trends that gradually go down in the smaller cities. This might be attributable to the fact that large cities are far more cosmopolitan with a huge number of foreign travels and the increased access of people to external markets. Culturally the customers of Pakistan rely on physical reviewing of the products. That is why they are hesitant to purchase online due to uncertainty, mistrust on transactions and doubt about the quality of product. Another factor that might be operative is the social pressures they have to face in case of wrong purchase through an online medium. So they seldom take the risk.

Facebook also knows as "Eff Bee" (for short) is used by almost everyone in Pakistan regardless of age group (excluding those living in slums) as it has been in fashion for many years now. People log in, they chat, update status sharing their daily life experiences, visit pages of different brands, give comments, engage in product discussions and make purchases.

Google, with all the facilities provided by it is immensely popular everywhere in the world and is even considered to be the second largest Social Networking Site. Whenever someone needs to know something, they are suggested to 'Google It'. Because of the needs of students and its awareness among the masses for Google Plus and other features, it is deemed to be very popular in Pakistan as well.

However when it comes to MySpace, LinkedIn and Orkut, the trend in Pakistan's small cities indicates that there is little preference towards them. People are stuck to the social networking sites such as Facebook as they have become accustomed to using them and find their interface more User friendly in contrast with the other sites. Their knowledge about Social Networking Sites seems to be very limited.

Also these sites can be quite frustrating thus resulting in a smaller percentage of users. Research by The Economist shows that people who are addicted to using Facebook are usually more depressed than those who are infrequent Facebook users. Also it was found out that the most common type of emotion raised by the use of Facebook is ENVY. The same goes for many other such sites.

# F. Logistic Regression Analysis (Social Media)

Binary logistic regression has been used to predict whether Social Media, which is the Binary independent variable here, plays any role in purchase of products by consumers or not. In this regression model the effect that use of Blogs, Twitter, YouTube, Freindfeed and Tumblr has on consumer decision making, is been used as the independent variable. All the independent indicators have been measured on a five point likert scale.

Using SPSS-16 logistic regression was performed in order to determine whether or not the formulated hypotheses are correct.

From the output, the classification table showed our model (with all predictors & the constant)98.1% accurate, hence it can also be said that the full model 97% correctly classifies the cases.

The frequently preferred test of goodness-of-fit is the Hosmer and Lemeshow Test. In our model, observed that the p = 0.998, which indicates our model predicts values in a good way. The overall significance is tested using the Model Chi square, which is under the Obnimus tests of model coefficients, that is significance, indicates our model with predictors is significantly different from the constant only model; meaning there is a significant effect for the combined considered only predictors on the outcome variable.

The individual parameter estimate was tested using the Wald statistic, the results of which showed that only the Social Networking sites, Blogs, YouTube and Constant are significant, having the p-value of less than 0.05. Twitter, Friendsfeed and Tumblr are insignificant indicators. These three indicators are not useful for prediction so we exclude these variables from the model. Hence on the basis of given data we can conclude that Social Media depends only on Blogs and YouTube.

In this model the value associated with Blogs has come out to be 6.37. This means that when use of Blogs is increased by one unit it is6 times more likely for its consumers to purchase after being influenced by Blogs. Similarly a one unit increase in the use of YouTube will lead to a four times increase in the consumer purchase decision for a particular product.

The results indicate an increased usage and influence of YouTube and Blogs by the people on their purchase decisions and a less inclination towards the use of Twitter, Friendsfeed and Tumblr. This is because small city people are more familiar with YouTube because of the amount of shares the YouTube videos get on Facebook mainly. Even with YouTube being blocked in Pakistan now, the people still use it through different proxy sites because of its immense benefits. Students read blogs because they get vast amounts of information from them. They mainly land upon these blogs while they search for articles, news or reviews on different topics or products online. Hence blogs get read and commented on, which has gradually led to an increase in their popularity and usage in influencing purchase decision of consumers.

Out of Twitter, Friendsfeed and Tumblr, Twitter seems to be quite popular among certain groups of people. Even many popular Pakistani Journalists like Mubashir Luqman and other Professionals have their accounts on twitter with huge number of followers but this trend is limited. People prefer sticking to Social Networking Sites which are far more popular and easy to use than these.

# G. Hypotheses (Accepted or Rejected)

#### Table 4: List of Hypotheses

	LIST OF HYPOTHESES	STATUS
$\mathbf{H}_{0}$	Media and Social Networks do not have	Rejected
	any impact on consumer decision Making.	
	The first hypothesis is given below.	
H <sub>1</sub>	Social Networks have a positive impact	
	on the Consumer Buying Behavior.	
Tł	nis hypothesis is shown in detail below.	
H <sub>1a</sub>	Facebook has a positive impact on the	Accepted
	Consumer Buying Behavior.	
H <sub>1b</sub>	Google a positive impact on the	Accepted
	Consumer Buying Behavior.	
H <sub>1c</sub>	Orkut has a positive impact on the	Rejected
	Consumer Buying Behavior.	
T	he second hypothesis is shown below.	
$H_2$	Social Media (Blogs, Twitter and	
	YouTube) have a positive impact on	
	consumer decision Making.	
Т	his hypothesis is given below in detail.	
H <sub>2a</sub>	Blogs have a positive impact on the	Accepted
	Consumer Buying Behavior.	
H <sub>2b</sub>	Twitter has a positive impact on the	Rejected
	Consumer Buying Behavior.	
H <sub>2c</sub>	YouTube has a positive impact on the	Accepted
	Consumer Buying Behavior.	

### **IV. CONCLUSION**

In this Research paper the usage of different Social Media and Social Networking sites by consumers, belonging to different age groups, was determined and it was observed whether or not their usage of these platforms leads to any influence or change in their purchasing patterns regarding different products and services.

The results showed that consumers in Pakistan are particularly keen on the use of a few Social Media platforms which include Blogs and YouTube. Similarly consumers mostly prefer the Social Networking sites of Facebook and Google along with their own personal decisions. The results also highlighted the fact that the use of these online media has a strong influence on the purchase decisions of the users. This means that people use the online social networks and Social Media sites as sources for obtaining information about different companies, their brands, products and services.

According to Dan Power (2011) Facebook and YouTube which are easy to use online tools have exponentially resulted in an increase in connectedness. He states that these changes in these tools and technologies will result in making consumer decision making more effective and rational. However, he also states that certain online tools may impact consumer decision making negatively.

Darban and Li (2012) also agree with the outcome of this research in terms of Social Networks. According to them every stage in the Purchase Decision making process of consumers is impacted to different extent by online social networks in case of food retailer shops. This is mainly because features of Facebook are user friendly, enabling consumers to spend their free time using it. The features of this site are such that they enable people to visit different Facebook pages and interact with the respective buyers and read reviews and comments of people making purchase easier and more satisfactory for them.

On the basis of the obtained information, potential customers make comparisons among alternative brands, form perceptions, choose the ones they feel are the best and engage in word of mouth, both positive and negative, about the products they are interested in.

# **V. IMPLICATIONS**

This burgeoning trend has strong implications for companies who must tread very carefully and be very smart about their online presence as it has become a major determinant of companies' success in the 21<sup>st</sup> century. They have to orient their strategies in ways that will attract the internet savvy customers and engage them through use of Social Media and Social Networks in ways that will lead to the generation of positive response from them.

The companies have to have Media specialists whose expertise lie in this area. They must ensure a strong presence on the worldwide web (www) along with guaranteeing that they are positively followed by their customers from all over the world.

The greatest significance for this research hence lies for the Companies (particularly those in the Apparel Industry) who wish to obtain and sustain an advantage over their competitors by staying on top of the mind of consumers. The proper use of these online platforms are not just a way for existing companies to increase awareness about their brands but also for small businesses and startups to familiarize more and more people about their products, services and about the uniqueness of their venture.

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