The Impact of Social Media Browsing on Purchasing Behaviour in the Youth Market

By

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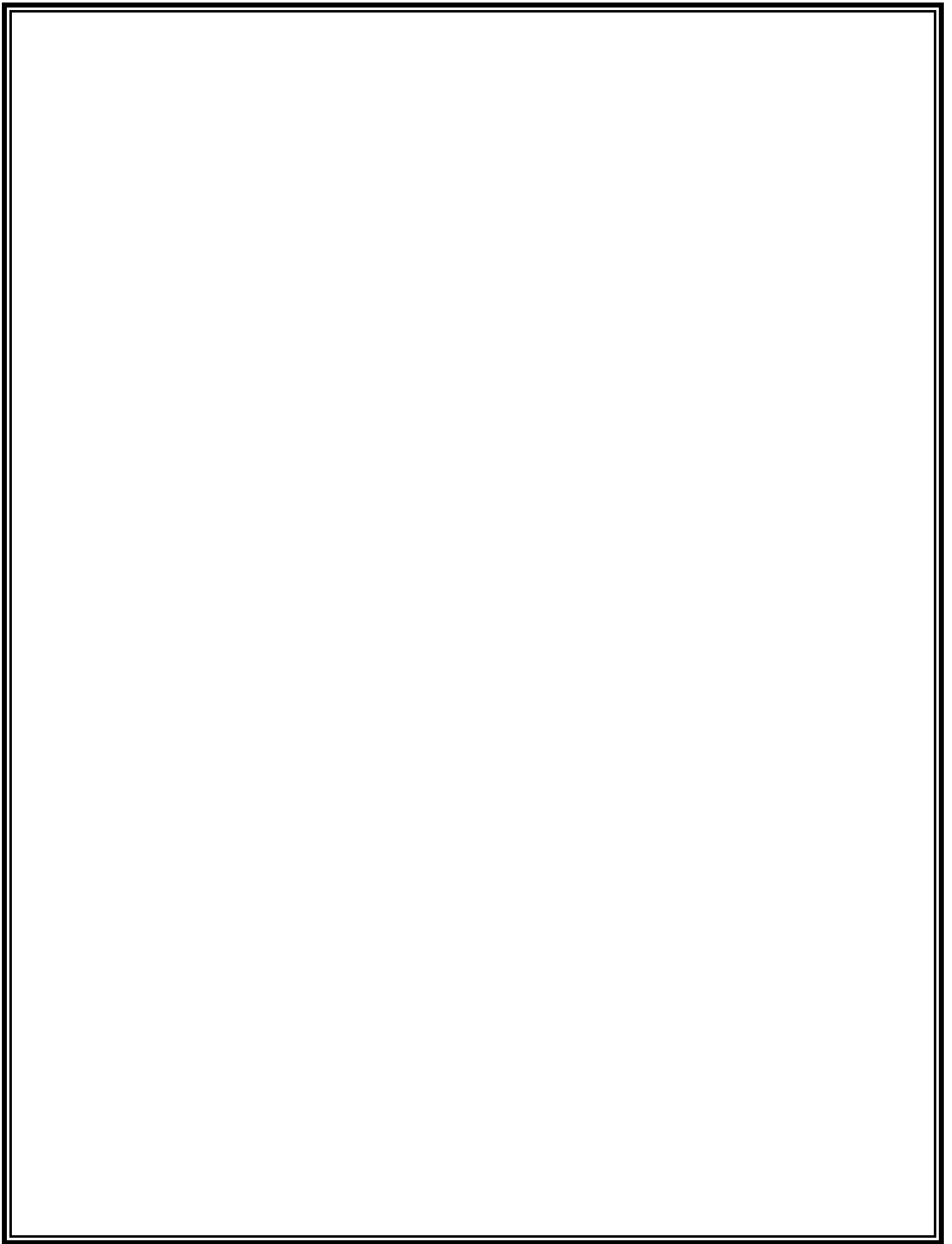
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Declaration

This dissertation represents the original work by the author. Sources have been accurately reported and acknowledged. This dissertation has not previously been submitted at a University to obtain an academic qualification.

Signed: ....

Date: ....

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A teacher affects eternity; he can never tell where his influence stops - Henry Adams.

I would like to thank my supervisor, Professor Krishna Govender for his guidance, continuous encouragement and support. Gratitude and appreciation is due to Professor Krishna Govender for providing his knowledge, experience and time to guide this research study till the end.

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The family is one of nature's masterpieces- George Santayana

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Glossary of Terms Used

Purchasing Activity: The process by which, individuals search for, select and purchase goods or services in order to satisfy their needs and wants.

Browsing: To inspect or read something casually.

Social Media Browsing: To casually inspect or read through social media platforms.

Social Network Sites: Web- based services, which allow individuals to construct a public or semi-public profile within a bounded system, articulate a list of other users with whom they share a connection and transverse their list of connections and those made by others within the system. Examples of social networking sites include Facebook (www.facebook.com) and Mxit (www.mxit.co.za).

Wikis: Websites that permit individuals to attach and edit information with the intention of serving as a common and shared database among individuals. An example of a wiki is Wikipedia (www.wikipedia.com) which is an on-line dictionary.

Blogs: 'Online' journals, publications or regular entries of comments by individuals that are written and presented in chronological order. Blogs often include video's (video blogging) and audio files (podcasting).

Micro-blogging: Social networking blogs such as Twitter where usually very small amounts of information are updated on a regular basis and this is referred to as 'tweets'.

Content Communities: Communities that exist 'online'. Content Communities enable their 'community' members to share information, experiences and advice about various aspects that help to enrich each other's lifestyles and even influence purchasing behaviour.

Podcasts: Video and audio content. An example of a podcast is iTunes.

Vlogs: Video enabled blogs. An example of a vlog is YouTube (www.youtube.com).

Web 2.0: Collection of open-source, interactive and user-controlled 'online' applications which expand the experiences, knowledge and market power of users as participants in business and social processes.

Phone Phreaking: Hacking of telephone lines.

Abstract

Over the last century, technology has had one of the most significant influences on the way in which marketers conduct business. The advent of technological innovations, Web 2.0 and new media such as social media have altered the dynamics of business and has transformed the way in which marketers interact, communicate and conduct business with consumers. The increased and widespread use of social media in particular, amongst the youth has increased the importance of social media as a marketing and communication tool and sales driver. The youth in particular, have actively embraced social media which has become pervasive in their lives. The youth are actively involved and engaged on social media platforms and, as these consumers proliferate, engage, and interact on these platforms, they are creating new opportunities and avenues for marketers to influence their purchasing behaviour and increase their sales.

The growing usage of social media is thus indicative of a rich interactive platform for marketers to capitalize on in order to remain prevalent and influence the purchasing behaviour of post-modern consumers such as the youth. Social media has created endless opportunities for marketers in order to influence and increase the purchasing behaviour of consumers. However, despite the significant opportunities and benefits, several marketers are hesitant and have failed to make use of social media as a medium for marketing and communication and influencing consumer purchasing behaviour.

In light of the above, this study will establish, by means of quantitative analysis, the impact of social media browsing on the purchasing behaviour of consumers in the youth market, with a view of enabling marketers to utilize social media as a medium for influencing the purchasing behaviour of consumers.

Chapter One

Introduction and Overview

1.1 Introduction

In a constantly changing world of information technologies, new media has paved the way for an array of innovative communication techniques which have contributed to the success and profitability of marketers. Social media in particular, affects how marketers pursue, connect and communicate with consumers, influence their purchasing decisions and preferences.

Social media represents the "'online' technologies and practices that individuals make use of to share opinions, insights, experiences and perspectives with each other" (Kumara, 2008: 2). Social media represents a significant change which summarizes the importance and consequences of interaction between consumers and the community (Universal McCANN, 2008). Social media is contributing to an important shift which marks the change from a traditional, objective, rational and institutional perspective to a subjective, emotive, personalized and human perspective (Odden, 2008). It takes on various forms including social networks, wikis, blogs, micro-blogs, vlogs, podcasts and content communities (Kumara, 2008). Lake (2010) asserts that social media serves as a fertile platform for individuals to share and distribute their expertise and knowledge and, for marketers, it creates the possibility to gain insight into the wisdom of their consumers.

However, since the youth are growing up in a world of new and rapidly changing technologies, they are likely to make use of new media in their daily activities (Carenzio, 2008). Despite the growing usage of social media, which is indicative of a potentially new marketing and communication platform for marketers, little evidence exists of academic research which explores how South African marketers can make use of social media as a platform for marketing and communication. In light of the aforementioned, this study will examine the impact of social media browsing on purchasing behaviour in the youth market. It will explore whether social media browsing leads to purchasing by the youth, and if so, to what extent and why. In addition, this study will attempt to establish why consumers in this target market purchase using information obtained through social media platforms, it will explore the potential of social media as a promotional tool; determine if age has an impact on the purchasing behaviour of consumers in the youth market and, it will establish the impact of demographics on social media browsing in the target market.

The youth market consists of young consumers aged between 18 to 24 years (MiMi.hu Company, 2000). Over the past decade, marketers have been actively targeting the youth market as this market is a demographically and economically more attractive and rewarding market (MiMi.hu Company, 2000). In South Africa, for example, it is reported that young people between the ages of eight to twenty two years have an estimated spending power of R95.3 billion (Lange, 2010). In line with their efforts to penetrate this market, marketers have had to constantly create new ways of communicating with the youth through innovative means such as new media. Unlike in the past, when the younger generation was only seen and not heard, today's youth are not afraid to voice their opinions and to be heard. Social media has provided this young group of people with a perfect platform through which they can voice their opinions and hopefully be heard. Hence communication and engagement have become easier with the interactive nature of social media (Lange, 2010).

1.2 Background and Rationale of the Study

Social media is not a new phenomenon as the emergence of social media began in 1979 with usernet systems (Boyd & Ellison, 2007). However, what is new about social media is the promotion and development of mass involvement that new social media platforms are encouraging (Slideshare Inc, 2010). According to Universal McCANN, which conducts research in an effort to constantly measure consumer usage, attitudes and interests of social media platforms, the following were estimated from the fourth part of its global research programme 'Wave' which was carried out in 2009 in over 38 countries among 22 729 active Internet users between the age group of 16 to 54 years:

- 394 million people watch video clips 'online

- 346 million people read blogs/weblogs

- 321 million people read personal blogs/weblogs

- 307 million people visit a friend's social network page

- 303 million people share a video clip

- 272 million people manage a profile on a social network

- 248 million people upload photos

- 216 million people download a video podcast

- 184 million people start their own blog/weblog

- 183 million people upload a video clip

Figure 1.1 below shows the frequency of occurrence of the aforementioned activities.

Figure 1.1: The Frequency of Social Media Activities
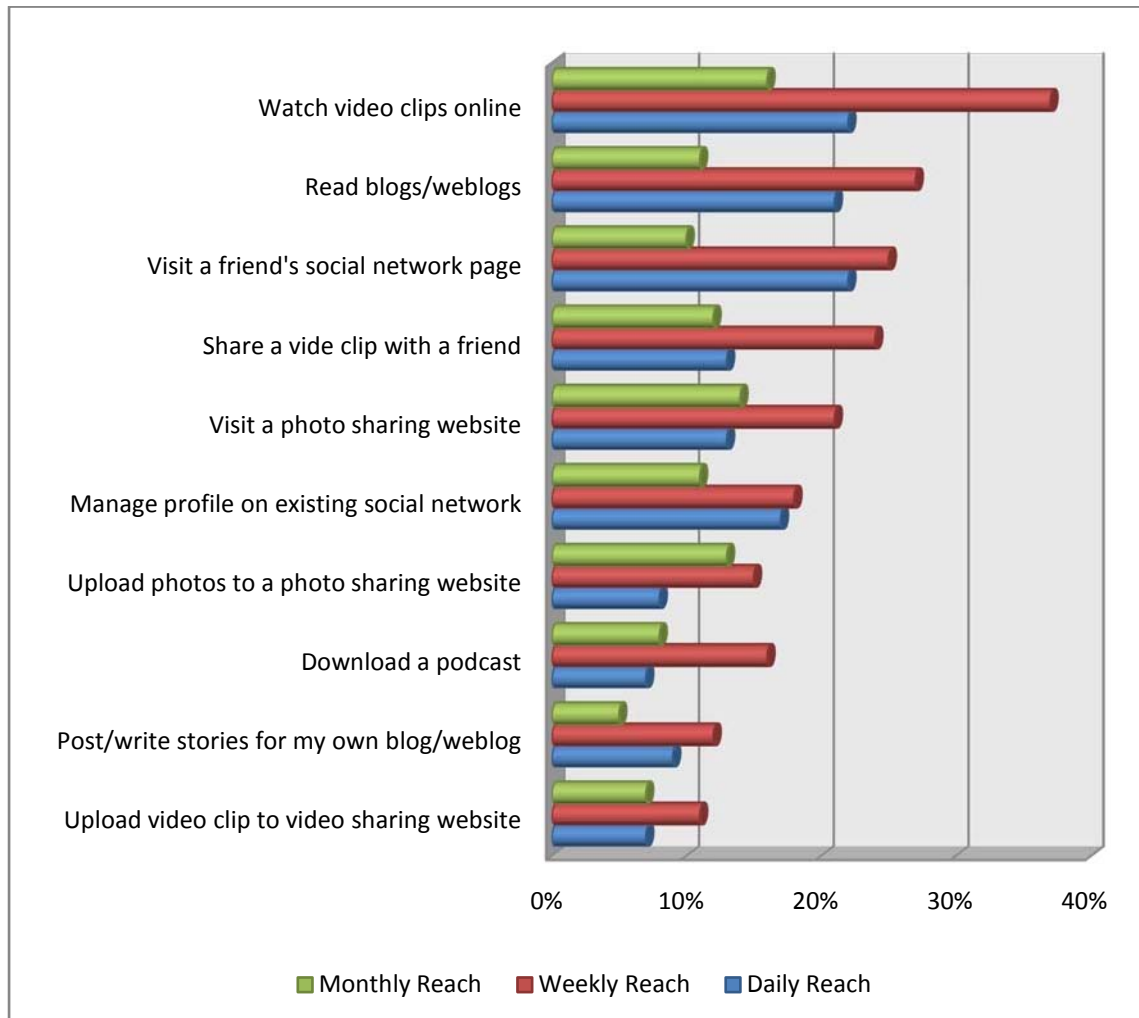
Source: McCANN, 2008.

From the above, it can be concluded that the rise of social media has created hundreds of millions of content creators, as contributing to the Internet has never been easier for consumers. In the last few years consumer publishing has saturated social media platforms due to the emergence of mass market social media platforms such as YouTube, Facebook and MySpace. These developments combined with the declining costs of computing and broadband have enabled a global revolution in consumer publishing which has become a new standard of social media (Treadaway & Smith, 2010).

Although there are great similarities that exist between social media that existed decades ago and what is presently available, the differences are apparent. Presently, social media are more interactive and engaging in comparison to the past, and consumers in present times are afforded more power on these social media platforms as opposed to traditionally when they were hesitant to share personal information over the Internet and on social media platforms. This was attributed to issues such as privacy, safety and unfamiliarity with the way in which the Internet and social media worked. In addition, consumers previously relied heavily upon traditional media to provide them with the necessary shopping information and, hence had little or no reason to turn to social media platforms to obtain information.

Today's consumers anticipate that in order to trust and get behind products and brands they should encompass the elements of customization, interactivity and a means for which consumer voices can be heard, thus enabling a two way flow of communication (Ivanauskas, 2009). This two way flow of information highlights the power shift from the marketer to the consumer where communication plays a service oriented and experience-creating role as opposed to a persuasive role (Raaij; 1998 cited in Ivanauskas, 2009). Clearly, emerging post-modern consumers seek opportunities that will allow them to become participants in the customization of their world by immersing themselves into the world of objects (Flart, Dholakia, & Venkatesh, 1995; as cited in Ivanauskas, 2009). As a result, consumers should be viewed not only as a target for products but as producers of experience.

Social media can perhaps be regarded as one of the fastest growing areas of the Internet (eMarketer, 2009). According to the Strategy Analytics Report (2008), social media users will exceed one billion by 2012. Furthermore, research carried out by Universal McCANN's annual social media tracker in 2009 revealed that 25 percent of South Africa's active Internet users have uploaded videos on social media platforms, two million have had an encounter with at least one social website and, 2.8 million South Africans are users of Facebook, the social networking site (Universal McCANN, 2009).

Without doubt, social media has witnessed incredible development and tremendous growth over the past few years and continues to evolve and permeate the lives of consumers. It is reported (Universal McCANN, 2008) that blogging is becoming increasingly more participatory and this is evident from the following:

- There are now 184 million bloggers worldwide;
- It has been estimated that 346 million individuals read blogs;
- It is estimated that 321 million individuals read personal blogs;

- 32 percent of consumers trust other blogger opinions on products and services;

- 31 percent of consumers feel blogging is a good way of expressing themselves;

- 32 percent of consumers believe blogging is an important way to socialise with friends; and

- 36 percent of consumers feel more positively towards companies that have blogs.

Social networking sites are becoming the number one platform for information creation and sharing, since it is estimated that there are almost 272 million social networking users worldwide, and 307 million individuals visit a friend's social network page (McCANN, 2008).

According to an Awareness Report conducted in the 2008, 46 percent of the surveyed marketers have adopted social networking as a successful tool for aiding in building and promoting brands, improving collaboration and communication, and increasing consumer engagement (Ivanauskas, 2009).

Video clips continue to grow and penetration is massive across all markets. It is estimated that 394 million individuals watch video clips 'online'. Furthermore, there is a 31 to 82 percent of global reach of video clips that is being witnessed in all markets (McCANN, 2008).

Middleton (2010: 2) asserts that "from once a mere search engine for facilitating individual communications to a vehicle for communicating in almost any environment including business, government and education, social media has definitely evolved from its true purpose". Examples include the social media revolution in the United States in 2008 during the presidential elections and the revolution in Egypt surrounding the Egyptian government. Furthermore, Middleton (2010) asserts that communication campaigns waged through social media have crippled stock prices, caused considerable sales dips and transformed business practices. On a smaller scale, social media has helped inform consumers about products, raised public awareness of significant issues and legislation, influenced policy shifts and provided valuable feedback channels for marketers (Middleton, 2010).

From the above, it is evident that social media is rapidly developing and increasingly assuming a significant role in the lives of consumers. As a result, marketers that connect with consumers via different social media platforms need to understand why and how consumers are utilizing these different social media platforms that are enabling creation, sharing and spreading of information (Universal McCANN, 2009). Ideally, marketing efforts should include: two way conversation, building of communities, transparency, relevance,

value, dialogue, search ability, keeping content current and patience (Goetz & Barger, 2008). IBM, one of the world's largest and leading information technology companies, has managed to adhere to the above by managing a platform that enables tens of thousands of IBMers to share knowledge both internally and externally (IBM, 2008). This enables IBM to enhance their internal and external connections and relationship building opportunities. These IBMer groups have their own sections of the IBM website which includes specific log in's, passwords and special access to information. IBMer groups receive advance notification of announcements prior to the general public on 'online' events such as seminars and discounts on IBM products. This social platform permits consumers to make use of IBM's content, allowing them to monitor IBM's latest developments. Clearly, IBM's social media efforts are years ahead of most large companies which gives IBM a competitive advantage over their competitors. Companies such as IBM have found that social media provides a great platform for building a brand image by driving traffic to their 'online' sites and encouraging consumers to engage in discussion and conversation over their brands.

Social media is changing how marketers pursue and market to consumers, which can create significant opportunities for marketers if social media is embraced correctly. According to a survey carried out by Headstream Consulting in November 2010, marketers of brands that have embraced social media correctly as a part of their marketing and communication efforts include Nike Plus, Converse, Dell, Starbucks, Innocent, Giffgaff and Groupon UK (Copyright Company, 2011). The aforementioned brand marketers have realised the potential of social media platforms as a catalyst for the sharing and spreading of brand information and enhancing and building brand image. Such brands have wasted no time in exploiting the opportunities and advantages of social media and thus social media is currently more progressively utilized by marketers for enabling and facilitating the sharing of brand information in the anticipation of generating conversation around these brands. According to a report issued by Research.Inc (www.roiresearch.com), consumers reported their desire to connect with brands on social media platforms (Middlelton, 2010). This study which explored how social media permeates consumer's lives and affects communication, shopping and other activities, revealed the following:

- 55 percent of Facebook users click on Facebook advertisements to 'like' a brand;

- 37 percent learned about a new product or service from a social networking site;

- 32 percent of respondents have recommended a product, service or brand to friends via a social networking site; and

- 32 percent of Twitter users re-tweet content provided by a company or product.

In addition, brands such as those mentioned above tend to add value to an 'online' community through their ability of defining a brand in a more social and humane way, thereby connecting on an emotional level with consumers. Through this social and emotional amplification, which takes place on social media platforms, brands are allowed to 'participate directly in conversation with consumers'. Research done by Research Inc (roiresearch.com) disclosed that 40 percent of consumers make use of social sites to connect with brands and products (Middleton, 2010). As a result, marketers should pay attention to the fact that social media communities are populated by humans and in order for a brand to be accepted, it must act in a more emotional manner (www.slideshare.net).

However, brands no longer hold the same type of control over how they are communicated and received as they once did (Stileman, 2009). According to Powell, the "brand is no longer what it says it is but it is what the people say it is" (2009: 14). Currently, on social media platforms, the brand sends out a message and from this point onwards it is up to consumers which brand messages they hope to share and edit and make a part of their 'online' discussions and conversations (Stileman, 2009). Thus, the market is relatively driven by consumer preferences and recommendations, and as a result all brands and products are now exposed to higher levels of consumer inspection prior to purchase, influencing the decision making process of consumers. Hence, it is this ability of consumers to communicate and share information with an unprecedented amount of individuals 'online' that represents the biggest opportunity that exists for marketers of brands. An example of a brand that takes full advantage of this is Ferrari. All Formula 1 content on the various social media platforms promotes a positive Ferrari brand, prompts consumers to engage in discussion, provokes conversations around the Ferrari brand and creates a buzz around the Ferrari brand (WaveMetrix Company, 2011). Thus, social media has made real and substantial changes in the lives of consumers by empowering them to more actively engage with brands and each other. Consequently, social media has significantly contributed in the shift from strict consumerism to an active two-way conversation between brands and consumers.

The emergence of social media has largely attributed to the massive growth in user generated content 'online'. It is believed that 'prosumption' will increase, which as opposed to earlier forms of capitalism, involves both production and consumption (Ritzer & Jurgenson, 2010). Social media can be regarded as facilitating this new form of capitalism, for example, social networking sites such as Second Life permit users to create characters, communities and environments for their consumption (Ritzer & Jurgenson, 2010).

Furthermore, Wikipedia permits users to generate, amend, update and use articles. In consumer prosumption, control and exploitation creates room for "unpaid labour and a trend of offering products at no cost which is considered to be in abundance as opposed to being scarce" (Ritzer & Jurgenson, 2010: 31). Digital prosumption 'online' is a new emerging form of capitalism which is preeminent in social changes particularly associated with the Internet such as social media which includes Facebook or Twitter (Ritzer & Jurgenson, 2010). In prosumption capitalism, marketers adopt a stand back approach where there is less involvement with prosumers; as prosumers produce and consume content accordingly. Consequently, the growth of social media has produced hundreds of millions of content creators which are reflected in the figure below.

Figure 1.2 illustrates the vast growth in social media over a short period of time and users that have moved from passive consumers to active creators. Writing blogs have increased from 28 percent to 44 percent, creating a social network page has shown an increase from 27.3 percent to 57.5 percent and uploading a video clip has increased from 10 percent to 42 percent. This has resulted in billions of thoughts and opinions 'online' which are available for anyone to read (McCANN, 2008).

Figure 1.2: Social Media Adoption Over Time - Waves 1-3
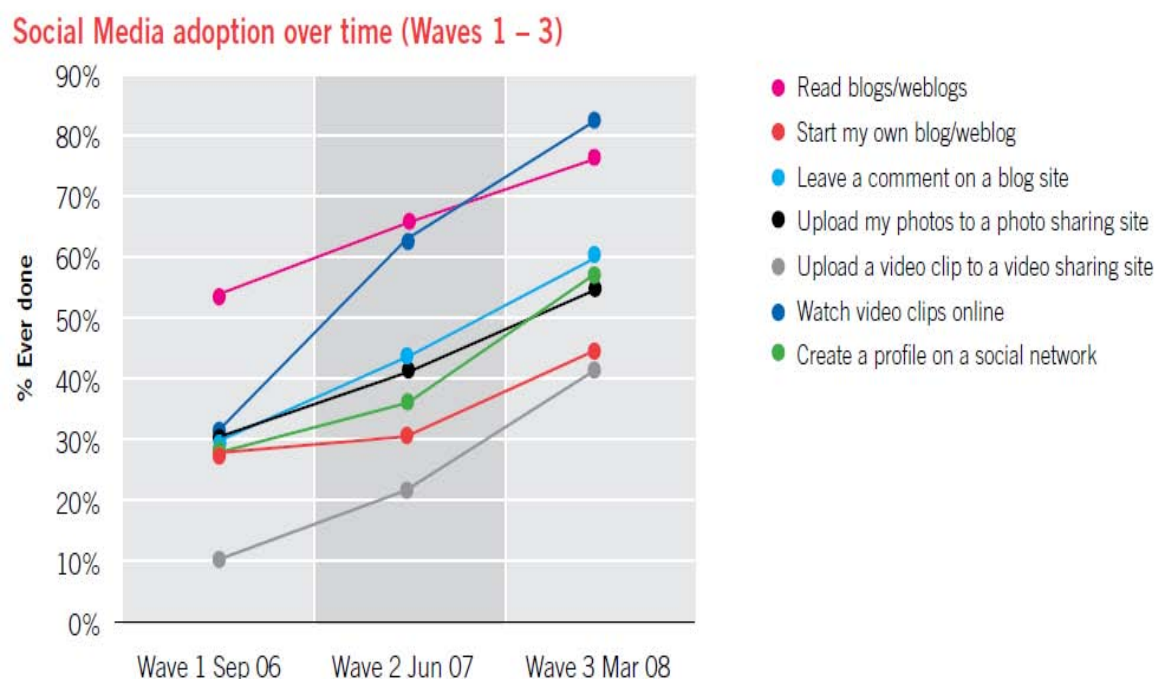
Source: McCANN, 2008

According to Humphreys & Grayson (2008, as cited in Ritz and Jurgenson 2010), the idea behind prosumption is to afford prosumers autonomy rather than impose control. For example, on social networks such as Mxit or Second Life, autonomy to a consumer is the ability to create a profile as the consumer desires and to present himself or herself in a way that he or she views appropriate. In addition, consumers can gain much more from being prosumers, for example, on content communities such as Flicker, one can gain recognition for being a superior photographer or model. Therefore, there are personal rewards and gains for individuals which could be possible reasons for the increase in prosumption. As a result, it becomes evident that there has been an informational power shift from marketers to consumers since consumers are now producing and consuming information as they wish. Social media has therefore given birth to a whole ritual of media prosumption which does however pose great challenges for marketers.

From the brief discussion above it can be noted that social media has brought about several changes in consumer behaviour as it has afforded consumers the opportunity to more actively engage and participate with marketers of brands and products 'online', thus empowering consumers which has resulted in the acceptance of the term 'prosumption'. Presently, marketers have less control and authority over what is being produced and consumed as consumers want to hear from marketers on their terms (Ritz and Jurgenson 2010). However, on the opposite end, there is an opportunity for exploring the possibilities that exist within the medium of social networks for positioning products and brands that exist for marketers. Many consumers view social media as providing them with a platform for socializing and entertainment as opposed to a platform for marketing (Bhargava, 2010). Consumers are drawn to these social media platforms primarily because it has something to offer them as opposed to traditional media; where a 'push' strategy is adopted by marketers. For marketers, this has created several opportunities in that they need to employ marketing activities around social media platforms which can provide value and benefit to consumers, acting as a 'pull' factor. For example, according to a Rave Review for Social Navigation in 2008, 76 percent of consumers were more likely to shop on a retailer's website versus their competitor's website if it offered social navigation (ECR News Network Inc, 2011).

Social media platforms have opened the doors for consumer publishing of opinions, thoughts and experiences worldwide. Never before have consumers been exposed to such a wealth of information as social media is encouraging rich 'online' human to human interaction, conversation and discussion. The power to influence no longer predominantly lies in the hands of marketing experts as it is increasingly easy to share opinions, thoughts and experiences and generate influence. For example, a simple voting poll, creation of favourite

lists or even purchasing products that become recommendations, all influence consumers purchase decisions and behaviour. This new form of casual influence has surfaced as a result of social media which has made it easier to influence consumers on social media platforms. Every individual can be considered an influencer to some degree without much commitment (Universal McCANN, 2008). The study revealed that the majority of consumer publishing is generated by strangers who do not possess any celebrity status or aura of expertise and that consumers are increasingly looking towards and trusting new sources for information (Universal McCANN, 2008). According to an Annual Global Opinion Leader's Study by Edelman Trust Barometer, trust in 'a person like me' tripled from 20 percent to 68 percent from 2004 to 2006 (www.edleman.com). Research carried out by Edleman Trust Barometer shows that consumers now trust the opinions of strangers 'online' as much as their close friends and more than information obtained from advertising (www.edleman.com).

This undoubtedly demonstrates the importance of social media as a tool for generating purchasing behaviour amongst consumers. As a result, marketers' websites are incorporating social dimensions to their profiles in order to encourage consumer engagement and interaction. The above is supported by research carried out by Universal McCANN (2008), which established that social media does have a direct impact on purchasing behaviour of consumers which is influencing the manner in which marketers are conducting business.

Through evaluation and assessment of the Internet, journal articles and case studies, it is apparent that in South Africa, several marketers are hesitant to make use of social media as a medium for generating purchasing behaviour and conducting marketing as compared to several countries overseas (Universal McCANN, 2009 & Levitt, 2010). Thus, an investigation into the impact of social media browsing on purchasing behaviour of the youth is essential as it will afford South African marketers the opportunity to recognise the strength of social media as a tool for generating purchasing behaviour amongst consumers. In addition, this study will allow those South African marketers who do have a social media presence the opportunity to optimise on their social media presence.

1.3 Problem Statement

Social media has created enormous and endless opportunities for marketers around the world in order to influence purchasing behaviour of consumers. However, regardless of these significant opportunities and benefits, several marketers have failed to make use of social media in order to influence purchasing behaviour amongst consumers, especially the youth (Kumara, 2008 & Stelzner, 2009)

In view of the above, this study will explore how the purchasing behaviour of consumers in the youth market is influenced through social media browsing, with a view of enabling marketers to exploit the characteristics of social media as a means to potentially influence the purchasing behaviour of consumers.

1.4 Research Questions

1. What is the impact of social media browsing on the purchasing behaviour in the youth market?
2. How does social media browsing lead to purchasing by consumers in the youth market?
3. Why do consumers in this target market purchase using information obtained through social media platforms?
4. What are the usage patterns of social media platforms by the youth?
5. Is there potential value for social media as a promotional tool for targeting the youth market?
6. What market segments can be found within the youth market?
7. Does age have an impact on the purchasing behaviour of consumers in the youth market?
8. What is the impact of demographics such as age and gender on social media browsing in the youth market?

1.5 Anticipated Limitations

1. Convenience sampling was used hence limited generalizations may be possible.

2. Questionnaires will only be administered to individuals between the ages of 16-24 in the Durban region, thus the sample is limited and does not represent the wider youth population.

3. An additional limitation of this study is perhaps the constantly changing nature of social media and technological advances. As new features, applications, designs and characteristics of social media are created, this research might not encompass all the features of social media that have an impact on the purchasing behaviour of consumers in the youth market.

1.6 Chapter Outline

This dissertation consists of five chapters.

Chapter One

This chapter presents an introduction and the rationale for undertaking this study.

Chapter Two

In this chapter a review of all secondary data and information pertaining to social media will be presented.

Chapter Three

The chapter will include a discussion of the research methodology which encompasses research design, the research objectives, the sample selected, data collection techniques, reliability, validity and statistical data analysis.

Chapter Four

In this chapter, the empirical findings will be reported and explained. Descriptive and multivariate statistics will be used in analyzing the data and explaining the links between the theory and research objectives.

Chapter Five

All conclusions based on the significant empirical findings will be summarized and recommendations for further studies outlined.

Chapter Two

Literature Review

2.1 Introduction

Over the past few years, social media has witnessed tremendous growth and recognition and has been revolutionized with technology to become part of the mainstream culture, society and business. Social media is a pervasive and vital part of how individuals communicate, stay in touch, keep on top of new developments and connect with the world around them (Boyd & Ellison, 2007). For marketers, social media represents an unprecedented marketing opportunity which transcends the conventional middleman and connects consumers directly to marketers (Social Media Examiner Company, 2011). Social media has given birth to a whole new interactive platform on the Internet; creating the opportunity to interact with consumers and exchange product and shopping messages, serving as an ideal marketing and communication tool and sales driver. According to research conducted by ROI Research, 49 percent of respondents expressed a strong desire to receive more printable coupons on social media platforms, 46 percent notifications on sales and special deals and, 35 percent on information on new products (Performics Company, 2011). In addition, investments from highly reputable companies such as Microsoft Corporation (240 million dollars in Facebook) and Google (900 million dollars in MySpace) in social media demonstrate the importance afforded to social media as a marketing and communication tool for influencing purchasing behaviour of consumers (Facebook Company, 2011 & Leplan, 2011).

Social media usage in South Africa has surpassed five million users contemporarily and continues to increase at significant rates (Rabaney, 2010). Presently, individuals are increasingly turning to the use of social media for many reasons; from monitoring the latest fashion trends to gaining advice on major purchasing decisions. Research has shown that 50 percent of consumers read other consumer reviews when shopping 'online', whilst 16 percent have been influenced by this information when making purchases (Copyright Company, 2008). Research carried in out in 2007 by the consulting firm Deloitte & Touche LLP revealed that 82 percent of consumers disclosed that consumer written product reviews available over the Internet directly influenced their buying decisions, and 69 percent of consumers passed reviews on to others (Copyright Company, 2010).

In addition, according to a global Nielsen survey of 26 486 Internet users in 47 markets, consumer recommendations was the most credible form of advertising amongst 78 percent of the study's respondents (Watershed Publishing, 2011). Furthermore, according to research conducted by Razorfish (2008), nearly 49 percent of consumers make purchases based on recommendations from social media. As a result, social media is set to change the way in which many marketers conduct business as consumer recommendations and ratings over social media platforms have become one of the most credible forms of advertising (Social Media Marketing Industry Statistics, 2008).

According Social Media Marketing Industry Statistics (2008) 59 percent of shoppers stated that they made use of product reviews to make purchase decisions, which rated higher than clearance sale pages and featured sale pages. In addition research conducted by a research firm in 2008, revealed that 70 percent of Americans made use of consumer ratings and product reviews before making a purchase (Business Week, 2009).

Given the above, it is evident that the development and widespread progression of social media platforms have transformed the way in which marketers conduct business with consumers. Marketers across the world have thus far been able to respond and adapt positively to the changes brought about by social media. Marketers are aware of the great number of consumers that are linked to hundreds of these social media platforms which serve as fertile ground with market potential that is yet to be exploited. Marketers thus create a presence on these social media platforms with the anticipation of generating greater exposure and spotlight to their products and brands by making use of various marketing and communication strategies and tactics 'online'. A social media presence thus inevitably leads to an increase in purchasing behaviour hence increasing profit margins.

Hence over the last century social media platforms have played a significant role in affecting the success and profitability of marketers. Social media platforms have surfaced as second generation web based services which have transformed the way in which marketers interact, communicate, advertise and conduct business with consumers. E-commerce in South Africa, for example, currently constitutes a significant portion of the country's buying and selling behaviour (Meltzer, 2011; cited in Treadaway & Smith, 2010). According to Meltzer (2011; cited in Treadaway & Smith, 2010), South Africans have spent more than two billion rand 'online' in 2010 (excluding air tickets and accommodation); up by 40 percent from the previous year. It has been anticipated that the market will witness a growth of 30 percent again in 2011, with sustained or accelerated growth in the future.

Despite its growing importance, there is a clear shortage of academic literature that summarizes the social media environment, its history and current developments. In addition, very little academic research explores which social media platforms can be utilized by marketers to influence purchasing behaviour of consumers and how these social media platforms can be made more valuable. Hence, this research will provide a summary of the social media environment, its history and current developments; evaluate the various types of social media platforms and examine how marketers can utilize these social media platforms in order to influence and increase purchasing behaviour of consumers. In addition, this research will draw attention to the importance of social media as a marketing and communication tool and sales driver. It will also examine the opportunities and challenges which social media presents to marketers and recommend suitable marketing strategies that can be utilized in order to leverage from social media.

2.2 The Emergence of Social Media

Social media is not a new phenomenon (Boyd & Ellsion, 2007). According to Borders (2009), individuals around the world have been making use of social media for networking, socializing and gathering information for almost 30 years. The emergence of social media began in the 1950's with phone phreaking (Borders, 2009). Early forms of social media such as phone phreaking primarily allowed individuals to mass communicate (PeopleBrowsr Company, 2010). Phone phreaking was followed by usernet systems which were established in 1979 (Boyd & Ellison, 2007). Usernet systems allowed users to post articles or posts which were regarded as 'news' to newsgroups (Web Designer Depot Company, 2011). Usernet systems are held responsible for the development of newsreader clients who are currently the pioneers to RSS feed readers (Web Designer Depot Company, 2011). Usernet systems were followed by bulletin board systems which were amongst the first sites that allowed users to log on and interact with each other, demonstrating characteristics similar to social media platforms that exist today.

Bulletin board systems had social discussions on message boards, community contributed file downloads and 'online' games (Borders, 2009). However, according to Borders (2009), during the 1980's the social media landscape was filled with anarchy and an underground intensity to it. Although there were legitimate bulletin board systems during this time, a large percentage was strictly underground and devoted to niches such as warez (pirated software), H/P (hacking and phreaking information), anarchy (articles on bomb making and fraud) and virus codes for downloads.

Even though bulletin boards in the past, and those found today, do share some similarities, there are significant differences with regards to how consumers viewed, interacted and engaged on these bulletin boards. Social media platforms that exist today create a more intimate setting for individuals to share information, interact and engage with each other as compared to social media platforms that existed in the past. Contemporarily an alarming number of consumers turn to bulletin boards whether it is for product purchase information or to gain insight into consumer product preferences (Borders, 2009). Bulletin board systems thus serve as a platform rich in opportunities to influence consumer preferences, purchasing decisions and behaviour which is contrary to the past. In the past, consumers were hesitant to share and divulge personal information and experiences over the Internet or on social media platforms due to issues surrounding privacy, safety and unfamiliarity of the way in which these social media platforms functioned. Furthermore, in the past consumers relied heavily upon traditional media to provide them with necessary information on products and brands. Hence, consumers had little reason to turn to social media platforms such as bulletin boards to provide them with product or shopping information, which is contrary to consumers of today.

Subsequent to bulletin board systems, 'online' services such as CompuServe, America 'online' (AOL) and Prodigy surfaced (Borders, 2009). CompuServe, AOL and Prodigy were responsible for taking 'online' services to an entirely advanced level by offering improved user interfaces which was facilitated at the time by advances in computer technology (Treadaway & Smith 2010). According to Treadaway and Smith (2010), the aforementioned 'online' services are the first generation of modern social networks which were pioneers of 'online' service business. However, none of these 'online' services were profitable channels for e-commerce or Internet marketing which is contrary to social networking sites that are presently available (Treadaway & Smith 2010).

Borders (2009) stated that CompuServe and Prodigy were the first real corporate attempt at accessing the Internet. Both CompuServe and Prodigy developed with the hope of creating an interactive social experience for the masses and provided a safe and moderated environment for social networking and discussions. Each time a consumer logged on to these network sites, the computer screen was filled with advertisements creating a podium on which marketers could market and position their products and brands to 'online' users; traits compatible with social media platforms that exist today. However, according to Treadaway and Smith (2010), marketing through these 'online' services proved unproductive and unsuccessful at the time. During this period, it was too early for consumers to respond positively to advertising of products and brands over the Internet. As a result 'online' services

such as those mentioned above, primarily focused on growing consumer subscription revenue through increasing subscribers in the mid 1990's. Another challenge that 'online' services such as Compuserve, AOL and Podigy faced was that they were primarily 'walled gardens', closed to the rest of the Internet before they became available websites (Swartz, 2008). Internet users had to maintain separate accounts on these different 'online' services and, in each case users had to invite the same friends to each separate 'online' service.

The growth and development of first generation 'online' services was brought to an end with the appearance of the first web browser, Mosaic (Treadaway & Smith, 2010). In 1994, with the use of Mosaic and a web connection via an ISP (Internet Service Provider), Internet users were permitted to spend an unlimited amount of time surfing the Internet and sending an unlimited number of emails (Treadaway & Smith, 2010). Mosaic was thus responsible for creating a shift from services that heavily relied upon an hourly service and other usage charges for profitability. With the growth of 'online' services, applications and websites, consumers congregated to the Internet starting in 1995 (Treadaway & Smith 2010). As consumers congregated to the Internet, experiments of Internet marketing became evident. An 'online' web magazine for example was the first company to sell banner advertising to corporations, which was sold for a flat rate per 1 000 impressions or views, now known as CPM (cost per mil).

The mid 1990's was a radical period for the Internet as millions of people around the world had now gained an 'online' presence. This gave birth to endless opportunities and possibilities for marketing and advertising over the Internet for marketers. These opportunities developed into an unprecedented level of entrepreneurial activity for marketers and as a result the Internet marketing and advertising business grew considerably (Treadaway & Smith 2010). Social commerce, whereby purchasing decisions are directly influenced by other people and friends, emerged in 1999 over the Internet (Treadaway & Smith, 2010). Epinions was one of the first companies that provided consumers with a platform on which they could share their purchase preferences and recommendations with each other (www.webstrategist.com cited in Treadaway & Smith, 2010).

The number of websites, 'online' services and applications continued to grow and develop beyond consumers expectations. In contemporary times, sites such as e.bay.com (www.ebay.com) and amazon.com (www.amazon.com) are examples of 'online' services that have been witnessing increased growth and popularity. These types of 'online' sites, in particular, have a great influence on a consumer's purchasing behaviour and decisions as they provide consumers with the ease and convenience of shopping 'online' (Ivanauskas,

2009). Sheth & Mittal (2004) asserted that as consumers move from traditional media to new media such as social media, consumers become more demanding, more time driven, more information and content intensive and highly individualistic. These consumers evaluate marketers on their capabilities to deliver 'total customer convenience' (Sheth & Mittal, 2004).

The majority of social media platforms today such as epinions.com (www.epinions.com) provide consumers with the opportunity to assess other consumer's reviews and comments about their experiences and interactions with products and brands. These 'online' sites aim to combine buyer feedback which assists consumers in the buying process (Hawkins, Mothersbaugh & Best 2007). Presently, consumers highly value pre-purchase assistance as they actively search for product or brand information and have increasingly turned to social media platforms as a means of achieving this. Research by eMarketer highlights how influential customer reviews are (www.emarketer.com). Approximately 22 percent of US 'online' buyers always read customer reviews before making a purchase, whilst 43 percent of US 'online' buyers read customer reviews most of the time (www.emarketer.com).

According to research carried out by Freshmen Consulting (2010), social media platforms are responsible for producing user generated content as users of social media engage in several lengthy individual and group conversations which are filled with true feelings, experiences and emotions. User generated content is supporting a new kind of trust and enhancing credibility of content amongst social media users (Freshmen Consulting, 2010). Research has revealed that 80 percent of 'online' users trust the judgments and opinions of a friend or social contact more than any other source on the web (Illumine Marketing and Media, 2010).

According to Everson, Facebook's global marketing solutions vice president (2011), research has shown that 75 percent of new parents would prefer receiving recommendations from friends on Facebook than anywhere else whereas, 74 percent who do purchase are influenced by friends and, 68 percent are more likely to recommend a product if the advertisement is on a friends page. The rationale behind trusting user generated content is attributed to the fact that these personal sources are real people with real experiences and emotions. These personal sources can be trusted as they have no hidden agenda as opposed to marketers who want to sell their products and brands. According to research conducted by comScore, 97 percent of consumers who made a purchase based on an 'online' review revealed that they found the review to be accurate (comScore Company, 2011). In addition, users disclosed that reviews generated by fellow consumers yielded greater influence than those generated by professionals (comScore Company, 2011).

The massive growth in user generated content 'online', attributed largely to the emergence of social media, has resulted in an informational power shift from marketers to consumers; as consumers are now producing and consuming information as they wish (Ritzer & Jurgenson, 2010). This poses several challenges for marketers as they currently have less control and authority over what is produced and consumed since consumers want to hear from marketers on their terms. A mistake that several marketers who use social media platforms commit; is that they ardently attempt to control each and every interaction with the consumer thus preventing them from developing real relationships with consumers (Ritzer & Jurgenson, 2010). Kumara (2008) suggested that social media is about providing a space for consumers to influence each other during the purchase process. Thus, the objective of any marketer should be to encourage consumers to positively influence each other, which can be achieved by the alignment of a marketer into a network of multiple voices (Kumara, 2008). In order to ensure conversation around a product or brand, the marketer must empower and authorize internal individuals across the organization to take on the role of product and brand ambassadors. This might not always be the message the marketer wants to send out, but this will serve as authentic sources that yield strong and positive influence (Kumara, 2008).

According to Sorensen (2010), the voice of marketers can no longer be the formal statements that are reviewed by professionals. Presently consumers are uncertain of 'spin'; they are suspicious of anything that looks corporate and commercial as they demand transparency and honesty. Consumers want to know and be a part of all actions and activities taken by a marketer. Consumers want to be assured that marketers are aware of issues which they have raised and are actively working to solve them. Thus, marketers on social media platforms need to be honest and transparent with consumers in order to gain their trust which can be leveraged in order to generate sales. Wal-Mart, the American public multinational corporation which runs chains of large discount department stores and warehouse stores, and Nike the sportswear and equipment supplier, have earned the trust of consumers due to their willingness to openly address their problems on social media platforms which has resulted in increased brand loyalty and sales over the years (Treadaway & Smith, 2010).

Research by Erik Bryonjolfsson and Micheal D Smith (cited in Sheath & Mittal 2004) states that consumers are willing to pay a premium to an 'online' retailer that they trust rather than one that they are unfamiliar with. In addition, it was found that brick and mortar brands with an 'online' presence are more likely and able to charge a premium price of between eight to nine percent on goods and services as compared to other retailer products and services (Sheth & Mittal, 2004).

The number of websites and 'online' services continued to proliferate and consumers desired a way to sort through all the clutter and noise 'online' in order to find exactly what they were looking for. Several companies developed 'online' sites in order to solve this problem and Yahoo is an example of this. Yahoo indexed sites according to subject matter and added a basic search function that enabled users to find resources 'online' at a faster pace (Treadaway & Smith, 2010).

Other popular search engines that surfaced around this time included Magmellan, Alta Vista and Lycos. Search engines that surfaced later included Dogpile and MetaCrawler which combined search results from individual search engines providing users with more accurate and complete results (Treadaway & Smith, 2010). 'Online' users started to demonstrate a preferred liking to influential search engines as compared to other means of finding relevant information over the Internet. Google surfaced in 1998 and proved its worth as a radical, effective and powerful search engine (Willison, 2004). During this time, marketers continued to make use of and purchase banner advertisements for generating demand over the Internet. However, by 1999 banner advertisements saturated the Internet and were easy to overlook and disregard. According to Treadaway and Smith (2010), it was during this time that Google emerged as the world's greatest and most accurate search engine and has managed to maintain this. From 2003 to 2008, Google was the search engine to tap into large numbers of Internet users interested in a particular subject matter or topic.

'Online' services were followed by instant messaging and discussion forums. According to Kumara (2008), discussion forums can be regarded as one of the longest time honoured and age old forms of social media. Discussion forums have played a significant role in the growth and development of the social web and continue to do so presently as discussion forums continue to be part of 'online' rituals for many individuals. According to research by Social Media Examiner Company (2011), 36 percent of marketers indicated their desire and plans for increasing their forum activities. Contemporarily there have been attempts to alter and reshape these discussion forums to furnish them with additional social networking features to compliment the trends that 'online' users have been demonstrating (Boyd & Ellison, 2007). Early discussion forums can be regarded as solely an Internet version of a mailing list that primarily allowed consumers to post and comment on messages. Discussion forums were often built into websites as an added feature but some existed as standing entities. Within more contemporary discussion forums, these include various newsgroups or individual lists; building scope for more than just one discussion forum and one topic as opposed to traditional discussion forums.

Discussion forums of all sorts can be found today, with discussions evolving from all types of questions and people based upon a mixture of products and brands. Discussion forums frequently function on specific topics or interests and each discussion forum is known as a thread, and many different threads can be active at the same time (Kumara, 2008). This makes discussion forums an ideal platform to find and engage in a variety of detailed discussions, debates, advice seeking, sharing news and idle chat. Kumara (2008) asserts that this vast variety of discussion reflects that face to face conversation is taking place on social media platforms.

Furthermore, with discussion forums at present, messages can be received in real time as opposed to the past. Real time refers to "when action and responses are simultaneous and is a new standard that social media is adhering too" (Jones & Kochtanek, 2002: 1). Real time messages provide immediacy and powerful human emotions and feelings shared on social media platforms can now be shared immediately with friends, family and acquaintances (Treadaway & Smith, 2010). This works to the advantage of the consumer as it saves the consumer the time spent waiting for a response and for marketers it provides the opportunity to interact with consumers in real time, thus allowing marketers to stay on top of consumer trends and respond immediately to demands; and thus increasing the potential for influencing the purchasing behaviour of consumers.

In addition, with regard to marketing and advertising on social media platforms, contemporarily Minnposts.com's Real Time Advertisements allows a marketer to alter or change the message of an advertisement in real time (Lavrusik, 2010). Minnpost.com makes use of customized widgets in order to pull in messages from a marketer's social media accounts. Marketers can purchase widget space for a specified amount of time rather than utilizing the traditional Cost Per Mille model of advertising. This enables the updating of content whenever a marketer desires, making each message timely and ideal for a daily deal or promotion (Lavrusik, 2010). This also allows marketers to monitor their social media efforts and respond to tweets and comments in a timely manner and, the faster a marketer responds, the better their customer service will look (www.socialmediaexaminer.com). Minnpost.com has currently been witnessing a significant increase in revenue as they have approximately 15 000 dollars in annual contracts using real time advertisements (Lavrusik, 2010).

2.3 Contemporary Social Media and Web 2.0

Ivanauskas (2009: 24) stated that "the real power of people can be witnessed in the new revolutionized media channel- social media". According to Kumara (2008) the following are key characteristics of contemporary social media:

- **Openness:** Social media platforms actively encourage feedback and participation. They support comments, voting, ratings and the sharing and spreading of information. There are rarely any barriers to accessing and utilizing content available on social media platforms.

- **Conversation:** Social media platforms permit a two-way conversation between consumers and a brand or company.

- **Community:** Social media allows communities to be shaped and formed quickly often around common interests; encouraging interaction, communication and engagement within these communities.

- **Connectedness:** Most social media platforms prosper and thrive upon their connectedness, making use of links to other sites.

Mayfield (2008) added one more characteristic to contemporary social media:

- **Participation and Engagement:** Social media encourages contributions and feedback from all individuals who are interested and blurs the line between media and audience.

Haven (2008; cited in Ivanauskas, 2009) asserted that the following characteristics of new technologies which set them apart from that in the past are:

- **Reach:** Traditionally, audiences for the common individual were limited to family, friends, neighbours or the community. Contemporary technology enables anyone to reach a global audience.

- **Accessibility:** The means of production for most media historically lay in the hands of enterprises with unlimited human or financial resources. Today's technologies for media creation are available to any person at little or no cost.

- **Usability:** The means of production required specialized skills and training which is contrary to contemporary technology. Contemporary technologies allow anyone to create and operate the means of production.

- **Transparency:** In the past, individuals kept personal information to themselves and had a distrust of authority. Contemporarily, individuals are now more willing to share information about themselves in a public space which had been facilitated and made purposeful by today's technologies.

- **Recency:** Contemporary technology allows instantaneous responses and dialogue whereas in the past, the time lag between communications was typically long which was a limitation of technology in the past.

Starbucks, the branded coffee house, utilizes various social media platforms which adhere to the above characteristics of new technologies. Starbucks has effectively made use of the various social media platforms in order to communicate with their customers and potential customers, which has translated into sale prospects and an increase in sales for the brand (Noff, 2010). Starbucks social media strategy combines and integrates various social media platforms which work together to create a social media plan of fans and followers of the brand who are kept involved in the brand's activities. Through their use of different social media platforms, Starbucks has proved to its customers and potential customers that Starbucks cares about what they have to say and has placed communicating with their customers as its first priority (Noff, 2010). Starbucks social media efforts include:

- **Starbucks on Twitter:** Starbucks encourages customers on Twitter to engage in discussion and conversation, the brand answers questions, re-tweets and creates an open communication channel to speak and interact with the public (Noff, 2010).

- **Starbucks on Facebook:** Starbucks has 5 428 000 fans on Facebook (Noff, 2010). The brand actively uploads videos, photos and posts and fans have a page on which they can open discussions, comment and interact with the brand.

- **Starbucks Blog- 'Idea's in Action':** The blog is written by several Starbucks employees and addresses the brand's actions, activities and plans. The blog helps to keep customers informed and updated with regard to their suggestions; this increases the customer's sense of loyalty towards the brand (Noff, 2010).

- **Starbucks on YouTube:** The brand uploads various commercials and videos of the brand on YouTube. Some of these videos include charity work and origins of the different kinds of coffee allowing customers and potential customers to relate more to the brand (Noff, 2010).

According to Lake (2010), social media should take on the role of a communication tool in any marketing strategy. A marketer's products and brands should be made accessible to those who are interested and made visible to those who are unaware of the marketer. Hence, social media can be utilized as a tool for creating personality behind a product or brand and creating relationships that otherwise may never have been gained. This results in repeat buyers for the marketer producing customer loyalty and inevitably encouraging and increasing the purchasing behaviour of consumers which is evident in the case of Starbucks (Lake, 2010).

Contemporarily, marketers invest a great amount of time in developing relationships with consumers that lead to actual revenue and business. Research carried out by Social Media Examiner Company (2011) revealed that a large percentage of marketers who invest time in developing relationships are able to generate sales resulting in the increase of purchasing behaviour amongst consumers. Research by Social Media Examiner Company (2011) revealed that 72 percent of marketers who have been utilizing social media for more than three years have reported that this has assisted them in generating and increasing purchasing behaviour of consumers. In addition, more than half of marketers who spend 11 hours or more per week produce the same results (Social Media Examiner Company, 2011).

Hence, it is plausible to support Adam (2009) who stated that social media marketing is not a 'quick fix' but should rather be viewed as a standard and continuous effort (Adam, 2009). Just as it takes time and effort to build credibility of a product or brand; through exceptional customer relations and customer service and product quality; so too does it take time and effort to build credibility through interaction and engagement on social media platforms (Adam, 2009). Adam (2009) recommended social media marketing efforts to be intended and designed principally as public relation's tools as this is the most effective way of building awareness. Marketers should ensure that they actively participate on social media platforms and create esteem around their products and brands. This demands a routine and concerted effort and regular interaction (Adam, 2009).

VistaPrint, the 'online' supplier of printed and promotional materials has managed to achieve the above. VistaPrint began utilizing social media in 2008 as an additional one-way push channel primarily to share press releases and marketing messages (Moore, 2010). However,

customers rapidly brought it to the attention of the company that their social media efforts were futile as they desired honesty, engagement and interaction. One of the greatest decisions that VitsaPrint could have made was listening to its customers, which has translated into increased revenue for the company. In 2009, VistaPrint generated approximately 30 000 dollars in revenue from social media, 26 000 dollars was generated through Twitter and the remainder from Facebook by simply listening, interacting and engaging with its customers on social media platforms (Moore, 2010).

VistaPrints social media efforts include the use of CoTweet to communicate with customers on Twitter and the receipt of customer service requests via Twitter. The company continuously ensures and places great emphasis on customer service, relationships and communication and its ability to respond to customer requests has played a significant role in its success. VistaPrint frequently pays attention to metric's and makes use of information from TweetStats in order to track their Twitter activities (Moore, 2010). This information is manually processed into the company's existing metric's framework providing the company with a clear picture of the monetary benefits received from Twitter on a regular basis (Moore, 2010). VistaPrint's Facebook efforts include 19 500 fans on the social network, 11 700 (60 percent) of whom have been active users. VistaPrint averages approximately 200 interactions per month with their users on Facebook, actively engaging and interacting with customers on Facebook whilst also generating exposure to their company (Moore, 2010).

Several marketers thus far have been successful in using social media to achieve the above and have built communities within these social media platforms to interact and engage with their consumers. For example; Dell, the computer manufacturing company, has successfully embraced the concept of social media into its various marketing and communication strategies. Dell has successfully created multiple Twitter handles, multiple blogs, a company page on Facebook, a Flickr page and even a YouTube channel (Balwani, 2009). It has publicly stated that the business had generated an amount of approximately three million dollars in sales due to their use of Twitter and Twitter has generated more than 6.5 million dollars in orders for PCs, accessories and software (Balwani, 2009). Furthermore, the number of users signing up to receive Dell's tweets has increased by 23 percent in three months reaching 1.5 million twitters, which demonstrates the potential and possibility of social media platforms for generating and increasing the purchasing behaviour of consumers (Balwani, 2009).

Examples of brands that have successfully integrated social media into their marketing and communication efforts include Nike and Zappo's. Nike, the sportswear and equipment

supplier has built a number of fans by encouraging a trend of bringing all those who love a running lifestyle together through the use of technology and social media (Stileman, 2009). Nike has successfully been able to create a legion of runners around its brand and has managed to prompt this movement by making a website available to runners, where runners could create profiles, chat to other runners, build relationships and share information, allowing runners to strengthen their interest in running. The NikePlus.com website encourages personalization, relationship building with the brand and among runners, makes shoe recommendations and running partner recommendations available. As a result, Nike has found a way of connecting its brand to its user's desires through the use of social media platforms which have created the opportunity for interaction, conversation and discussion with the Nike brand (Weinfurtner, 2011). Nike has stated that this site is renewing the popularity of their running shoes. In addition, a market research firm projected that a significant amount of Nike's sales growth resulted from communication on this website (Greene, 2011).

Zappo's, the 'online' shoe retailer, stocking over three million shoes, handbags, clothing items and accessories from over one thousand brands has successfully made use of various social media platforms to increase purchasing behaviour amongst consumers (Copyright Company, 2011). For example, Zappo's has a dedicated page for Twitter on its business website which enables consumers to find out what Zappo's employees are tweeting about by logging on. Often employees tweet about Zappo's interesting resources and words throughout the page link back to the search results of Zappo's catalogue, which is an excellent way of generating purchasing behaviour amongst 'online' consumers (Copyright Company, 2011).

The likelihood of consumers turning to social media as sources of information at the stage of decision making is evident from the above discussion. Modern day buyers highly value pre-purchase assistance as they actively search for product or brand information and have increasingly turned towards social media platforms as a means of achieving this. According to Sheth and Mittal (2004) for consumers who are buyers, the universal value is 'service value' which is the support a consumer looks for when purchasing a product or service (Sheth & Mittal, 2004). This involves the following:

- Pre-purchase advice and assistance;

- Post-purchase advice and assistance in sustaining the product's use worthiness; and

- Freedom from the risk of a mis-purchase by being able to refund or replace the products.

In addition, a survey carried out in 2008 which comprised 1200 shoppers, revealed that 65 percent of consumers actively sought out and read customer reviews before making a purchase decision; always or most of the time (ECR News Network Inc, 2011). A similar study carried out in 2008 which comprised 100 shoppers, revealed that 55 percent of consumers would be more likely to purchase from a site that has reviews, and 63 percent find ratings and reviews valuable when making a purchase (ECR News Network Inc, 2008). Furthermore, an e-commerce survey by Squidoo revealed that more than 70 percent of consumers looked at 'online' reviews before making purchases and Intuit revealed that out of every 10 sales, eight are due to word of mouth (Sorensen, 2010). According to Sorensen (2010), in order to be successful and ensure profitability, marketers need to ensure that they are constantly delivering value to everyone since consumers are going to be turning to several different voices to attain their information. Hence, through the medium of social media, marketers are given the chance to influence and increase the purchasing behaviour of consumers. It is also evident that social media influences and alters consumer behaviour and through the different social media platforms, marketers are able to influence consumer buying patterns.

According to Mangold and Faulds (2009), social media influences numerous other aspects of consumer behaviour which include: awareness, information search, opinion sharing, purchase and post purchase behaviour. As a result, the emergence of social media had altered and changed the traditional communication paradigm, giving birth to a new communication paradigm. This new communication paradigm demonstrates the rising power of consumers over content.

Likewise, social media has created an entire different environment as a medium and as a market space 'online' as compared to traditional media (Peters 1998).   Social media makes the formation of a 'market space' possible. Space can be defined as a "virtual realm where products and services exist as digital information and can be delivered through information-based channels" (Rayport & Svikola; 1994 cited in Ivanauskas, 2000: 8).

Marketers and consumers have responded to the changes and opportunities brought about by social media and have integrated this new concept into their marketing tactics and life style respectively. These new interactive media have created and paved the way for marketers to reach new and fragmented markets and the possibility of marketers having

greater influence over existing markets. For consumers this means that they are presented with the opportunity to save time and costs when searching for information or purchasing products and brands 'online' (Ivanauskas, 2009). As a result of the social media revolution, marketers and consumers across the world have been witnessing the progression and development of a universal interrelated network of audio, video, and electronic text communications which is responsible for distorting the distinction between interpersonal and mass communication, and between public and personal communication (Newman, DiMaggio, Hargittai, & Robinson, 2003). The new market space which has emerged has brought about several changes in the behaviour of consumers around the world and has altered several communication models. This shift is evident from the "one (firm)-to-many (consumers) model of communication to a many-to-many communication model where the message can be created and consumed by both sides" (Ivanauskas, 2009: 8).

According to Chaffey, Johnston, Chadwick, and Mayer (2007; cited in Ivanauskas, 2009), this kind of communication fosters mass customization and personalization resulting in messages that are sent over social media being targeted more effectively and precisely to consumers. Moreover, changes such as these are altering and giving new importance to traditional marketing communications concepts and models as consumers can now go from awareness to interest to desire to action (AIDA model), with the usage of the same medium and same session (Ivanauskas, 2009).

Peters (1998) postulates the following as main changes in communication concepts and models with regard to the new and old media:

- **Communication style –** There tends to be little or no time lag between the giving, receiving and responding aspects of communication between the parties which has been termed 'real time'.

- **Social presence –** This can be regarded as perceived personalness, the feeling that communication exchanges are sociable, true, real, warm, personal and active.

- **Control of contact -** The ability to control the pace and presentation of product information has the strongest influence on enthusiasm to connect in computer-mediated marketing activity (Organization for Economic Co-operation and Development, 1999).

- **Content–** The ability of the content to be customized either by users or by senders. Where users are able to organize the content, or production, of the message it is said to be interactive.

One of South Africa's largest brands Knorr (Unilever's brand) has now embarked on their social media presence based upon insights received from its consumers regarding their social media presence, in an effort to increase the purchasing behaviour of its consumers (Tiot, 2010). The decision to use Facebook was built on the foundation of the brand's objectives which was to gain an insight into the existing community and their social media habits. With the use of social media, Knorr hopes to achieve a more interactive experience with consumers. This will ensure that the brand is more active and pertinent amongst its consumers and encourages the long term engagement with the brand.

The discovery and steady development of social media has had a tremendous impact on society and is responsible for the dramatic shift on the Internet. It is encouraging to witness that South African brands such as Knorr have now recognized these shifts and have responded to them by evolving with their consumers and integrating a social media presence as part of their marketing and communication strategies (Tiot, 2010).

Although social media is one of the newest trends in the international 'online' marketplace, it should be used with caution. According to a UK study by Jam/MySpace, in 2009, 26 percent of social media users believed that they were attacked by too much advertising on these social platforms (cited in Mabry, 2008). Therefore, marketers on these social platforms need to realize that the social media environment is distinctive and demanding and those who do not adhere to the requirements and etiquette of this environment will struggle to succeed. However, those who can take advantage of this environment stand to build deeper relations with the consumer, build brand image and kinship (Stileman, 2009). Dell had to learn this the hard way when it sold a defective laptop to a consumer. The consumer had returned the laptop to Dell several times and each time the laptop was returned to the consumer, there was a new fault. The consumer was disappointed with Dell's poor customer service and vented his anger through a blog (Stileman, 2009). The blog was quickly saturated with an outbreak of comments from consumers around Dell. Shortly after this, negative comments were made visible on the Dell homepage on Google search, which began to tarnish the Dell brand. Dell's share price dropped, revenue fell and customer satisfaction ratings dropped (Stileman, 2009). Nevertheless, Dell responded to this in a very positive manner by listening and responding to consumers through the medium of their own blog which has earned Dell a higher level of respect amongst consumers.

Prior to this, Dell did not have a social media presence, however, Dell's willingness to adapt in this environment has paid off. DirectDell responded to each and every dissatisfied consumer, providing the consumer with help and advice. Subsequently there was an optimistic buzz surrounding Dell as the company was providing true and personalized service to its consumers.

In addition, research carried out in 2009 by information management firm Covergys revealed that one negative comment posted by a consumer on a social media platform can influence 30 consumers to defect (Middelton, 2010). The study also revealed that one in three consumers affected by bad customer service share their problem over the Internet and on an average, each post reaches 45 users. This is a huge number when 62 percent of respondents said "they would stop buying products which they read bad things about" (Middleton, 2010).

2.4 Social Networks

Social networks, in particular, have gained immense power and serve as powerful marketing and communication tools for marketers in order to influence, generate and increase purchasing behaviour of consumers. Since its introduction, social network sites have attracted millions of users around the world, many of whom have integrated these sites into their everyday practices (Boyd & Ellison, 2007). There are general social networks with user bases larger than the population of certain countries demonstrating the possibility of social media as a marketing and communications platform for marketers (HC Company, 2009). The growth and evolution of social networks has lead to the creation of more personalized interactions between consumers and marketers making communication and engagement much easier than before. Although traditionally social networks were predominantly adopted by the youth market, an increasing population of people between the agess of 25 and 34 as well as white collar professionals are now making use of social networks thus revealing their relevance to everyday life (Kim, 2008). The ripple effect of this is that it creates several new opportunities and possibilities for marketers to take advantage of in terms of positioning their products and brands, and also creates a framework within which marketers can interact with consumers on these social networks.

Coca Cola is an example of a brand that has successfully utilized social networks to reach their target market. Coca Cola has achieved this by willingly granting their users the driver's seat in engaging with the brand and empowering them and allowing their voices to be heard (Lange, 2010). Coca Cola has a fan page on Facebook which is driven by consumer-generated content and the brand has added a wall feed by default (Lange, 2010). This

decision by the marketers of the brand demonstrated the importance Coca Cola placed on getting their fans engaged and involved with the brand 'online', as Coca Cola did not shy away from the potential repercussions that negative content by consumers could have on their reputation. Marketers of brands such as Coca Cola have realized that social media is an unrestricted and public sphere where consumers have the right to make negative comments. The onus is upon the marketers to turn these negative comments around and defend themselves in such situations. Thus social media platforms are primarily for listening, interacting and engaging with consumers rather than solely advertising.

Social media platforms involve learning about consumers and providing them with value. Providing value to consumers entails that social media provides a function or benefit to users whilst at the same time integrating the marketer's products and brands (Mabry, 2008). An example of providing value through social media was an alcohol branded Facebook application that assisted consumers in deciding which bar to visit based on customized options of the consumer. The branded application recommended venues to the consumer, providing value and recommended cocktails made with the sponsoring liquor (Mabry, 2008). This use of blending value and promotion illustrates how social media can be used as a platform for providing consumers with value whilst functioning as a promotional tool. The example above illustrates the key characteristics and features of social media, differentiating it from traditional media and illustrating its supremacy and strength in creating successful brands such as Coca Cola.

There are hundreds of social networks each with their own technological competencies which support an array of practices with user cultures which vary across them (Boyd and Ellison, 2007). These social networks differentiate themselves on structural variations around visibility in their features. Some social networks have photo sharing or video capabilities such as Facebook, whilst others are built around blogging such as Twitter or instant messaging, such as Mxit. Marketers, in particular, have shown great interest in social networks and have channelled huge amounts of resources into these social networks since they provide marketers with the opportunity of reaching millions of consumers, who openly share their personal information and are willing to communicate on these social networks sites with friends and family. The following are examples of social networks that have played a significant role in the development and evolution of social media:

2.4.1 Six Degree's

Six Degree's was the first modern social network which was founded in 1997 (Boyd & Ellison, 2007). The social network promoted itself as a tool to help people connect with and

send messages to others. It was the first social network that had combined features of dating services and community sites into one. Six Degree's allowed users to create personal profiles, add friends and family, surf friend lists and send messages; all of which are similar characteristics of social networking sites available today. Although the social network had attracted millions of users at its peak, it had failed to become a sustainable network and business and during the year 2000 the network closed down permanently (Borders, 2009). The founder of this social networking site attributes this to the fact that the social network was ahead of its time (Boyd & Ellison, 2007). During this time frame, Internet technology was not developed to a point where it was able to support features that were required to make this kind of application successful. In addition, the 'online' advertising industry was still in its infant stages and could not provide and sustain sufficient 'online' advertisers to support its business model (Prall, 2010).

Furthermore, although people were actively starting to make use of the Internet during this time, most people did not have a network of friends that were users of the social network, and as a result early users felt that there was too little to do on this network as it was not engaging enough and as interactive as social networks today (Boyd & Ellison, 2007). This is consistent with Treadaway & Smith (2010: 7) who stated that "social networks work better with a larger number of engaged users sharing more and more details about themselves". Although Six Degree's was not successful enough to sustain and maintain itself as a social network, it was the first recognizable social network and has helped pave the way for social networks that exist today.

2.4.2 LiveJournal

LiveJournal was created in 1999 and enabled 'live updates' or what has been termed 'real time' as it was built around constantly updated blogs (Boyd & Ellison, 2007). The social network encouraged users to follow one another, create groups and interact among these groups and was the real pioneer to the live updates being used on social media platforms contemporarily.

2.4.3 The 'World of Warcraft'/MMORPG

The 'World of Warcraft'/MMORPG (Massively multiplayer 'online' role-plating games) emerged later, creating a platform for players to interact on both game world and related forums. MMORPG gained popularity in the early 2000's and demonstrates characteristics similar to the contemporary social network Second Life (Boyd & Ellison, 2007).

2.4.4 Mxit

MXit is an instant messaging system and mobile social networking application that was developed in 2003 (Mxit Lifestyle, 2010). Mxit was primarily developed with the core function of allowing users to communicate with each other via messages which are cheaper than sending an SMS. Mxit processes an exceptional 250 million messages per day with each message having the capacity of 1000 characters (Ambient Media, 2011). Mxit allows its users to send and receive text messages in real time, gain access to various chat rooms and pay for services through facilities such as Tradepost and Chat rooms. Tradepost can be regarded as a Mxit version of Junkmail, as users can buy, sell and even swop items. Tradepost updates Mxit users on the latest fashion, music and technological trends and can be used for downloading wallpapers, chatrooms, music, news, movie previews, the weather and so on. Items that are downloaded can be purchased using the Mxit currency termed moola. One moola is equivalent to one South African cent and is used to purchase services from Tradepost (Mxit Lifestyle, 2010). Several marketers have already created profiles, branding their products and delivering different types of services on Mxit in an effort to reach consumers. These marketers make use of new kinds of mobile advertising, multimedia content and other features to allow consumer interactions with their products and brands. For example, marketers can create sponsored 'skins' or develop their own chat rooms and competitions in order to reach consumers through these branded profiles so as to increase profile traffic (Ambient Media, 2011). Hence, social media platforms such as Mxit have created new ways of exchanging product and shopping messages which greatly differs from traditional media.

Mxit has a user base of 17 million global registered users which continues to grow at a significant rate of 20 000- 28 000 new users daily (Ambient Media, 2011). Mxit is available on an international level in 120 countries with the bulk of its userbase being composed of South African users (Mxit Lifestyle, 2010). According to research by Mxit Lifestyle (2010), users between the age group of 18-25 constitute 60 percent of the Mxit market, comprising of all race groups and Living Standard Measures. Hence, Mxit provides an ideal platform for marketers to target the youth market and is an innovative mobile marketing medium globally, with the ability to target specific age and gender groups and specific geographical locations.

According to Treadaway and Smith (2010), it has been reported that 65 million active users are currently accessing Facebook through their mobile devices whilst over 180 mobile operators in 60 countries are working to promote Facebook mobile products (Treadaway & Smith, 2010). It is thus evident that the emergence of technological advancements such as

mobile phones, particularly the Blackberry and iphone continue to create new platforms and possibilities for social media.

Mxit is a powerful marketing tool as it is an affordable, lucrative and instant means of communication. South African marketers such as Cadbury, Edgars, Meltz, Quicksilver and Roxy have been actively using the Tradepost feature on Mxit in marketing their products and brands (Mxit Lifestyle, 2010). These products and brands have the opportunity to create their own 'online' mini-communities which encourages conversation, connectedness and socializing of products and brands among users.

A crucial factor that adds to Mxit's effectiveness, as a medium for marketing, is it's opt in or permission seeking marketing efforts (Mxit Lifestyle, 2010). Users of this social network are not spammed with hundreds of marketing messages but instead can opt to add a product or brand as part of their Mxit contacts, which enables them to be a part of the marketer's world and interact directly with the marketer. This demonstrates the characteristics of social media, as consumers 'pull' information towards instead of information being 'pushed' on them, and there is a two-way flow of information instead of a one-way. This approach is a clear shift in ideology from the traditional advertising push model and reveals that social media's strength is that it is an invitation platform. When consumers grant marketers permission to speak to them in their spaces, it's an invitation on behalf of the consumer (Mabry, 2008).

A statement by Boston Consulting Group based upon their research stated that consumers who have had a satisfying first time purchase 'online' are more likely to spend more time and money 'online' (cited in Sheth & Mittal, 2004). The results of the research indicated that the "first time satisfied consumer typically engaged in twelve online transactions and spent five hundred dollars during the past twelve months whilst on the other hand, the dissatisfied first time consumer engaged in only four transactions and spent an amount of a hundred and forty dollars online" (Sheth & Mittal 2004: 4). In addition, according to research conducted by Harris Interactive (2010), 90 percent of those surveyed disclosed that they have a better overall shopping experience when they research products 'online' before shopping in-store.

Awareness Report conducted in 2008 revealed that 46 percent of the surveyed marketers have already adopted social networking as a successful tool for aiding in building and promoting brands, improving collaboration and communication, and increasing consumer engagement (Ivanauskas, 2009). Features of social networks therefore present numerous opportunities for creating brand communities and interacting with them 'online' (Ivanauskas, 2009). Marketers have ascertained that a 'community' on these social networking sites communicate messages more effectively, efficiently and reliably as compared to traditional

media (Razorfish, 2009). As a result it can be assumed that the building of brand communities on social media platforms such as Mxit can assist marketers in ensuring success in the long run.

Mairinger (2008) stated that brand communities can add real experiences and emotion to the brand, reach the long tail, address both individualism and collective needs and replace the celebrity endorsers with community brand advocates. Thus social media platforms can be seen as an important vehicle which facilitates the interaction of brand communities. However, social media enables anyone to be a major influence in a community. Any customer could have hundreds of followers or friends on a social media platform and thus word of mouth marketing can reach a worldwide audience through social media and one bad experience could be retold to the masses (Social Media Examiner Company, 2011).

Constantinides and Fountain (2008) suggested that consumer preferences and decisions are fundamentally formed and based on inputs provided by parties beyond the power of 'online' marketers such as friends and family using social media platforms, hence users of social media have the ability to exercise great influence over other consumer's purchasing behaviour and decisions without having any direct contact with them. This is consistent with the underlying premise of the consumer behavioural model, the Verblenain model, which, states "that a person's attitudes and behaviour is primarily influenced by several levels of society" (Kotler, 1965: 42). These include: culture, subculture, social classes, reference groups and face-to-face groups (Kotler, 1965). The model further states that consumers to a large extent are greatly influenced and moulded by present group memberships and aspired group-memberships (Kotler, 1965). For marketers this means that factors such as brand choice are greatly influenced by these groups and understanding the dynamics of these groups become essential as social media is being utilized as a platform to market products and brands. The onus is upon marketers to establish which of these social groups and levels are the most important in creating a demand for a product or brand and insistently act upon this.

The hypothesis of the model above states that "consumer's economic consumption is not motivated by intrinsic needs or satisfaction in so much as prestige seeking" (Kotler, 1965: 42). For example, a consumer may make a specific purchase in order to achieve actual or symbolic membership to their aspiration group. Frequently, celebrities serve as aspiration groups for many consumers. Twitter is an example of a social network that makes use of celebrities as part of their overall strategy. US celebrity Kim Kardashian reportedly receives 10 000 dollars a tweet to advertise on Twitter (Rich, 2011). In addition, Twitter receives an endorsement from Oprah Winfrey as Winfrey has three million followers on Twitter which is

the largest influx of women of a certain age group into the service in one day (Bhargava, 2010). Based on the above one can consider that reference groups can exert incredible influence and pressure on an individual, often possessing the ability to persuade and alter an individual's purchasing patterns and behaviour.

According to Li & Bernoff (2008), consumers can be seen as taking on any of the following six social techno graphic profiles below according to their participation level on social media. It is plausible to believe that message exchanges on social media platforms are easily altered and shaped by the ideas and comments made by marketers and fellow consumers on these social platforms. Marketers have realized the great importance of the social techno graphic profiles below and its influence on consumer purchase behaviour and decision making, and have constantly explored new ways of interacting and communicating with these various groups:

- **Creators** - Publish blogs/websites, upload created videos/music, write articles, lyrics or stories and post them;

- **Critics** – Post ratings and reviews, comment on blogs and forums, and make valuable contributions to articles or wikis;

- **Collectors** – Makes use of RSS feeds and add tags to web pages or photos;

- **Joiners** - Maintain profiles or user accounts on social media websites;

- **Spectators**- Read blogs or customer reviews and watch videos or listen to audio (podcasts); and

- **Inactives**– Engage in none of the above mentioned activities.

For marketers, possessing an understanding of these techno graphic profiles of consumers provides invaluable insight as this can be the foundation for many marketing and communication strategies. Marketers should be concerned about 'creators' as they are often the opinion leaders and trendsetters. Opinion leaders possess "enhanced knowledge about involvement and experience with a particular product category or activity, and consumers often use personal sources as a primary source" (Hawkins, Mothersbaugh & Best, 2007: 245). Opinion leaders actively initiate discussions with others about products and shopping, other relevant aspects of the market and, share information willingly with other consumers.

This makes opinion leaders invaluable to marketers as they have the power to exert influence over consumers purchase decisions and behaviour. This is evident in that research studies have found that 58 percent of all 'creators' make recommendations to their friends on marketers, products and brands (Ivanauskas 2009). Spectators, for example, are consumers who are largely swayed and influenced by recommendations; 67 percent of these consumers, for instance, are willing to interact with a marketer that their friends have recommended and they actively seek out product and customer reviews (Ivanauskas, 2009).

Kaplan (2002) asserted that social communities and networks follow a typical pattern whereby experienced members serve as experts, leaders and influencer's whereas, newer members seek advice and information. Within the youth market, influencers are usually teens that are viewed as 'cool' by their friends and themselves; they are often at the centre of attention and serve as aspiration groups for other teens. Often teens that are conformers seek acceptance from these influencers which is the reason behind why conformers adjust their behaviours, this includes: belonging to certain groups or fan pages on social media platforms or making certain purchases through social media platforms in order to fit in socially (Hawkins *et.al.*, 2007). Thus, what individuals articulate and express on social media platforms regarding products and brands has a significant impact on consumer purchase decisions and behaviour (Boyd & Ellison, 2007). Creators are generally the group that marketers place a great deal of interest and emphasis on as they are most likely to spread information at a word of mouth pace which exerts considerable influence on other consumers and their behaviour.

According to Thrift (2005), word of mouth can be regarded as the most influential in aiding decision making and tends to be more effective than marketing. Thrift (2005) suggested that knowledge transmitted through gossip and small talk often prove surprisingly important and are able to be captured and made into opportunities for profit as they capture the 'everydayness' of the 'knowledge economy' as individuals exchange information, personal details and links to products and commodities.

According to Treadaway and Smith (2010), all users of social networks are motivated by some combination of the following human needs:

- **Love-** Finding love or keeping up with loved ones;

- **Self expression/emotion-** Sharing life's details with friends;

- **Sharing opinions/influencing friends-** Making use of social platforms to influence opinions;

- **Showing off-** Sharing life's successes and/or achievements with others;

- **Fun/escapism/humour-** Making use of social media for a good laugh;

- **Memories and nostalgia-** Catching up with old friends and sharing old memories and

- **Making money-** Making use of social media to support professional pursuits.

Motivation for utilizing social networks will greatly vary depending on the user. Several marketers invest a great amount of time studying customer personas in order to understand who customers are and how they behave 'online'. Customer personas influence their interaction and engagement with marketers on social platforms as well as their purchasing behaviour 'online'. In addition, using the above motivations, marketers can create successful marketing campaigns by identifying who their consumers are and what their primary motivations are on social networks (Treadaway & Smith, 2010). This will ensure that marketers are able to craft better marketing campaigns and target their market segments more appropriately.

Key advancements and developments in social networking took place in the 2000's. Examples of common social networks included Friendster, Hi5, LinkedIn, MySpace, Facebook and Second Life.

2.4.5 LinkIn

LinkIn was founded in 2003 and is the first mainstream social network that was devoted around the role of business serving as a powerful business service (LinkedIn Corporation, 2010). According to Treadaway & Smith (2010: 31), "LinkIn has become the largest and most prominent social network for business in the world". The social network allows users to connect with co-workers, marketing professionals, business partners and clients serving as a medium for addressing any professional goals or concerns. The network has over 48 million users which primarily comprises older age group users who are often in careers (LinkedIn Corporation, 2010). Over the years, LinkedIn has generated a thriving business through banner advertisements, subscriptions, job postings charged to corporations and small business owners and corporate sales (Swartz, 2008). The social network is also developing other revenue streams such as research services to locate experts.

LinkIn encourages in-stream advertising to professionals (Copyright Company, 2011). Advertisements can be fine tuned according to industry or management position and marketers can decide on an amount to spend daily, minimum bid per click or view, and an end date. Marketers have the power to cancel advertisements at anytime and can observe advertising reports to ensure advertisements are effective (Copyright Company, 2011). The social network allows users to research marketing professionals and businesses that they are interested in thus creating a podium on which marketers can be found and attention directed towards their products and brands. During times of high unemployment, a social network such as LinkIn can be valuable to users as it serves as an 'online' resume and is equivalent to an 'online' recommendation letter (LinkedIn Corporation, 2010). This is the essence of what social media is about; it is about the value that they can offer to users and whether or not they are worth a consumer's time. A social network forum such as LinkIn can provide invaluable worth to consumers who are career oriented or career seekers. The usage of social media is thus not only about generating sales and profits but also about creating and maintaining continuous value (Sorensen, 2010).

According to Gopinath (2010), social media platforms have altered how sales teams utilize their contact information to gain new prospects and LinkIn demonstrates this. LinkIn possesses the ability to permit sale representatives to search for 'contacts of contacts' which increases the reach of a sale representative's network, chances of generating sales, saving time and costs.

2.4.6 MySpace

MySpace emerged in 2003 and by the year 2006 it had become the most popular social network among individuals worldwide (Boyd & Ellison, 2007). MySpace proved to be a profitable social network at the time. According to Swartz, MySpace received 900 million dollars in a three year deal with Google in 2006 and MySpace provided NewsCorp with 650 million dollars acquisition in 2005 (Swartz, 2008). MySpace differentiated itself from other social networks at the time by allowing customized profiles, music and video content to be uploaded on the site and blogging which appealed to users at the time. In 2006, the social network introduced MySpace IM, an instant messaging client which allows users to chat to their friends, a real time status update and a news feed. According to Boyd and Ellison (2007), MySpace usage is currently witnessing a steady decline. This is consistent with research conducted by Social Media Examiner Company (2011). Results from this research indicated that most marketers (81 percent) have no plans of utilizing MySpace as part of their marketing and communication efforts and only five percent of marketers will increase

their MySpace activities. This is a further decline from a study carried out in 2009 by Social Media Examiner Company where nine percent of marketers indicated their plans to increase their MySpace activities (Social Media Examiner Company, 2011).

Nevertheless, MySpace has continued to remain prevalent amongst younger teens, minorities and those interested in the music industry (Mabry, 2008). As a result of using this social network as a vehicle, many music bands have been able to promote their music through MySpace and fans can use the social network to demonstrate their support. MySpace has gained significant popularity around its music services and according to Kumara (2008) it is alleged to have over three million bands and musicians registered on the social network. Social networks such as MySpace thus create communities which maintain the interest of their members by being helpful to them and providing services that are pleasurable or help them expand their networks (Kumara, 2008).

2.4.7 Twitter

Twitter was established in 2006 and has gained immense popularity and recognition on an international level (Twitter Company, 2011). Twitter is estimated to have 200 million users, generating 190 million tweets a day and handling over 1.6 million search queries per day (Twitter Company, 2011). According to Mitra (2009), Twitter can be considered as one of the most rapidly growing social networking tools. A Nielsen.com blog also ranked Twitter as the fastest growing website in the Member Communities category and as noted by Compete.com, Twitter is the third highest ranked social networking site (Copyright Company, 2011). Twitter is a website owned and managed by Twitter Inc., which offers a social networking and microblogging service utilizing instant messaging, SMS or web interface (Twitter Company, 2011). Twitter asks users the question: 'What are you doing?' or 'What are you interested in?' Users can respond to this question and read responses from others in real time. These messages have been termed 'tweets'. Tweets are text based posts of up to 140 characters which are displayed on a users profile page (NewBlaze LLB Company, 2011).

The character limit of 140 characters makes Twitter different from other social networking sites as its simplicity makes the learning curve for Twitter short, attracting a diverse group of users seeking a platform to communicate with friends and family, networking with professionals, keeping up with industry news and keeping in contact with their favourite celebrity tweeters (Geho, Smith, Lewis & Stephen, 2010). According to Smith & Treadaway (2010), regardless of its simplicity this social network has experienced stratospheric growth as the product has gone beyond early adopters and is now reaching mainstream. Social

networks such as Facebook and MySpace, for example, have started to take on twitter 'like' functionality in their products.

Each tweet on Twitter contains valuable details and information for marketers as it provides insights into consumer preferences, recommendations and needs. Twitter thus serves as a perfect marketing and communication tool for marketers as it encourages rich 'online' conversation and discussion. This is the reason behind why several marketers are incorporating Twitter as part of their marketing and communication strategies in order to reach their own consumers, listen to what they have to say and make necessary decisions (Mitra, 2009).

Dell, the computer manufacturing company, is an example of a company that has successfully incorporated Twitter into its various marketing and communication strategies in order to generate sales and increase purchasing behaviour amongst consumers 'online'. Dell has constantly sought innovative and cost effective methods of reaching their consumers and their use of Twitter demonstrates this. Dell decided to make use of Twitter as a channel of distribution to sell their products and managed to achieve this by creating an 'online' community on Twitter. This enabled Dell to leverage from its brand identity and trust factor with a following of more than 2000 users (Copyright Company, 2011). Once Dell had attained this following on Twitter, Dell actively focused their offers and promotions to their following, encouraging sales and purchasing behaviour amongst consumers. An example of Dell's marketing efforts on Twitter includes Dell's usage of coupons 'online', which were re-tweeted by Dell followers, and spread the brand name and increased sales.

In 2008, Internet News reported that Dell produced one million dollars in revenue over the past year, and half of this was through sale alerts via Twitter (Copyright Company, 2011). Hence, Dell makes use of Twitter as a medium for generating awareness and exposure to its brand, informing consumers about its special promotions, generating sales and interacting with its consumers. This is in accordance with Mitra (2009) who asserted that Twitter has emerged as a powerful branding and marketing tool for marketers. Marketers of brands such as Dell, Starbucks and Motrin & Sprint are examples of marketers that have made use of Twitter for the above purposes and have been successful in engaging with their consumers and influencing purchasing behaviour (Mitra, 2009).

Marketers can also leverage from the personal and immediate consumer service that Twitter makes possible. Twitter allows marketers to build a community and culture 'online'. An example of a company that has utilized Twitter to build a community and culture 'online' is Zappo's. Twitter provides consumers and employees with an inside look at the company, its core values, industry news, new product launches and product promotions (Skaya, 2010).

Users provide Zappo's with valuable feedback concerning products and consumer satisfaction allowing companies such as Zappo's the opportunity to build relationships with consumers. Once consumers become loyal consumers of a marketer, they begin to tweet more often about their preferences and recommendations which leads to an interest and website traffic resulting in an increase in sales (Geho, Smith, Lewis & Stephen, 2010).

Marketing on social media platforms such as social networks involves the creation of ongoing conversations and discussions with consumers as success hinges on the ability to develop productive relationships with consumers which allows marketers to stay on top of consumer preferences and concerns (Sorensen, 2010). Zappo's, for example, had generated half a million dollars in revenue due to its powerful consumer relationships developed on Twitter (Bullas, 2010). In addition, a local coffee shop in Texas, Houston through the use of Twitter was able to double business, clientele and sales when it began taking pick-up orders through Twitter direct messages. Examples of larger organizations that make use of Twitter to deliver consumer service include Southwest Airlines and Comcast (Geho, *et.al*, 2010). Southwest Airlines has a Twitter officer to alert flyers of bad weather and to monitor and respond to disgruntled consumers on the Twitter site, whilst Comcast has several employees on Twitter to engage and interact with consumers in real time, answer queries and discuss problems.

Mabry (2008) stated that social media platforms are strong branding tools that can build consumer relationships in ways that most media cannot. This is evident as several marketers have created strong consumer bases as a result of joining Twitter. PepsiCo and Starbucks are examples. Starbucks primarily joined Twitter in an effort to combat their falling sales in their massive network of stores (Keane, 2009). Starbucks launched new advertisements on Twitter with the hope of leveraging from its massive number of followers and fans 'online', in order to target their friends and acquaintances. Starbucks anticipated that their followers and fans on Twitter would re-tweet their posts in their networks causing a viral effect and generating interest, exposure, awareness, and attention to the brand whilst spreading the brand message in an effort to increase purchasing behaviour amongst consumers. Starbucks had to ensure that their content on Twitter kept their social media followers and fans coming back to the social network and those followers and fans actively engaged with the brand. According to Noff (2010), Starbucks currently has over 705 000 followers on Twitter which is indicative of the Twitters strong branding capabilities.

PepsiCo has made use of Twitter as a communication platform in order to reach millions of users as part of their crisis management strategy. PepsiCo used Twitter to apologize to their consumers over a print advertisement that was considered offensive by several consumers

(Edwards, 2008). The suggestions of their consumers were taken into consideration and the necessary changes made, demonstrating to consumers that the Pepsi brand is listening to consumers; strengthening PepsiCo's brand image and brand loyalty. PepsiCo actively made use of Twitter as a platform for building their brand, networking, listening to their customers and providing customer service. This example demonstrates the power and supremacy of social media as a tool for marketers in a crisis situation.

Marketers should be concerned about social media's influence on their image as social media allows consumer opinions and content to spread at a pace that is comparable to that of word of mouth. "Word of mouth communication involves individuals sharing information with other individuals in a verbal form including face to face, phone and through the Internet" (Hawkins *et.al.,* 2007: 241). As stated by Goldenburg, Libai and Muller (2001), social media fosters the exchange of word of mouth messages by creating a virtual community for consumers to connect and engage with each other. Prior to the growth and evolution of social media, marketers might have possibly turned a blind eye to a disappointed customer, however, this is not the case anymore in today's competitive business world of social media prevalence.

Presently, one aggrieved consumer can negatively influence the preferences of many others using social media as a vehicle. Dell, American Airlines and Apple; the personal computer company, for example, have lost billions of dollars due to negative blogs and vlogs that were posted by unsatisfied customers (Illumine Marketing and Media, 2010). Negative publicity spread enormously when a dissatisfied musician whose guitar was broken on a United Airlines flight posted a video on YouTube (www.youtube.com). The video received over three million views in the first two weeks, generating negative publicity for the airline and invariably affecting revenue, customer satisfaction ratings and the airlines reputation. Customer opinion and word of mouth is at the forefront of social media (Adam, 2009). Empowered customers are aware of the power of complaining in public and are actively making use of social media platforms to get what they want. Prior to the Internet, commerce was commonly driven by multifaceted human interaction and by the transmission of good and bad vibes between past and potential customers. Social media presents this reality once again (Adam, 2009). For example, research by eMarketer (2007) on 'online' UK retailers disclosed that consumer generated reviews and ratings improved customer retention and loyalty by 73 percent (www.emarketer.com, 2007).

An advantage of electronic word of mouth marketing which is being facilitated by social media is its ability to reach a worldwide audience. This affords marketers the chance of

using electronic word of mouth marketing to improve the reach, exposure and persuasiveness of their marketing messages and, to generate purchasing behaviour amongst consumers. Intuit, the software company, makes use of user generated reviews in order to increase sales and influence and increase the purchasing behaviour of consumers (www.emarkteter.com, 2007).

Intuit enables their consumers to post reviews and comments to their Facebook news feeds which is viewed by a consumer's network of friends. Intuit has 21 million consumers on Facebook and 50 percent of these consumers are active on the social network (www.emarketer.com, 2010). When Intuit gets their consumers talking with and about their brand, they are regarded as "friendcasting". According to Intuit, friendcasting can be considered as a new and powerful channel as consumers are utilizing their networks as media which produces great influence (www.emarketer.com, 2010). As a result, clickthroughs and sales are higher. According to Greenberg (2010 cited in emarketer, 2010), when consumers talk about Intuit and its products on Facebook, other consumers are four times more likely to click on the link in the news feed (www.emarketer.com, 2010). Intuit has established that friendcasting is an effective marketing communication channel. Intuit can leverage from the relationship that their Facebook users have with friends by making customer reviews easy to share on Facebook, spreading Intuits reach and increasing the possibility of generating purchasing behaviour amongst consumers.

The above confirms research carried out by Copyright Company which suggested that brands and marketers that do not engage in social media as part of their 'online' marketing strategy miss out on the opportunity to reach consumers (Copyright Company, 2008). Results from the study revealed that marketers should utilize social media websites and word of mouth techniques in order to activate purchase intent. Six out of ten (60 percent) individuals revealed that they are likely to utilize social media websites to pass along information they received 'online' and two thirds of consumers agree that recommendations from other people 'online' are valuable, credible and could persuade their perceptions of a brand, hence influencing their purchase decision (Copyright Company, 2008). In addition, research conducted by Allurent Company revealed that 'online' businesses lose as much as 67 percent of consumers due to a lack of 'online' product information (Allurent Company, 2010).

Nonetheless, marketers should be brave enough to experiment with marketing and advertising on social media platforms in order to generate sales and influence the purchasing behaviour of consumers. Marketers can opt to post a tweet or promotion, offer a discount or freebie or anything that has the ability to interest and entice users and act as

promotional tools. Starbucks is an example of a brand that has made use of free coffee giveaways to gain the interest of and entice consumers. Starbucks sponsored a 60 second television commercial on 'Saturday Night Live' in the USA, advertising a coffee giveaway on Election Day (Keane, 2009). Starbucks imbedded this video on YouTube which soon became the fourth most viewed video on YouTube and individuals on Twitter were tweeting about Starbucks every eight seconds (Keane, 2009).

A large number of professionals are working on several projects to examine and determine the impact and potential for word of mouth conversations on the social media setting. Buzz Logic, for example, looks at social networking services as they index millions of tweets and posts in order to identify trends and influencers on Twitter (Rich, 2011). All messages that are sent out on Twitter are utilized by companies such as Microsoft and Google to examine trending topics and what consumers are talking about (Rich, 2011).

Social media marketing is playing an increasingly important role in the marketing strategies of marketers. One of the biggest advantages that social media platforms have over other communication channels is that consumers who visit social media platforms are more likely to take action (Copyright Company, 2008). As a result, marketers who incorporate social media components into their marketing mix will have a greater opportunity to influence consumers purchasing choices and behaviour.

On social media platforms it is a common practice for advertisements to co-exist besides content on a user's homepage. Increasingly more content is becoming a part of social news streams as consumers are now more accustomed to receiving and consuming information in a stream format often in real time (Lavrusik, 2011). Twitter has been releasing several products to monetize its services, including promoted tweets which are sponsored messages that are featured within a user's stream. According to Mitra (2009), promoted tweets are already a common form of advertising on Twitter and like sponsorships users pay a flat monthly fee to promote their business on Twitter. Codero, a web hosting company, responded directly to their consumers through Twitter via sponsored tweets. The company experienced a power outage which affected their servers, leaving the clients websites dysfunctional (www.socialmediaexaminer.com). Although there were several complaints, through the use of Twitter this information was made available within a user's stream which generated positive referrals to their followers by clients who were satisfied with Codero's customer service (www.socialmediaexaminer.com).

2.4.8 Facebook

Facebook was established in 2004 as a Harvard only social network, a rather niche network, but by 2006, it had expanded worldwide (Boyd and Ellison, 2007). Facebook is now amongst one of the most popular social networking sites and currently has 600 million active users (Facebook, 2011). According to Treadway and Smith (2010), no other social network can match Facebook's existing momentum or extensive international customer adoption. Facebook hosts several social applications which have been the market leader since April 2008 and whilst the social network keeps its financial information private, the company generates revenue from sponsored advertising, self-serve advertising and virtual gifts (Treadaway and Smith, 2010).

Facebook allows its users to create personal profiles, upload photos, videos, send out invitations to events, status messages and personal information in addition to allowing instant messaging, private messaging and taking 'online' quizzes and competitions. Often with social networks such as Facebook, there are user profiles, typically a common feature, which has significant value as it can provide useful insight to marketers when positioning their products and brands to consumers. CM Photographics is an example of a business that has taken full advantage of information received from user profiles on Facebook in order to reach their target customers, control their advertising budget and encourage, generate and increase purchasing behaviour amongst consumers.

According to Meyer (2003), individuals around the world regard social media platforms as authentic parts of their daily lives. Thus, marketers who want to connect with these individuals on these social platforms need to ensure that they connecting real people with real interest in their products. Facebook user profiles, for example, has provided CM Photographics the ability to target their exact demographic which is women between the age group of 23-30 and whose relationship status is 'engaged' on Facebook. Over the course of a year, CM Photographics was able to generate approximately 40 000 dollars in revenue directly from a 600 dollar advertising investment on Facebook (Copyright, 2011). Of the Facebook users directed to the CM Photographic website, 60 percent of these users became qualified leads as users actively expressed their interest in more information. It is thus plausible to agree with Treadaway and Smith (2010) who stated that Facebook allows its marketers to segment who they want to market to; be it gender, age, occupation or more. Treadway and Smith (2010) went on to comment that Facebook is better at collecting data than other companies. Whilst search engines such as Google and Microsoft collect a fair amount of data, they are unable to tailor this data as well as Facebook.

Doctor (cited in Lavrusik, 2011) stated that social networks have become the fastest growing source of traffic referrals for many news sites as social networking sites such as Facebook and Twitter make up for 10 to 15 percent of overall referrals. The quality of these referrals are often better than those which come from search engines as they more actively engage in conversation and are more likely to become regular users. This is evident in the example above.

According to Social Media Examiner Company, the number one benefit of social media marketing is that it stands out in an increasingly noisy world. According to research done by the Company (2011), 88 percent of all marketers indicated that their social media efforts have generated more exposure for their products and brands. Improving traffic and subscribers was the second major benefit, with 72 percent reporting positive results. The Washington Post, for example, utilized social networks in order to promote the elections which resulted in an increase in referrals. The Washington post saw this as an opportunity to be innovative, go to readers, emphasize content and achieve the best election tweets from several sources.

Swatz (2008) stated that social media has simplified and amplified connections between people 'online', creating a successful environment of small elements that enables friends to interact through games, video clips and more. Research by the company Allurent revealed that 83 percent of 'online' shoppers would make purchases if sites offered increased interactive elements (Allurent Company, 2011). Over the years, several marketers have been attempting to make advertisements more interactive and social. Facebook, for example, has added a 'Like' application within the stream of updates allowing users to interact and engage with a marketer's content. According to Lavrusik (2011), this produces a light-weight method of getting users to engage with and share advertisements with their social networks, assisting marketers in increasing their one-to-one relationship with consumers by growing their own social following.

Marketers can make advertisements social in several ways. This includes creating competitions, contests with free gifts and vouchers, providing links to other websites, 'online' gaming and announcing new products and brands. Marketers can launch new products and brands on social media platforms and include links for individuals to respond directly to a page on the marketer's website (Copyright Company, 2011). In addition, there could be a special section of a marketer's website that is set aside for social media users and their referrals. Specific log ins, passwords, access to specific information and a mechanism for customers to 'act now' can assist the marketer in generating sales (Copyright Company, 2011). The car company, Chevrolet, is an example of a company that employs social and

creative advertisements. Chevrolet's official tweeter updates 'cool' news, exchanges tweets and shares pictures with car enthusiasts (Copyright Company, 2011).

From the above, it is reasonable to agree with Lavrusik (2011: 3) that "social media has infiltrated all corners of the web, possessing great potential for generating revenue and making advertisements more useful to readers while satisfying the needs of marketers aiming to effectively reach the public". The social web has therefore altered the way we think about advertisements, by making advertisements social and personalized to create utility for the user. Yahoo has acquired Citizen Sports and has effectively generated revenue attached to social media streams (Lavrusik, 2011).

A significant number of marketers have been actively seeking ways of locating their ideal audience amongst countless masses via social media platforms. An example of a company that has managed to stand out from the crowd and best grab the attention of prospective consumers through social media is Ford. According to head of social media at Ford, Scotty Monty (2011 cited in Copyright Company, 2011), Ford has actively made use of social media in the past few years in order to create buzz around their product launches and to engage with consumers on their 'online' community (Copyright Company, 2011). Ford recently launched the Ford Explorer via Facebook utilizing the social network in order to generate 'buzz' by posting teaser videos, photographs and news snippets of the vehicle 'online'. This digital launch was the first of its kind in the car industry as Ford reinvented how to reach and engage with consumers on social media platforms.

Burger King's Subservient Chicken campaign in 2004 is another example of an effective viral marketing drive on social media. Through the use of unique and creative commercials and interactive and fun vlogs, Burger King was able to generate immense buzz around its product. It is reported that the vlog site generated 14 million unique visitors by 2005 which has translated into increased store traffic and revenue for the food outlet (Treadaway & Smith, 2010).

According to Levitt (2010), South Africans were among the early adopters of Facebook and today this social network is changing the way marketers market their products, communicate with consumers and sustain long term relationships. In South Africa, 34 percent of individuals between the ages of 19- 25 are users of Facebook (Rabaney, 2010). These statistics reveal the growth that has been taking place in the arena of social networks. The research found that Facebook is now becoming a growing business and marketing tool which is creating major cultural and business shifts. Consumers are actively placing great interest on these social platforms and are using them to engage and connect with marketers.

These social networks go on to create an open world of communication for consumers and marketers where there is a kind of open communication which aids in building trust and sustaining relationships.

According to Armano (2008; as cited in Ivanauskas, 1999: 10) "social media goes beyond the point of interactive marketing, which has been facilitated by computer-human interaction, and gives birth to human-to-human interaction made possible by technology". Social media is hence all about relationships and social ties. Individuals join and engage on these forms of social media platforms because of their interest and significance in social ties. Thus, social media platforms assist consumers in maintaining and expanding their social ties and Facebook is a typical example of this. As a result social media is not a mere communication channel for consumers but instead is the most growing invaluable resource since the introduction of the Internet (Coetsee, 2005).

"There are 900 million icons that users can involve themselves with such as event, brand, groups, business or community pages and an average user is estimated to have about 80 of these" (Facebook, 2009: 1). Users opt to become fans of marketers and brands on Facebook for various reasons which is evident on their profile. According to Morrell (2010), social fans and followers on social platforms feel more inclined towards purchasing from marketers and brands that they are fans of. More than half of Facebook fans revealed that they are more likely to purchase at least a few brands they are fans of and 67 percent of Twitter followers revealed the same (Morrell, 2010).

In addition, 60 percent of direct followers and fans indicated that their 'likability' for a brand or product has encouraged them to recommend those brands and products to their 'offline' friend network. As a result of these brands, fan, business and community pages, marketers are able to promote and market themselves amongst users and their contacts. Increasingly more marketers are setting up Facebook brand, fan, business and community pages to take advantage of this. These pages provide a marketer with a platform or home on Facebook that enables their content to be shared with their fans in the same information stream with updates and links from their friends. From the above it can be deduced that Facebook helps place marketers within an accessible location of consumers 'online' and is a way of generating responsiveness and exposure to the marketer and the marketer's products and brands, and is a stable platform for marketers to engage with consumers on an ongoing basis.

According to Treadaway and Smith (2010), Facebook pages and groups are now the preferred destinations for business on Facebook. Fan pages have primarily evolved into

marketer's profiles whilst groups are for people who share a specific commonality. Pages are open to a wide Facebook community whereas groups are more subject to membership or specific qualifications (Treadaway & Smith, 2010). Treadaway and Smith (2010) listed three types of groups found on the social network Facebook:

- **Open**- Anyone can view the group and content and anyone can join the group;

- **Closed**- Invite only; however anyone can view and read some content; and

- **Secret-** Invisible to everyone except members.

Groups are a suitable communication and marketing channel for marketers who want to communicate exclusively with premium customers or sales targets over Facebook. Facebook groups are a common destination for individuals who share the same likes and interests. Treadaway and Smith (2010) revealed that groups should be viewed as a means to exclude certain Facebook users rather than including all who show interest in the product or brand.

Causal games on Facebook are another application that has proven successful. For a marketer, a causal game has the ability to engage consumers for a longer time stretch over Facebook. This creates the possibility of generating attention and exposure towards a marketer's product or brand. Causal games also provide a multimedia, interactive and gaming experience that gives the user a positive and reinforcing experience with a product or brand (Smith & Treadaway, 2010). According to research by AppData.com, as of October 2009, eight of the top fifteen most used applications are casual games on Facebook (www.appdata.com cited in Treadaway & Smith, 2010).Several marketers have smartly used the opportunity to insert logos and taglines subtly into Facebook applications and games. According to Kumari (2011), subtle messages create more brand awareness and changing attitudes towards intrusive advertising.

According to research carried out by Bain and Company in 2000 on 'online' customers, it was found that 'online' customers spend more time and generate more profits for 'online' retailers (Sheth & Mittal, 2004). As a result it becomes imperative that 'online' sites such as social media sites constantly find new and innovative ways of keeping customers coming back to the site. Furthermore, loyal customers of a site tend to refer others to the site, and research has indicated that satisfied consumers talk to three other consumers. Thus, providing existing customers with a pleasurable shopping experience 'online' is a necessity as it is a good way of engaging new customers through positive word of mouth (www.appdata.com cited in Treadaway & Smith, 2010).

If marketers have a Facebook page or website this should be utilized to its full potential and used for advertising and marketing their products and brands. A marketer can select their specific demographic users, decide on the amount of money they are willing to spend daily on an advertisement, the specific days the advertisement should be displayed and should be willing to pay for impressions or click throughs (Copyright Company, 2011). According to Bullas (2010), the number of display advertisements served up by Facebook passed one trillion in the year 2010. In addition, from accessing a large database of Facebook campaign results, Wentrends revealed the following:

- 4.5 billion impressions;

- 2.2 million clicks; and

- 11 200 advertisements

Thus, even though minorities of users might follow the Facebook page or website of a marketer, thousands of impressions and the power of word of mouth through friends and family recommendations will help make a marketer to become more visible to users.

Several other social media networks have emerged over the years but are on the decline due to the mainstream adoption of the social network Facebook. Examples of such social media platforms include Bebo, Classmates.com and Hi5.

2.4.9 Second Life

Second Life is amongst one of the most current developments in social networking sites and was developed in the year of 2003 (CM Simple, 2010). By registering and downloading the software of this game, users can enter the game world and create an 'avatar'- an in-game representation of themselves (Kumara, 2008). Users who are termed 'residents' are allowed to network with each other through avatars as the social network encourages a sense of community and social interaction. These residents are allowed and persuaded to socialize and participate in various individual and group tasks and activities on-line (CM Simple, 2010). According to Kumara (2008), over one million US dollars are spent in Second Life each day. This is facilitated by the facility to own private property within the game and by setting the exchange rate between the games currency and the US dollar. The benefit for marketing professionals is thus derived by the in-game presence which creates publicity and exposure for marketer's products in the non-virtual world. Marketers are presently starting to experiment with this social network and examples of companies that have started using

Second Life as a marketing tool include BMW, Renault, Sony, MTV and PlayBoy (CM Simple, 2010).

From the above it has become evident that information provided by users on social media platforms serves a pivotal source of information for marketers as they reveal important purchase preferences and behaviours. Turow (2006) suggested that information gathered from social networks, in particular, can be used to predict things about users and even discriminate between them. Thrift (2005) argues that within these contexts of knowing capitalism social networking sites should be viewed. According to Thrift (2005), social networking sites demonstrate the increasingly active role that consumers on these networks are expected to take within these social networking sites. Consumers on these social networks are often responsible for producing the commodities that other users are drawn into such as profiles on Facebook or status updates on Twitter. Such information sources can then be seen as commodities equally produced and consumed by consumers who then make use of these social networks. Social media sites thus tend to reflect the 'everydayness of the knowledge economy' as users exchange information, personal facts, associations to products and commodities, and events and meetings (Thrift, 2005).

2.5 Blogs

Social media has encouraged, empowered and equipped consumers to build and shape stronger opinions and convey them more broadly. According to Kumara (2008), there are now more individual's blogging, commenting and rating than ever before. Kumara (2008) stated that there are approximately 1 200 000 blogs created each day which is providing a wealthier base of knowledge for other consumers to utilize whilst going through the purchasing process. Through browsing the Internet and various websites, the hype currently surrounding blogs and their significant increase is noticeable. According to research carried out by Social Media Examiner Company (2011), blogs remain a strong and predominant area of focus for marketers as 75 percent of marketers revealed their plans for increasing their blogging activities. Ivananskas (2009) has stated that blogs have opened the doors to unexploited markets for marketers across the world and can be a profitable tool for marketers if utilized properly. According to Ivanauskas (2009) thus far, marketers around the world have wasted no time in turning to blogs as a medium in order to encourage communication between consumers. Blogs are an interactive platform that allows consumers to comment, respond to comments and message each other and it is this interactivity which differentiates blogs from static websites which makes blogs a perfect communication tool to engage and understand consumers better.

Several marketers now have their own business blogs. This allows marketers to communicate in a less formal manner as opposed to a customary manner, assisting the marketer in producing a human face and voice to their product or brand (Kumara, 2008). Furthermore, for marketing professionals, a blog can expand into a proficient tool for building a network of likeminded individuals and raising their profiles. In addition, Bulla's (2011) described blogs as possessing the ability of moving consumers to a conversation point of trusting and believing which is often enough to encourage consumers to engage in purchasing behaviour. Thus, blogs have provided marketers with a vast number of new opportunities for positioning their products, engaging with consumers and influencing and generating purchasing behaviour.

The social network Twitter, for example, is built primarily around the idea of blogging. Through the use of Twitter, utilizing blogs, several marketers have created, maintained and sustained stronger customer relationships and customer loyalty and has generated consumer insights which marketers have responded to. More importantly blogs assist marketers in improving their rankings on search engines and assist consumers in locating marketers when they enter key words in Google or into a search engine. According to research by Social Media Examiner Company (2011), nearly two thirds of marketers considered an increase in search engine rankings as a benefit of social media marketing. It was revealed that as search engine rankings improve, so too will business exposure and lead generation attempts and overall marketing expenses will decrease (Social Media Examiner Company, 2011).

2.6 Content Communities

Content communities are very similar to social networks as users have to register, make connections with friends and interact on a home page (Kumara, 2008). However, content communities are different from social networks since they pay attention to sharing a particular type of content. Examples of content communities are numerous. Flicker, for example, is primarily based upon sharing photography and is the most popular service of its kind in the United Kingdom (Kumara, 2008). Flicker allows users to create profiles, allows for video, photo and multimedia content sharing and uploading. According to Boyd and Ellsion (2007), Flicker claims to host more than 3.6 billion images as of June 2009 and one of Flickers main advantage is that it permits users to license their photos as well as retaining copyrights. Flicker was acquired by Yahoo in 2005 and as a result its functionality has been progressively combined with other Yahoo services (Treadaway & Smith, 2010).

Another example of a content community is YouTube which is based on structural variations such as video hosting and sharing capabilities (Kumara, 2008). YouTube was the first major video hosting and sharing site which was launched in 2005 (Boyd & Ellison, 2007). YouTube's primary social features included ratings, comments and the choice to subscribe to the channels of a user's preferred video creators. YouTube is currently the fourth largest site on the Internet and the largest video sharing site that has 300 million users every month globally (Clean Cut Media, 2009). With approximately 3.5 million individuals visiting this site every day, it is likely that the type of videos users view and interact with has a great impact on their cognitive state which invariably has the ability to influence their purchasing preferences and behaviour. Content communities thus have a significant impact on shaping and influencing consumer purchase preferences, patterns and behaviour.

The penetration of video clips continues to grow rapidly across all markets; there is between a 31 percent to 82 percent global reach seen in all markets (Universal McCaNN, 2008). In addition, according to research by Social Media Examiner Company (2011), 77 percent of marketers expressed their desire and plans to increasing their use of YouTube and video marketing. This is an indication of the significant investment that is going to be made on YouTube in 2011 by marketers. Marketing firms with 1000 or more employees also indicated video marketing as a key growth area with 82 percent of them responding positively (Social Media Examiner Company, 2011). Thus, one can agree with Razorfish (2009) who stated that advertising could be the possible path to riches for certain content communities. Overall it can be deduced that content communities have the potential to serve as powerful tools for marketers and can serve as methods of ensuring a return from their social investment.

2.7. Conclusion

It is evident that the development and vast increase in the usage of new media has forced several marketers to reconsider their use of traditional media and look towards new media as it has created and enabled new platforms for marketers to market to consumers. Social media has created a whole host of exciting opportunities that contemporary technology has allowed marketers to take advantage of. Advancements in technology such as the picture video recorder (PVR) systems and video machines have made it possible to overlook and avoid commercials on television whilst mp3 players and iPod's have marginalized radio advertising. Thus, advancements in technology combined with consumer's suspicion over marketing efforts of marketers are partly responsible for the shift from traditional media to social media.

Social media has produced endless opportunities and possibilities for marketers as it has altered the way in which the Internet is leveraged for conducting business. Some of these opportunities and possibilities include: how marketers communicate, interact and conduct business with consumers through social media platforms, how marketers position their products and brands 'online' and how marketers influence and encourage the purchasing behaviour of consumers through social media platforms.

According to research conducted by Social Media Examiner Company (2011), 90 percent of marketers indicated that social media was vital for their business. In addition, Social Media Marketing reports have shown that 88 percent of marketers are making use of some form of social media for marketing purposes, 64 percent of marketers are making use of social media forms for five hours or more each week and 39 percent of marketers for ten or more hours on a weekly basis (Stelzner, 2009). Hence, marketers should not ignore the social media revolution as social media is an attractive marketing and communication tool and one of the easiest means of generating interaction with the consumer.

However, the future success of social media is unknown and significantly depends on the ability of marketers to engage in more interactive relations and conversations with consumers 'online'. Thus, for marketers, thinking of the consumer in the context of a once off transaction is insufficient to ensure profitability and success over social media platforms. From the moment of contact with the consumer, it is essential for marketers to start thinking of creating, sustaining and enhancing a relationship with the consumer. Social media is therefore a valuable marketing and communication medium which has created new standards and opportunities for relationship building and relationship marketing.

Chapter Three

Research Methodology

3.1 Introduction

This chapter provides an explanation of how the study was conducted and includes a detailed outline of the research techniques, the data collection methods used and how issues of validity and reliability are dealt with.

3.2 Research Problem

In response to the opportunity presented by social media, marketers have taken advantage of the opportunities and have integrated social media into their various marketing and communication strategies in order to increase sales and influence the purchasing behaviour of consumers. However, despite the opportunities and potential for significant gains, several South African marketers have failed to make use of social media sufficiently in order to increase sales and generate increased purchasing behaviour amongst potential consumers, especially the youth.

Given the aforementioned, the purpose of this study is hence to explain the purchasing behaviour of South African youth with a view to shedding more light on the youth market so that South African marketers can utilize social media as important communication and marketing tools.

3.3 Research Objectives

The research questions this study aims to address are:

- What is the impact of social media browsing on the purchasing behaviour in the youth market?

- How does social media browsing lead to purchasing by consumers in the youth market?

- Why do consumers in this target market purchase using information obtained on social media platforms?

- What are the usage patterns of social media platforms by the youth?

- Is there potential value for using social media as a promotional tool for targeting the youth market?

- What market segments can be found within the youth market?

3.4 Research Design

According to Cooper and Schindler (2001: 170), "research design is the strategy for a study and the plan by which the strategy is to be carried out. It specifies the methods and procedures for the collection, measurement, and analysis of data". There are two main approaches that determine the design of the research study: quantitative and qualitative. These will be briefly discussed in the context of the current study and the rationale for choosing a specific design will be explained.

3.4.1 Qualitative Research Design

A qualitative research design includes "an array of interpretive practices which seek to describe, decode and translate" (Cooper & Schindler, 2006: 214). Qualitative research aims at achieving an in-depth understanding of a situation and is used when emotions, perceptions, motivations and feelings need to be extracted (Cooper & Schindler, 2006). Some advantages of qualitative research include that it is economical and timely as compared to most quantitative methods, accuracy of recording marketplace behaviours, descriptive capability, richness of data, flexible ways of data collection and preliminary insights into building models and scale measurements (Hair, *et.al.;* 2006).

However, the major disadvantages of qualitative research include its lack of ability to identify small differences, high researcher involvement which could lead to bias, difficulty in finding well trained interviewers to conduct the qualitative research, lack of consistency and reliability and its lack of generalizability or representativeness (Hair, *et.al.;* 2006). "Due to the use of small and nonrandom samples, information gathered using qualitative research methods cannot be generalized to larger groups of individuals and hence this lack of representativeness of the defined target population severely limits the use of qualitative information in helping decision makers select and implement final action strategies" (Hair, *et.al.;* 2006: 175).

3.4.2 Quantitative Research Design

"Quantitative research places great emphasis on using formalized standard questions and predetermined response options in questionnaires or surveys administered to large numbers

of respondents" (Hair, Bush & Ortinau, 2006: 171). According to Cooper and Schindler (2006:216), "Quantitative research is the measurement of phenomena in numerical or measurable terms". Quantitative data is rigorous, scientific and objective and can be represented visually, using charts, graphs or histograms; it can be counted or expressed numerically (in frequencies for instance) and statistically (Cooper & Schindler, 2006). Some advantages of quantitative research include that measurement is reliable, valid, and generalizable (Cassell & Symon, 1994). In addition, controlled observations and laboratory experiments and low researcher involvement ensures high levels of reliability and consistency of the data gathered, eliminating and minimizing subjectivity and bias (Cooper & Schindler, 2001). Furthermore, adhering to the original set of research goals in quantitative research assists in arriving at more objective and precise conclusions. However, according to Matveev, Rao and Milter (2001), quantitative research has several disadvantages which include:

- Failure to provide the researcher with information on the context of the situation where the studied phenomenon occurs;
- Lack of ability to control the environment where the respondents provide the answers to the questions in the survey;
- Limited outcomes to only those outlined in the original research proposal due to closed type questions and structured format; and
- Lack of ability in encouraging the evolving and continuous investigation of a research phenomenon.

However, despite the aforementioned and given that this study was exploratory in nature and attempts to make predictions about the relationship between market factors and behaviour, gain meaningful insights into these relationships and validate the existing relationships, a quantitative research design was used.

3.5 Sampling Technique and Procedure

3.5.1 The Target Population

The target population refers to the total number of elements who form the object of the survey and from which conclusions are drawn about the entire population (Cooper & Schindler, 1998). According to Lamb, Hair, Daniel, Boshoff and Terblanche (2004), the target population should include all the people whose opinions, behaviour, preferences, attitudes, and so on are of interest to the researcher. The target population for this study is the youth market residing in the Durban region.

3.5.2 Sampling Technique

Sampling is the "act, process or technique of selecting a representative part of the population for the purpose of determining parameters or characteristics of the entire population" (Coldwell & Herbst, 2004: 42). Since the population which refers to the entire group, cannot be surveyed due to time and financial constraints, a sample is used.

There are two types of sampling: probability and non-probability sampling. This study will make use of non-probability sampling which is a "random and subjective sampling procedure where each population element does not have a known chance of being selected for" (Cooper & Schindler, 2006). This sampling technique is often applied when generalization is not as important to the research as time considerations or resource constraints (Sekaran, 2003).

There are two types of non-probability sampling: namely, convenience and purposive sampling. This study will make use of convenience sampling. In convenience sampling, element selection is based on ease of accessibility (Cooper & Schindler, 2006). Members of the population who are the easiest to retrieve information from are chosen as subjects based on accessibility. This is generally the most straightforward means of conducting research as it is quick, less expensive and convenient. Given that this study is primarily exploratory in nature, the sample size is small and, the population is homogenous on the variable being studied, convenience sampling is considered sufficient.

3.5.3. Selection of the Sample

3.5.3.1 Sample Frame

Brassington and Pettitt (2000: 236) state that the sampling frame is the means of access to the population to be surveyed. It is a list from which individual names can be drawn. For convenience sampling, the sampling frame used for this population comprised of all students between the ages of 18-24 studying at the University of Kwa-Zulu (Westville Campus and Howard College).

3.5.3.2 Sample Size

In deciding upon a sample size, the researcher needs to consider the following: the research objective, the desired level of precision, the acceptable risk in predicting the level of precision, the variability in the population itself, and the cost and time constraints under which the research is to be carried out (Sekaran, 2003). According to Brassington and Pettitt (2000), while it may be true that the larger the sample the greater the confidence that it truly

represents the population of interest, there is no point in spending more time and money pursuing any bigger sample than you have to. Given the objective of this study, a sample size of 150 respondents was deemed adequate. The sample consisted of male and female participants and represented the four major race groups of Durban: African, Indian, Coloured and White.

3.6 Data Collection

Data collection is the term given to the "process of preparing and collecting data" (Google Company, 2010: 1). The purpose of data collection is to obtain information to keep on record, to make decisions about important issues or to pass information on to others. Both primary and secondary data will be required to shed light on the research problem. A data collection instrument can be defined as "any device that is used to gain information from respondents" (Google Company, 2010: 1). The primary data collection instrument utilized in this study was a structured questionnaire. With regard to secondary data; academic journals, newspaper articles, marketing textbooks and social media websites were referred to.

3.6.1 Questionnaires

According to Sekaran and Bougie (2010: 197), "a questionnaire is a pre-formulated written set of questions to which respondents record their answers; usually within rather closely defined alternatives". Questionnaires are an efficient data collection mechanism when the researcher knows exactly what is required and how to measure the variables of interest. Furthermore questionnaires have the advantage of obtaining data more efficiently in terms of researcher time, energy and costs and are a reliable source of quantitative data. Brassington and Pettitt (2000) stated that it is essential that the questionnaire be tailor-made in order to meet the information requirements of the study and is thus the centre of the research process. The questionnaire for this study was specifically designed to address all of the study's research objectives. All the questionnaires were administered by the researcher to ensure that the respondents are between the specified ages and from the specified location so as to increase the validity and reliability of this study.

Questionnaires were distributed to 150 students from the University of Kwa-Zulu Natal (Westville Campus and Howard College Campus) over a period of three weeks. The questionnaire was administered at two Media Studies tutorial classes that were held at the Howard Campus College in September 2011 and in computer LANS, passage ways and coffee shops at both campuses. The majority of the questionnaires were administered at the two Media Studies tutorial classes as this was a quick and convenient approach, since all

students were addressed at the same time and at the same location. All 150 questionnaires were completed correctly within the required time frame.

3.6.2 Questionnaire Design

The questionnaire consisted of 24 questions which were divided into five sections (Appendix A). The first two questions were screening questions which required the respondent to state whether or not he/she actively sought out product and company information from social media platforms. According to Hair *et.al* (2006: 460) screening is a set of preliminary questions that are used to determine the eligibility of a prospective respondent for inclusion in the survey. If a respondent answered 'No' to both screening questions, the interview was terminated and, the participant was thanked for their willingness to participate. This ensured that respondents are representative of the defined target population and, enhanced the quality of the data received.

Section A of the questionnaire consisted of two questions which sought to obtain biographic information and Section B consisted of three questions which pertained to a respondent's social media usage patterns.

Section C comprised 37 questions on a 5 point Likert scale ranging from 'strongly agree' to 'strongly disagree'. The first four questions attempted to gain insight on a respondent's perception of traditional and social media, and the potential of social media as a promotional tool. The remaining 33 questions addressed issues concerning market segments found within the youth market and, the purchasing behaviour of respondents using social media platforms.

Section D consisted of 11 questions which attempted to gain insight into why respondent's made purchases using information obtained through social media platforms, the purchasing behaviour of respondent's on social media platforms and the reasons thereof.

Section E consisted of four questions which sought to gain an understanding of how social media browsing leads to purchasing by respondents and, the impact of social media browsing on the purchasing behaviour of the respondent's.

According to Ghauri, Gronhaug and Kristianslund (1995: 62) the following guidelines should be adhered to, in order to develop a good questionnaire:

- Questions must be asked in a straightforward and concise language;

- Be conservative to the level of knowledge, education and so forth necessary for the respondent to answer the question;

- Guarantee that everyone draws the same meaning from the questions;

- Each question ought to deal with only one aspect, variable or dimension;

- Questions should be not be suggestive in nature;

- Questions should be written in a polite manner in order to prevent provoking or offending the respondent;

- The words and language used in questions should be simple and have no double meanings attached;

- The layout of the questionnaire should be neat as this influences the respondent's willingness to answer; and

- The questionnaire should be passed through a pre-test to check issues such as: ensuring that the questions are correctly understood, the level of difficulty and how long respondents take to complete the questionnaire.

The above guidelines were taken into account when designing the questionnaire for this study. Moreover, the questionnaire was designed as follows to address the research objectives:

- Questions 7, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 were designed in order to address objective 1 which was to determine the impact of social media browsing on purchasing behaviour in the youth market;

- Questions 26 and 27 were designed to achieve objective 2 which was to determine how social media browsing leads to purchasing by consumers in the youth market;

- Questions 10, 11, 12, and 13 were designed to achieve objective 3 which was to determine why consumers in the target market make purchases using information obtained on social media platforms.

- Section C of the questionnaire comprised of 37 Likert Scale questions which were intended to achieve objectives 2, 3, 5, and 6 of the study which were: how social media browsing led to purchasing behaviour by consumers in the youth market, why does this target market purchase using information obtained on social media platforms, whether there is potential

value for social media as a promotional tool for targeting the youth market and, what market segments can be found within the youth market.

- Questions 3, 4 and 5 were designed in order to address research objective 4 which is to establish the usage patterns of social media platforms in the youth market.

3.6.3 Rating Scales

The data collection method used in this study includes the following rating scales:

a. Dichotomous scales: This scale offers "two mutually exclusive and exhaustive alternatives" (Cooper & Schindler, 2006: 75). Dichotomous scales are often used to elicit 'yes' or 'no' answers (Sekaran, 2003).

Example: Do you actively seek out brand pages on social media? ☐ Yes[1]   ☐ No[2]

---

b. Likert scales: These scales ask respondents to describe how strongly they agree or disagree with specific statements (Sekaran, 2003).

Please rate how strongly you agree or disagree with each statement by circling the appropriate number.

1= Strongly Agree,   2= Agree, 3=Neutral, 4=Disagree, 5= Strongly Disagree, please circle the most appropriate answer

	Strongly Agree	Agree	Disagree	Neutral	Strongly disagree
Social media is just a passing trend	1	2	3	4	5

3.7 Validity and Reliability of the Questionnaire

3.7.1 Validity

"Validity is any scale or other measurement instrument that accurately measures what it is intended to measure" (Churchill, 1996: 56). Thus an instrument is valid if it really measures what it claims to measure. According to Cooper and Schindler (2006), there are three types of validity:

- "Content validity is the extent to which the measurement instrument provides accurate coverage of the investigative questions providing direction and guidance to the study" (Cooper & Schindler, 2006: 349). If the instrument contains a representative sample then content validity is regarded as sound;

- "Criterion-related validity discloses the success of measures for prediction or estimation; this is achieved by establishing predictive validity or concurrent validity" (Cooper & Schindler, 2006:350); and

- Construct validity incorporates whether the construct under investigation has measures that equally represent the construct (Cooper & Schindler, 2006).

In this study, only content validity has been assured. To ensure content reliability, past research was examined to identify the main variables to be included in the questionnaire, questions were based on the literature survey, and pilot testing of the questionnaire was conducted.

3.7.2 Reliability

"Reliability is the extent to which the measurement process is free from random errors" (Kinnear & Taylor, 1991:827). According to Hair *et.al.* (2006: 281), reliability refers to "the degree to which a design and its procedure can be replicated and achieve similar conclusions about hypothesized relationships" (Hair *et.al.;* 2006: 281). This is consistent with Sekaran and Bougie (2010) who asserted that an instrument is reliable if it provides consistent results. There are several means of assessing reliability, these include the following:

- "Test-retest reliability is a way of establishing the stability of the measuring instrument by correlating the scores obtained through its administration to the same set of respondents at two different points" (Sekaran & Bougie, 2010);

- Parallel-form reliability is "a form of reliability which is established when responses of two comparable sets of measures tapping the same constructs are highly correlated" (Sekaran & Bougie, 2010: 443); and

- "Internal consistency assesses the reliability of a summated scale, homogeneity of items and consistency with which each item represents the construct of interest" (Cooper & Schindler, 2006: 354). There are two types:

- Inter-item consistency reliability is a test measuring the consistency of answers of respondents; and

- Split-half reliability is a form of internal consistency in which "a test is divided into two halves and the scores for each half of the test are weighed up against each other. If results indicate that this is consistent then it is most likely the same" (Cooper & Schindler, 2006: 354).

To ensure reliability Cronbach's alpha co-efficient were calculated. "Cronbachs alpha is a reliability coefficient which indicates how well items in a set are positively correlated to each other. The closer the Cronbach's alpha is to 1, the higher the internal consistency and reliability" (Sekaran & Bougie, 2010: 162). The Cronbachs alpha test was applied to 37 questions, making up section C which was the largest section of the questionnaire.

3.8 Pilot Testing

A pilot test is conducted to detect weaknesses in the research methods (Cooper & Schindler, 1998). According to Welman, Kruger and Mitchell (2005), pilot testing is the testing of the research design and questionnaire before administering the questionnaire officially. The purpose of pilot testing is to identify any potential difficulties or misunderstandings in the questionnaire (Welman *et al.*, 2005). Furthermore, it was stated by Malhotra & Peterson (2006) that pilot testing is testing the questionnaire on a small scale of respondents with the intention of improving the questionnaire by discovering and eliminating possible problems before administering it to the final sample.

In this study, questionnaires were administered to 10 Bachelor of Social Science Marketing Honours students from the Faculty of Management Studies at the University of Kwa-Zulu Natal before administering the questionnaire to all 150 respondents. This pilot test revealed that there were no misunderstanding of the questions and respondents were able to complete the questionnaire in a timely manner.

3.9 Data Analysis

According to Hair *et.al.* (2006) converting information from a questionnaire in order to be transferred into a data warehouse is referred to as the process of data preparation which is often a four step approach. The process begins with data validation, followed by editing and coding, and by data entry and data tabulations.

3.9.1 Data Validation

This is the "process of determining, to the extent possible, whether a survey's interviews or observations were conducted correctly and are free of fraud and bias" (Hair, *et.al.;* 2006:479). To ensure a certain degree of data validation, each respondent's name, signature and the date was recorded. Whilst this information is not used for analysis, it does enable the validation process to be completed (Hair, *et.al.;* 2006).

3.9.2 Editing

"Editing is the process in which the interviews or survey instruments are checked for mistakes, errors and data omissions that may have occurred by either the interviewer or the respondent's data collection activities" (Cooper & Schindler, 2006) Thus, data is edited to make certain of consistency across respondents and to locate omissions (Cooper & Schindler, 1998). With regard to a survey using a questionnaire, editing helps to reduce errors, enhance legitability and clarify ambiguous responses. Hair *et.al.* (2006) asserted that the process of editing can assist the researcher in addressing several areas of concern such as:

- Asking the proper questions;

- Accurate recording of answers;

- Correct screening questions; and

- Accurate recording of close ended questions.

In this study, the data was edited by checking each questionnaire and ensuring it was correctly completed.

3.9.3 Coding

Coding refers to the activities of grouping and assigning values to various responses from a survey instrument (Cooper & Schindler, 2006: 493). According to Ghauri and Gronhaug (2002), coding can be viewed as some sort of classification which needs to be reliable and followed by rules. With regard to this study, the questionnaire was pre-coded which is essential for data analysis. Throughout the questionnaire, the numbers in parentheses indicate the data field where each coded response will be added on the data record. The researcher had also assigned precise numerical codes to each response throughout the questionnaire.

3.9.4 Data Entry

Data entry is the procedure used to enter the data into the computer for subsequent data analysis (Hair, *et.al.*; 2006). Data entry involves tasks with the direct input of the coded data into specified software packages that allow the researcher to manipulate and transform raw data into useful data (Hair, *et.al.;* 2006). Data entry in this study was conducted by the researcher who ensured that the data entered was correct and error free.

3.10 Statistical Techniques

Various quantitative statistical techniques using the SPSS software were conducted in order to process data. The data was interpreted through frequency distribution and cross tabulations, as well as multiple regression, chi- square tests, factor analysis and cluster analysis. These outputs will be briefly explained:

- **Frequency distributions-** "Summary of how many times each possible raw response to a scale of question/setup was recorded by the total group of respondents" (Hair, Bush & Ortinau, 2006: 685).

- **Cross tabulation**- "Simultaneously treats two or more variables in the study, categorizing the number of respondents who have answered two or more questions consecutively" (Hair, *et.al.,* 2006: 685).

- **Multiple Regression**- "A statistical technique which analyzes the linear relationships between a dependent variable and multiple independent variable by estimating coefficients for the equation for the straight line" (Hair, *et.al.,* 2006: 689).

- **Chi-Square statistic**- "The standardized measurement of the observed difference squared between two frequency distributions that allows for the investigation of statistical significance in analysing frequency distribution data structures" (Hair, *et.al.;* 2006: 678).

- **Factor Analysis-** Is used to summarize the information contained in a large set of variables into a smaller number of subsets called factors" (Hair, *et.al.;* 2006: 591).

- **Cluster analysis-** "Is a multivariate interdependent technique whose primary objective is to classify objects into relatively homogeneous groups based on the set of variables considered" (Hair, *et.al.;* 2006: 599).

3.11 Conclusion

This chapter outlined the research methodology used to conduct this research study. The problem statement revealed that the purpose of this study was to establish and examine the purchasing behaviour of consumers in the youth market with the view of allowing South African marketers to reap the benefits of utilizing social media as a marketing and communication tool. The sample of the study comprised of students from the University of Kwa-Zulu Natal who were selected using a non-probability sampling method, namely convenience sampling. The sample was made up of male and female respondents between the ages of 18-24 and represented the four major race groups in Durban. The sample size of the study was 150 respondents. Data was collected by making use of questionnaires which comprised primarily of closed ended questions and few open-ended questions. Quantitative data analysis was undertaken using SPSS software by interpreting the results of frequency distribution tests, cross tabulation, multiple regression analysis, factor analysis as well as cluster analysis. The results of the SPSS output is reported in the next chapter.

Chapter Four

Empirical Findings

4.1 Introduction

This chapter reports the results of the statistical data analysis and provides an explanation of the findings with reference to the literature discussed in the previous chapters. The data from the questionnaires was coded and entered onto the statistical program, SPSS (Hair, Bush & Ortinau, 2006). The findings are presented such that they make reference to the research objectives.

4.2 Reliability of the Questionnaire

The core section of the questionnaire reflected an internal consistency of 0.921. This was attained using the Cronbach's alpha test.

Reliability testing was also conducted for inter-item consistency for factors influencing the market segments found within the youth market (37 items) and factors influencing how social media browsing leads to purchasing behaviour by consumers in the youth market (22 items). The results of the tests revealed relatively high coefficients, given below:

- Factors influencing market segments found within the youth market (37 items): 0.934 Alpha coefficient, 0.862 equal length and 0.863 unequal length Spearman- Brown coefficient.

- Factors influencing how social media browsing leads to the purchasing behaviour by consumers in the youth market (22 items): 0.960 Alpha coefficient, 0.915 equal length and 0.915 unequal length Spearman Brown coefficient.

In addition, testing was conducted for split-half reliability for factors influencing market segments found within the youth market (37 items) and factors influencing how social media browsing leads to purchasing behaviour by consumers in the youth market (22 items). The results of the tests revealed high coefficients, given below:

- Factors influencing market segments found within the youth market (37 items): 0.838 Guttman Spilt-Half coefficient.

- Factors influencing how social media browsing leads to the purchasing behaviour by consumers in the youth market (22 items): 0.915 Guttman Spilt-Half coefficient.

4.3 Demographics: Age and Gender

The target group for the study was respondents between the ages of 18-24. It is evident from Table 4.1 that of the 145 respondents, 15 respondents belonged to the 18-19 age group, 86 respondents were between the ages 20-22 and 44 were in the 23-24 age group.

Table 4.1: Age of Respondents (n=145)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-19	15	10.0	10.3	10.3
	20-22	86	57.3	59.3	69.7
	23-24	44	29.3	30.3	100.0
	Total	**145**	**96.7**	**100.0**	
Missing	System	5	3.3		
Total		**150**	**100.0**		

There was a reasonably equal representation of male and female respondents in the study since of the 145 respondents who participated in the survey, 70 (47 percent) were male and 75 (50 percent) were female.

4.4 Findings with respect to the Research Objectives

4.4.1 Objective 1: The Impact of Social Media Browsing on Purchasing Behaviour in the Youth Market

Table 4.2 reveals that 80 percent of respondents indicated that social media browsing led to purchasing behaviour thus validating objective 1 of the study. This finding is supported by research conducted by Universal McCANN (2009) who reported that social media browsing has a direct impact on the purchasing behaviour of consumers.

Table 4.2: Impact of Social Media Browsing on Purchases (n=145)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	120	80.0	82.8	82.8
	No	25	16.7	17.2	100.0
	Total	**145**	**96.7**	**100.0**	
Missing	System	5	3.3		
Total		**150**	**100.0**		

Table 4.3 shows that 43 percent of the respondents have purchased items over eight times through social media platforms, 23 percent between five to eight times, 11 percent between two to four times and 4 percent only once. The aforementioned is indicative of how actively respondents are browsing social media platforms in order to make purchases. It is also evident that the respondents have shown little reluctance towards purchasing through social media platforms since the majority of respondents have made purchases over eight times through social media platforms in the last 12 months, confirming the findings by Meltzer (2011) who stated that e-commerce in South Africa is witnessing fast and continued growth as South Africans are now increasingly purchasing 'online'.

Table 4.3: Number of Purchases made through Social Media Platforms in the past 12 months (n=145)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Once	6	4.0	5.0	5.0
	Between 2-4 times	16	10.7	13.2	18.2
	Between 5-8 times	34	22.7	28.1	46.3
	Over 8 times	65	43.3	53.7	100.0
	Total	**121**	**80.7**	**100.0**	
Missing	System	29	19.3		
Total		**150**	**100.0**		

The data was cross tabulated and correlation tests conducted to further ascertain if social media browsing led to purchasing behaviour. The Pearson Chi-Square test of p= 0.002 (Table 4.4) reveals that there is a significant relationship between those respondents actively seeking out brand pages on social media platforms and their purchasing behaviour. Hence,

it can be concluded from this study that social media browsing does lead to the purchasing behaviour by consumers in the youth market, thus objective 1 of the study is further confirmed.

Table 4.4: Chi-Square Test (n=145)

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	15.148[a]	3	.002	.096		
Likelihood Ratio	10.792	3	.013	.005		
Fisher's Exact Test	13.604			.005		
Linear-by-Linear Association	8.576[b]	1	.003	.020	.020	.015
N of Valid Cases	145					

a. 5 cells (62.5%) have expected count less than 5. The minimum expected count is .05.

b. The standardized statistic is 2.929.

4.4.2 Objective 2: How does Social Media Browsing lead to Purchasing by Consumers in the Youth Market?

Factor analysis was used in order to establish factors which influenced how social media browsing leads to purchasing by consumers in the youth market.

4.4.2.1 Factor Analysis of Factors Influencing Social Media Browsing which leads to Purchasing by Consumers in the Youth Market

Before factor analysis can be performed on variables, these variables need to be tested to ensure that they are suitable for this kind of measure. This was ensured using the Kaiser Meyer Olkin (KMO) measure of sampling adequacy and the Barlett's test of Sphericity. The KMO measure of sampling adequacy is an index used to observe the appropriateness of factor analysis (Malhotra, 1993). High values on the scale of 0 to 1 reveal that factor analysis is appropriate, whereas those values below 0.5 reveal that factor analysis is inappropriate (Malhotra, 1993). In this study, the KMO value of 0.925 is reasonably close to the possible maximum value of 1, suggesting that factor analysis is appropriate and meaningful for the variables shown in Table 4.5. The Bartlett's test of Sphericity is an indicator of the strength among variables (Foulger, 2010). The observed significance level of .0000 is small enough to reject the hypothesis, suggesting that there is a strong relationship among the variables, indicating that factor analysis is meaningful and appropriate (Foulger, 2010). The Bartlett's

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test of Sphericity value of 3582.180 also indicates the appropriateness of the data for factor analysis which is reflected in Table 4.5.

Table 4.5: KMO and Barlett's Test (n=145)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.925
Bartlett's Test of Sphericity	Approx. Chi-Square	**3582.180**
	Df	231
	Sig.	.000

As reflected in Table 4.6, 22 factors were identified. The method used for the initial extraction of factors was Principal Components Analysis, where the total variance in the data is taken into account. According to the results presented in Table 4.7, a total variance of 74.490 percent is explained by three factors. Given that this is a limited scope study, 74.490 percent is an acceptable level of variance explained and relatively high (Malhotra, 2003).

Table 4.6: Factors Influencing how Social Media Browsing leads to the Purchasing by Consumers in the Youth Market (n=145)

1. Social media browsing encourages purchasing activity
2. Social media browsing has encouraged me to engage in purchasing activity
3. I have purchased products or brands after viewing its advertisement on social media platforms
4. I am the first to make purchases of products advertised on social media platforms as compared to my friends
5. I like to purchase new brands advertised on social media platforms before others do
6. My friends ask my opinion when shopping for products or brands over social media platforms
7. I influence the shopping patterns of my friends on social media platforms
8. I influence my friends to visit social media platforms for information when shopping for products and brands
9. Purchasing through social media platforms gives me a lot of pleasure
10. Purchasing through social media platforms are convenient
11. Purchasing 'online' allows me to remain anonymous
12. I admire people who purchase expensive items through social media platforms

13. I have made purchases through social media platforms that have exceeded my budget
14. I am a compulsive shopper on social media platforms
15. I like to take a chance and purchase items through social media platforms
16. Brands and companies encourage me to engage in discussion and conversation on social media platforms
17. Brands and companies on social media platforms have empowered me to engage in commercial activity
18. My friends influence my 'online' purchasing activity on social media platforms
19. Social media platforms provide me with the cheapest brands
20. After having seen brand on my favourite social media website, I tend to view the brand more favourably
21.I expect more value for money from brands that are promoted on social media platforms
22. Purchasing on social media platforms offer me a variety of products/items

Table 4.7: Total Variance Explained (n=145)

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	13.423	61.014	61.014	13.423	61.014	61.014
2	1.874	8.517	69.531	1.874	8.517	69.531
3	1.091	4.958	**74.490**	1.091	4.958	**74.490**

Extraction Method: Principal Component Analysis.

The three factors that were extracted are depicted on the Scree Plot in Figure 4.1. The graph elbows at three components where the eigenvalue is one. For any higher number of components, the eigenvalue falls below one, which means that the amount of variance associated with the factors is very little (Malhotra,1993). The first component accounts for 61 percent of the total variance explained of 74.490 percent, revealing that the three components are not evenly distributed. Components two and three explain much less of the total variance as component two explains only 9 percent and, component three only 5 percent.

Figure 4.1: Scree Plot
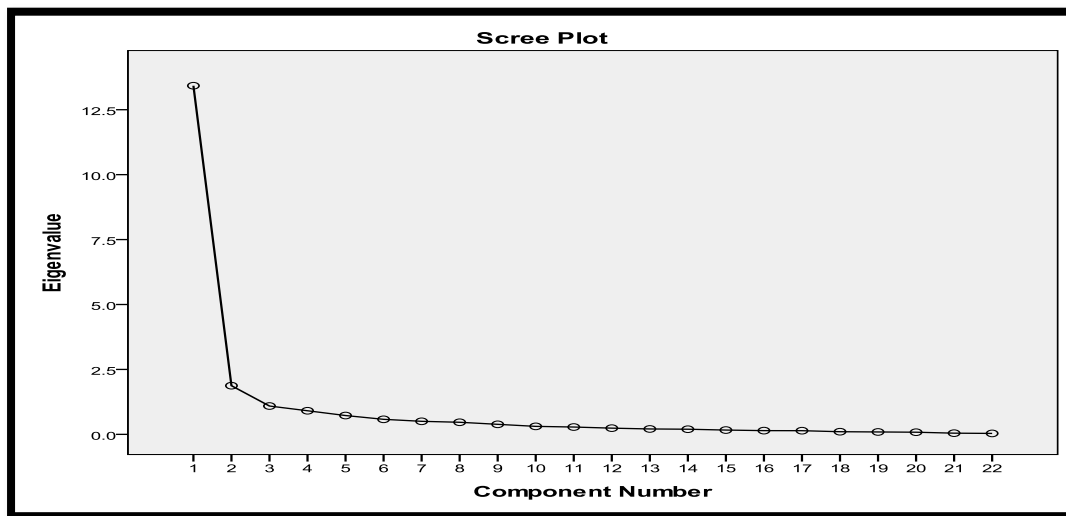
Since the initial factors extracted through factor analysis are hard to interpret, these are rotated to reach a solution that is amenable to interpretation (Kinnear & Taylor, 1991). The data was further analyzed using Varimax rotation as it provided more reliable information for interpretation. The three underlying factors that were extracted, using Varimax rotation were arbitrarily labelled as: Important Marketing and Communication Channel, Better Product and Brand Choice and, Spending Power.

Table 4.8: Results of Factor Rotation using the Varimax Method

Variable Attribute	Varimax
Factor 1: Important Marketing and Communication Channel	
I influence the shopping patterns of my friends on social media platforms	.788
Purchasing through social media platforms are convenient	.782
Purchasing through social media platforms gives me a lot of pleasure	.768
My friends ask my opinion when shopping for products or brands over social media platforms	.766
Purchasing 'online' allows me to remain anonymous	.753
I like to purchase new brands advertised on social media platforms before others do	.744
I have purchased products or brands after viewing its advertisement on social media platforms	.698

I influence my friends to visit social media platforms for information when shopping for products and brands	.697
I admire people who purchase expensive items through social media platforms	.692
Social media browsing has encouraged me to engage in purchasing activity	.678
Brands and companies on social media platforms have empowered me to engage in commercial activity	.673
I am the first to make purchases of products advertised on social media platforms as compared to my friends	.658
Brands and companies encourage me to engage in discussion and conversation on social media platforms	.589
Factor 2: Better Product and Brand Choice	
After having seen brand on my favourite social media website, I tend to view the brand more favourably	.799
I expect more value for money from brands that are promoted on social media platforms	.793
My friends influence my 'online' purchasing activity on social media platforms	.718
Social media platforms provide me with the cheapest brands	.699
Purchasing on social media platforms offer me a variety of products/items	.676
Social media browsing encourages purchasing activity	.543
Factor 3: Spending Power	
I am a compulsive shopper on social media platforms	.909
I have made purchases on social media platforms that have exceeded my budget	.861
I like to take a chance and purchase items through social media platforms	.851

Factor one which was labelled 'Important Marketing and Communication Channel' accounted for 61 percent of the total variance explained. Factor one included variables such as convenience, anonymity, pleasure, I like to purchase new brands on social media platforms before others do, I have purchased products or brands after viewing its advertisement on social media platforms and brands and companies encourage me to engage in discussion and conversation on social media platforms. The individual items comprising Factor one produced values of .788, .782, .768, .766, .753 and .744 which suggests that there is a high degree of correlation; implying that the majority of respondents

in the study engage in purchasing behaviour over social media platforms because it is an important marketing and communication channel.

These findings are supported by Mabry (2008) who assert that social media is all about providing value for consumers and thus, should provide benefits or functions to consumers. With regard to this study, value is derived from convenience, anonymity, pleasurable shopping experiences and the other items comprising Factor one. Hoffman, Novak and Chatterjee (1995) also asserted that the World Wide Web had gained such significant command as a commercial channel due to its potential to provide an efficient channel for advertising, marketing and distribution of goods, thus providing further support for the findings in this study.

Factor two which included variables such as variety, value and affordability, was labelled 'Better Product and Brand Choice'. This factor accounted for only 9 percent of the total variance explained and comprised items, producing values as high as .799, .793 and .718. This factor

Factor three which was labelled 'Spending Power' accounted for only 5 percent of the total variance explained and included items with values as high as .909, .861 and .851. Variables such as I am a compulsive shopper on social media platforms, I have made purchases on social media platforms that have exceeded my budget and I like to take a chance and purchase items through social media platforms were comprised factor three.

Through factor analysis, objective 2 of the study was addressed by identifying three factors namely: Important Marketing and Communication Channel, Better Product and Brand Choice and Spending Power as playing key roles in influencing the purchasing behaviour of respondents who browse social media platforms.

4.4.2.2 Frequency Distribution Tests

Frequency distribution tests were carried out on six other variables in the questionnaire to gain further insight into how social media browsing leads to purchasing by consumers in the youth market. The respondents were asked to rate each of the following variables on a scale ranging from (1) strongly influenced, (2) neutral and (3) not influenced:

- Influence of the availability of shopping information on social media platforms on purchasing behaviour;

- Impact of information and advice on products found on social media platforms on purchasing behaviour;

- Influence of social media platforms that provide useful and meaningful product information on purchasing behaviour;

- Influence of friends on purchases on social media platforms;

- Influence of referrals from friends on purchasing behaviour on social media platforms; and

- Influence of a striking brand or company on purchasing behaviour.

Table 4.9 reveals that the vast majority, 78 percent of the respondents, believe that social media platforms which provide them with sufficient shopping information have directly influenced their purchasing behaviour. The results from the frequency distribution test are supported by Sheth and Mittal (2004) who stated that modern day buyers highly value pre-purchase assistance and actively search for information on social media platforms, directly impacting on their purchasing behaviour.

Table 4.9: Influence of Availability of Shopping Information on Social Media Platforms on Purchasing Behaviour (n=145)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Influenced	117	78.0	97.5	97.5
	Neutral	3	2.0	2.5	100.0
	Total	120	80.0	100.0	
Missing	System	30	20.0		
Total		**150**	**100.0**		

Table 4.10 reveals that an overwhelming majority (92 percent) of respondents have made use of social media platforms to search for information and advice on products, which information has directly influenced their purchasing behaviour. These findings are supported by Kim (2008) who stated that 50 percent of consumers read other reviews when shopping, whilst 16 percent have been influenced by this information when making a purchase.

Table 4.10: Impact of Information and Advice on Products found on Social Media Platforms on Purchasing Behaviour (n=145)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	138	92.0	95.2	95.2
	No	7	4.7	4.8	100.0
	Total	**145**	**96.7**	**100.0**	
Missing	System	5	3.3		
Total		**150**	**100.0**		

Table 4.11 reveals that 77 percent of the respondents stated that social media platforms which provide them with useful and meaningful product information have had a direct impact on their purchasing behaviour.

Table 4.11: Influence of Social Media Platforms that provide Useful and Meaningful Product Information on Purchasing Behaviour (n=145)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Influenced	115	76.7	96.6	96.6
	Neutral	4	2.7	3.4	100.0
	Total	**119**	**79.3**	**100.0**	
Missing	System	31	20.7		
Total		**150**	**100.0**		

Table 4.12 illustrates that 74 percent of the respondents indicate that purchases by friends through social media platforms have also influenced their own 'online' purchasing behaviour. This is supported by researchers such as Kotler (1965) who stated that the consumption of products, brands and services 'online' to a large extent serves as a means for consumers to build and develop self images which allow them to enhance popularity or likeness amongst friends, family and contacts on the social media platforms. In addition, Constantindes and Fountain (2008) assert that preferences and decisions are influenced by friends and family. For marketers and brands, this means that factors such as brand and product choice and purchase decisions are influenced by groups on social media platforms and hence an understanding of the dynamics of these groups will be beneficial to marketers and branders.

Table 4.12: Influence of Friends on Purchases on Social Media Platforms (n=145)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Influenced	111	74.0	92.5	92.5
	Neutral	9	6.0	7.5	100.0
	Total	**120**	**80.0**	**100.0**	
Missing	System	30	20.0		
Total		**150**	**100.0**		

From Table 4.13, it is evident that 73 percent of the respondents stated that referrals from friends have influenced their purchasing behaviour on social media platforms. These findings are supported by Meyer (2003) who stated that the rationale behind trusting a referral from a friend as opposed to a brand or marketer is that friends are real people, with real experiences and have no hidden agenda's as opposed to marketers who want to generate sales (Meyer, 2003). In addition, according to an Annual Global Opinion Leaders study 'Trust in a person like me' tripled from 20 percent to 68 percent from 2004 to 2006 (www.edleman.com).

Table 4.13: Influence of Referrals from Friends on Purchasing Behaviour (n=145)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Influenced	110	73.3	91.7	91.7
	Neutral	9	6.0	7.5	99.2
	5	1	.7	.8	100.0
	Total	**120**	**80.0**	**100.0**	
Missing	System	30	20.0		
Total		**150**	**100.0**		

As reflected in Table 4.14, 76 percent of the respondents revealed that a brand or company that stands out in the crowd and best attracts their attention, has a direct impact on their purchasing behaviour on social media platforms. This finding is supported by researchers such as Treadaway and Smith (2010) and Copyright (2011).

Table 4.14: Influence of a Striking Brand or Company on Purchasing Behaviour (n=145)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Influenced	114	76.0	95.8	95.8
	Neutral	5	3.3	4.2	100.0
	Total	**119**	**79.3**	**100.0**	
Missing	System	31	20.7		
Total		**150**	**100.0**		

From the results captured in Table 4.9 - Table 4.14, it can be deduced that all the identified factors have played a significant role in influencing the purchasing behaviour of respondents through social media platforms. These findings provide further confirmation for objective 2, reflected in 4.4.2.

4.4.3 Objective 3: Why does the Youth Purchase using Information obtained on Social Media Platforms?

Table 4.15 shows that the respondents believe that social networks provide them with the most reliable shopping information, followed by information from blogs, content communities, vlogs, wiki's and podcasts. The vast majority (85 percent) of respondents believed that social networks provided them with the most reliable shopping information. Given the high percentage of respondents who believe that social networks, blogs, content communities and vlogs provide them with reliable information, the probability exists that respondents make purchases using information obtained on social media platforms because it is reliable. This finding is supported by Mabry (2008) who stated that consumers utilized social media predominantly for insight and research as it provided them with honest, transparent and up to date information. In addition, Hoffman, Novak and Chatterjee (1995) asserted that the popularity of the World Wide Web as a commercial medium is due to its ability to facilitate global sharing of information and resources.

Wiki's and podcasts were not regarded as reliable sources of shopping information, and podcasts were regarded by only 23 percent of the respondents as being reliable. This could be because podcasts are a fairly new social media platform and hence consumers still need to familiarise themselves with it. Research has also shown that podcasts have received the least amount of attention from consumers around the world and is not as popular as other social media platforms (Hudson, 2011).

Table 4.15: Reliability of Information provided by various Social Media Platforms (n=145)

Social Media Platform	Frequency	Percent	Cumulative percentage
Social Networks	128	85.3	88.3
Blogs	97	64.7	66.9
Content Communities	97	64.7	66.9
Vlogs	96	64.0	66.2
Wiki's	71	47.3	49.0
Podcasts	35	23.3	24.1

The respondents were also asked to rate the reasons for using information obtained on social media platforms to make purchases on a 5-point Likert scale ranging from 'strongly agree' to 'strongly disagree'. The results (Table 4.16) revealed that 20 percent of the respondents strongly agreed that information obtained on social media platforms was reliable, whilst 41 percent of the respondents agreed. 39 percent of the respondents strongly agreed that there was no difficulty in obtaining information on products and brands on social media platforms whereas 59 percent of respondents agreed. 42 percent of the respondents strongly agreed that social media platforms provided them with valuable information on products and brands whilst 52 percent of the respondents agreed. 25 percent of the respondents strongly agreed that with respect to brand information, social media information is more reliable than that obtained from salespeople, whilst 56 percent of respondents agreed. 43 percent of the respondents stated that they are satisfied with the amount of information on brands and products they could attain from social media platforms whereas 50 percent of the respondents agreed. 58 percent of the respondents strongly agreed that information on social media platforms are the new electronic word of mouth marketing whereas 39 percent of the respondents agreed.

Table 4.16: Reasons for using Information obtained through Social Media Platforms to make Purchases (n=145)

Reason	Number of respondents that 'Strongly Agree'	Number of respondents that 'Agree'
Social media information is more reliable than traditional advertising	20	41
There is no difficulty in obtaining information on products and brands on social media platforms	39	59
I am able to obtain valuable information on products and brands on social media platforms	42	52
With respect to brand information, social media information is more reliable than that obtained from salespeople	25	56
I am satisfied with the amount of information on brands and products I can attain from social media platforms	43	50
Information on social media platforms are new electronic word of mouth marketing	58	39

From Table 4.16, it appears that young consumers such as University students with demanding academic lifestyles, frequently access social media platforms for information on products and brands as it is less time consuming and convenient and provides them with reliable and sufficient product information. This is supported by Razorfish (2008) who asserted that with the time shifting, proliferation of communication channels, permanent connectivity and information overload, consumers are moving towards shorter micro-interactions on social media platforms.

4.4.4 Objective 4: The Usage Patterns of Social Media Platforms by the Youth

Table 4.17 shows that all the respondents make use of social networks 97 percent of the time, whist 122 respondents make use of blogs 81 percent of the time and 120 respondents make use of vlogs 80 percent of the time. 114 respondents make use of content communities 76 percent of the time, 103 respondents make use of wiki's 69 percent of the time and the smallest percentage usage is found in podcast's with 96 respondents making use of podcasts 64 percent of the time.

From the aforementioned, it can be concluded that respondents are actively making use of social media platforms, opening themselves up to being more influenced and persuaded by marketers who target these platforms. Hence, social media platforms have evolved into platforms that support consumers' needs and, can be a beneficial tool for creating, maintaining and enhancing relationships with consumers for marketers which invariably results in greater sales and profits.

Table 4.17: Frequency of Use of Social Media Platforms (n=145)

Social Media Platform	Frequency	Percentage	Cumulative Percentage
Social networks	145	96.7	100.0
Blogs	122	81.3	84.1
Vlogs	120	80.0	82.8
Content communities	114	76.0	78.6
Wiki's	103	68.7	71.0
Podcasts	96	64.0	66.2

The respondents also were asked to indicate their usage patterns of social media platforms in the past four weeks. One month was chosen due to memory decay over time. From Table 4.18, it can be concluded that respondents are spending a significant amount of time on these social media platforms, since a large proportion (62 percent) spent over 21 hours on these platforms in the past four weeks.

Table 4.18: Number of Hours Spent on Social Media Platforms in the Last Four Weeks (n=145)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 7 hours	10	6.7	6.9	6.9
	Between 8-14 hours	7	4.7	4.8	11.7
	Between 15-21 hours	35	23.3	24.1	35.9
	Over 21 hours	93	62.0	64.1	100.0
	Total	**145**	**96.7**	**100.0**	
Missing	System	5	3.3		
Total		**150**	**100.0**		

Table 4.19 illustrates that 97 percent of respondents make use of social networks. This is followed by 81 percent of respondents making use of blogs and 80 percent making use of vlogs. Lower usage patterns are seen with content communities, wiki's and podcasts which account for 76 percent, 69 percent and 64 percent.

Table 4.19: Usage of Social Media Platforms (n=145)

Social Media Platform	Frequency	Percentage	Cumulative percentage
Social Networks	145	96.7	100
Blogs	122	81.3	84.1
Vlogs	120	80.0	82.8
Content Communities	114	76.0	78.6
Wiki's	103	68.7	71.0
Podcasts	96	64.0	66.2

The findings confirm what is stated in the literature since the popularity of social media is being fuelled by the popularity of social networks which has attracted billions of users around the world (Boyd and Ellison, 2007) and, there are social networks that exist with user bases larger than the population of certain countries (HC Company, 2009). In addition, social media usage has surpassed five million users in South Africa and is growing continuously (Rabaney, 2010).

4.4.5 Objective 5: Potential Value for Social Media as a Promotional Tool for Targeting the Youth Market

The above objective was addressed using cluster analysis so as to identify and classify segments and to ensure that there was similarity between the segments and, as much difference between segments as possible.

4.4.5.1 Cluster Analysis

Cluster analysis was performed on factors positively influencing the potential value of social media as a promotional tool for targeting the youth market. The items used to group the objects in the study were the 24 factors (Table 4.20) that positively influenced the potential value of social media as a promotional tool for targeting the youth market.

Table 4.20: Factors that Positively Influenced the Potential Value of Social Media as a Promotional Tool for Targeting the Youth Market (n-145)

Factors:
1. Consumers are more responsive to messages delivered through social media compared to traditional media
2. Social media information is more reliable than traditional advertising
3. With respect to brand information, social media information is more reliable than that obtained from salespeople
4. There is no difficulty in obtaining information on brands and products on social media platforms
5. I am able to obtain valuable information on products and brands on social media platforms
6. I am satisfied with the amount of information on brands and products I can attain on social media platforms
7. Information on social media platforms are the new electronic word of mouth marketing
8. Social media browsing encourages purchasing activity
9. Social media browsing has encouraged me to engage in purchasing activity
10. I have purchased products or brands after viewing its advertisement on social media platforms
11. I am the first to make purchases of products advertised on social media platforms as compared to my friends
12. I like to purchase new brands advertised on social media platforms before others do
13. Purchasing through social media platforms gives me a lot of pleasure
14. Purchasing through social media platforms are convenient
15. Purchasing 'online' allows me to remain anonymous
16. I admire people who purchase expensive items through social media platforms
17. I have made purchases through social media platforms that have exceeded my budget
18. I am a compulsive shopper on social media platforms
19. I like to take a chance and purchase items through social media platforms
20. Brands and companies encourage me to engage in discussion and conversation on social media platforms
21. Brands and companies on social media platforms have empowered me to engage in commercial activity
22. Social media platforms provide me with the cheapest brands
23. After having seen brand on my favourite social media website, I tend to view the brand more favourably
24. Purchasing on social media platforms offer me a variety of products/items

The clustering procedure used to classify the clusters was the K-Means clustering. The variables were grouped into two clusters, comprising a total of 145 respondents. The first cluster comprised of 123 respondents, whereas cluster two comprised of 22 respondents.

Table 4.21 illustrates the centroids or mean values for each cluster. Respondents were asked to rate the items on Table 4.20 on a 5 point Likert scale, ranging from 'strongly agree' to 'strongly disagree'.

Table 4.21: Final Cluster Centers for Variables Positively Influencing the Potential Value of Social Media as a Promotional Tool for Targeting the Youth Market (n=145)

	Cluster	
	1	2
1. Responsive	2	2
2. Reliable	2	3
3. Salespeople	2	3
4. No difficulty	2	2
5. Valuable information	2	2
6. Satisfied	2	2
7. Electronic word-of-mouth marketing	1	2
8. Encourages purchasing activity	1	2
9. Engage in purchasing activity	1	3
10. Advertisement	1	4
11. Like	2	4
12. Pleasure	1	3
13. Convenient	1	3
14. Anonymous	1	3
15. Admire	2	3
16. Exceed my budget	3	5
17. Compulsive shopper	3	5
18. Chance	2	4
19. Discussion and conversation	1	3
20. Empowered	1	3
21. Cheapest	2	3
22. Favourably	1	3
23. Value for money	1	3
24. Variety	1	3

Cluster 1 has mean values predominantly ranging from 1 (strongly agree) to 2 (agree). Cluster 2 has mean values < 2 for variables 7 (electronic word of mouth), 8 (encourages purchasing activity), 9 (engage in purchase activity), 10 (advertisement), 12 (pleasure), 13

(convenience), 14 (anonymous), 19 (discussion and conversation), 20 (empowered), 22 (favourably), 23 (value for money) and 24 (variety). Cluster 2 also has mean values of 2 (agree) for variables 1 (responsive), 2 (reliable), 3 (salespeople), 4 (no difficulty), 5 (valuable information), 6 (satisfied), 11 (like), 15 (admire), 18 (chance) and 21 (cheapest). Cluster 2 has only two mean values of 3 (neutral) for variables 16 (exceed my budget) and 17 (compulsive shopper).

Hence, cluster 1 comprises a market segment of consumers who value social media as a promotional tool because it provides them with pleasure, convenience, anonymity, affordability, value, reliable information, sufficient information, ease in accessing this information, discussion and conversation around products and brands, a variety and wider selection of products and empowerment and encouragement to engage in purchasing behaviour through social media platforms.

Cluster 2 has predominantly mean values of 3 (neutral) and mean values ranging up to 5 (strongly disagree). This market segment of consumers are sceptical and unconvinced about the potential of social media as a promotional tool.

Cluster 1 is made up of 123 respondents, thus cluster 1 comprises the majority of the respondents in this study. Cluster 1 indicates the importance and immense value respondents place upon social media as a promotional tool.

The results from the cluster analysis also indicate that there is significant potential for social media as a promotional tool. This is supported by Stelzner (2009), and Kichatov and Mihajlovski (2010). In addition, according to research conducted by Forrester Research, social media marketing will beat e-mail, search marketing, display advertising and mobile marketing, thus demonstrating the potential of social media as a promotional tool (Tozian, 2009 cited in Kichatov & Mihajlovski, 2010).

4.4.6 Objective 6: Market Segments found within the Youth Market

The above objective was addressed by using factor analysis in order to establish whether underlying factors existed among those acknowledged as influencing the market segments found within the youth market.

The Kaiser Meyer Olkin (KMO) measure was used to determine the effectiveness of factor analysis. The KMO and Barlett's Test are fairly close to the possible maximum value of 1, indicating that factor analysis is meaningful and effective (Malhotra, 1993). Table 4.22 also shows the KMO and Bartlett's test of sphericity, which indicates the suitability of the data for

factor analysis. The method used for the initial extraction of factors was the Principal Components Analysis.

Table 4.22: KMO and Barlett's Test (n=145)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.895
Bartlett's Test of Sphericity	Approx. Chi-Square	5384.226
	Df	666
	Sig.	.000

According to the results presented in Table 4.23, a total variance of 77.646 percent is explained, which is an acceptable level (Malhotra, 1993). Eight components were extracted using the SPSS software which is illustrated by the Scree Plot in Figure 4.2. "The Scree Plot reflects Eigenvalues against the number of factors in order for extraction, thus the shape of the resulting curve is used to evaluate the cut-off point" (Hair, Anderson, Tatham & Black 1998). According to Figure 4.2, the graph elbows at 8 components, where the eigenvalue is one.

It should be noted that for any higher number of components, the eigenvalue falls below one, indicating that the variance achieved is fairly low (Malhotra, 2001). The first component illustrated in the Scree Plot indicates the dominant value which explains the maximum amount of variance which is 46 percent. The first component accounts for over half (46 percent) of the total variance of 77.646 percent. The other seven components account for much less of the total variance in comparison to the first component. In addition, from the eighth factor onwards the line is almost flat, indicating that each successive factor accounts for smaller and smaller amounts of the total variance.

Table 4.23: Total Variance Explained (n=145)

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	16.872	45.599	45.599	16.872	45.599	45.599
2	2.835	7.663	53.262	2.835	7.663	53.262
3	2.269	6.133	59.395	2.269	6.133	59.395
4	2.096	5.665	65.060	2.096	5.665	65.060
5	1.271	3.435	68.495	1.271	3.435	68.495
6	1.189	3.213	71.708	1.189	3.213	71.708
7	1.168	3.158	74.866	1.168	3.158	74.866
8	1.029	2.780	**77.646**	1.029	2.780	**77.646**

Extraction Method: Principal Component Analysis.

Figure 4.2: Scree Plot
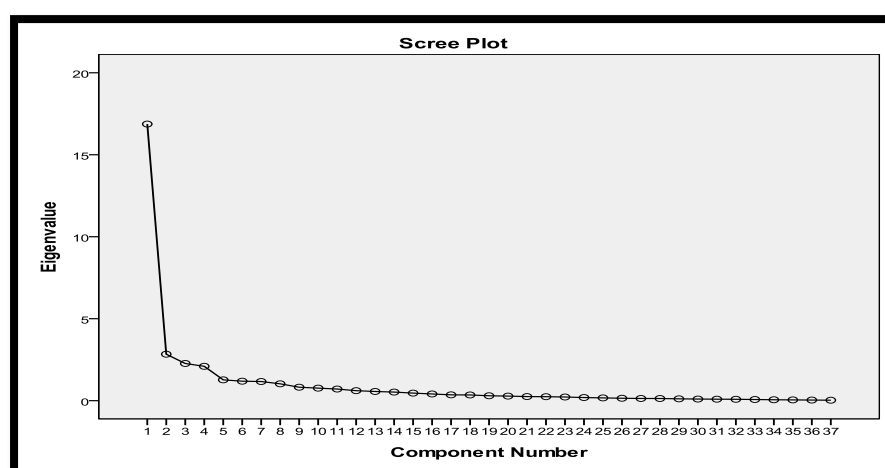
The data was also analysed using Varimax and Promax rotation since these two methods provide more reliable information for interpretation. In addition, by using the aforementioned methods it becomes evident how different a rotated solution is from another. The outcome of the factor rotation is reflected in Table B.1 (Appendix B).

Table B.2 (Appendix B) which is the outcome of factor analysis using promax rotation illustrates how different the rotated solution can be from one other and what is meant by a simple structure. With an oblique rotation such as promax rotation, the factors are allowed to be correlated with one another, whilst with an orthogonal rotation, such as the varimax rotation (shown above), the factors are not allowed to be correlated (UCLA Researchers, 2010). Oblique rotations form both factor patterns and factor structure matrices (Table B.1) whereas with orthogonal rotations, the factor structure and the factor pattern matrices are

the same. The factor structure matrix represents the correlations between the variables and the factors and is often called the factor loading matrix (UCLA Researchers, 2010). The factor pattern matrix also represents the linear combination of the variables.

In addition, Table B.3 (Appendix B) shows that rotation has been carried out using an oblique rotation. If an orthogonal rotation was conducted (such as the varimax rotation shown in Table B.1), this table would not appear in the SPSS output. This is because the correlations between the factors are set to 0, hence with an orthogonal rotation it is assumed that the factors are not correlated. In this case, however, the factors are highly correlated allowing for correlations between the factors which is indicative of a oblique rotation (UCLA Researchers, 2010)

Eight underlying factors were extracted, which is evident in Tables B.1 and 4.24. These factors were labelled as follows: Commercial Enthusiasts, Network Commercial Information, Network Risk Takers, Network Risk Avoiders, Network Promotional Tools, Network Information Influencers, Passing Trend and Social Media's Future.

Factor one (Commercial Enthusiasts) which addressed a respondent's attitudes and perceptions towards social media platforms accounted for 46 percent of the 78 percent variance explained. The various items comprising this factor produced values of .880, .860, .794 and .772. This is an indication of a fairly high degree of correlation which indicates that the majority of the respondents in this study take on the role of commercial enthusiasts on social media platforms.

Factor two (Network Commercial Information) accounts for 8 percent of the 78 percent variance explained and included items with values of .790, .769 and .742. This included items on respondent's satisfaction with the amount of information, importance and value of information and the ease of accessing this information on social media platforms. Currently, several consumers in the youth market invest much time on research prior to making purchases as they value making informed decisions. Social media platforms are a medium that the youth are increasingly turning to and depending on for being informed (Mabry, 2008).

Factor three (Network Risk Takers) accounted for only 6 percent of the total variance explained. This is an indication that a very small percentage of participating respondents in this study have assumed the role of network risk takers.

Factor four (Network Risk Avoiders) explained 6 percent of the total variance explained and included items with negative values such as -.795,-.752,-.731 and -.728 with variables such

as complexity, unreliability and risk. The first item, 'purchasing through social media platforms is complex' suggests that if purchasing through social media platforms were simple (a negative attribute rating) this would have resulted in a positive score for this item. The second item 'payment facilities on social media platforms are unreliable' indicates that if payment facilities on social media platforms were reliable (a negative attribute rating) this would have produced a positive score for this item. The third item, 'I will wait until purchasing on social media platforms become safe and then purchase, rather than take chances' indicates that if purchasing on social media platforms were safe (a negative attribute rating) this would have resulted in a positive score for this item. The fourth item 'I do not engage in purchasing activity over social media platforms because of the risks involved' suggests that if there was no risks (a negative attribute rating) involved in purchasing over social media platforms then this would produce a positive score for this item.

Factors five (Network Promotional Tools), six (Network Information Influencers), seven (Passing Trend) and eight (Social Media's Future) explained less than 5 percent of the total variance explained and is therefore less significant than factors one, two, three, four and five. Factor eight (Social Media's Future) explained only 3 percent of the 78 percent total variance explained which provided the least explanation and hence is the least meaningful in terms of the objectives of this study.

The market segments extracted from the factor analysis addresses objective 7 of the study which was to determine market segments found within the youth market. The market segments identified in the study bear a certain degree of similarity to the six social techno graphic profiles identified by Li and Bernoff (2008).

Table 4.24: Interpretation of Extracted Factors (n=145)

Variable Attribute	Varimax
Factor 1: Commercial Enthusiasts	
I influence the shopping patterns of my friends on social media platforms	.880
My friends ask for my opinion when shopping over social media platforms	.860
I influence my friends to visit social media platforms for information when shopping for products and brands	.794
I like to purchase new brands advertised on social media platforms before others do	.772
Purchasing through social media platforms gives me a lot of pleasure	.719
I am the first to make purchases of products advertised on social media platforms as compared to my friends	.714
I have purchased products or brands after viewing its advertisement on social media platforms	.284
Social media browsing has encouraged me to engage in purchasing activity	.672
Brands and companies on social media platforms have empowered me to engage in commercial activity	.657
Purchasing 'online' allows me to remain anonymous	.627
Purchasing through social media platforms are convenient	.609
I admire people who purchase expensive items through social media platforms	.608
Social media platforms provide me with the cheapest brands	.578
My friends influence my 'online' purchasing activity on social media platforms	.574
Compared to my friends I am most likely to be asked about brands and products on social media platforms	.548
Factor 2: Network Commercial Information	
I am able to obtain valuable information on products and brands on social media platforms	.790
There is no difficulty in obtaining information on brands and products on social media platforms	.769
I am satisfied with the amount of information on brands and products I can attain on social media platforms	.742

Information on social media platforms are the new electronic word of mouth marketing	.687
Social media browsing encourages purchasing activity	.646
With respect to brand information, social media information is more reliable than that obtained from salespeople	.468
Factor 3: Network Risk Takers	
I am a compulsive shopper on social media platforms	.855
I like to take a chance and purchase items through social media platforms	.815
I have made purchases through social media platforms that have exceeded my budget	.792
Social media information is more reliable than traditional advertising	.451
Factor 4: Network Risk Avoiders	
Purchasing through social media platforms is complex	-.795
Payment facilities on social media platforms are unreliable	-.752
I will wait until purchasing on social media platforms become safe and then purchase, rather than take chances	-.731
I do not engage in purchasing activity over social media platforms because of the risks involved	-.728
Factor 5: Network Promotional Tools	
I expect more value for money from brands that are promoted on social media platforms	.713
After having seen brand on my favourite social media website, I tend to view the brand more favourably	.674
Factor 6: Network Information Influencers	
Brands and companies encourage me to engage in discussion and conversation on social media platforms	.653
Advertising on social media platforms is an invasion of privacy	-.602
Factor 7: Passing Trend	
Social media is a passing trend	-.763
Consumers are more responsive to messages delivered through social media compared to traditional media	.742

Factor 8: Social Media's Future	
Within the next five years I believe people will become disinterested in social media platforms	.866
Purchasing on social media platforms offer me a variety of products/items	-.526

4.4.7 Objective 7: The Impact of Age on the Purchasing Behaviour of Consumers in the Youth Market

The above objective was addressed through cross tabulation and multiple regression analysis. Cross tabulation was conducted in order to identify the relationship between the cross tabulated variables whereas multiple regression was used in order to analyze the linear relationship between a dependent variable and multiple independent variable. The variables used for cross tabulation and multiple regression were: age and the frequency of purchases on social media platforms.

The results from the cross tabulation are reflected in Table 4.25. According to the Pearson Chi-Square test of p=0.086, there is no significant relationship between age and the frequency of purchase. Hence, age does make a difference within the youth market on purchasing behaviour.

Table 4.25: The Relationship between Age and Frequency of Purchase (n=145)

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	11.073[a]	6	**.086**	.083		
Likelihood Ratio	12.353	6	.055	.071		
Fisher's Exact Test	9.567			.110		
Linear-by-Linear Association	2.506[b]	1	.113	.131	.068	.019
N of Valid Cases	121					

a. 5 cells (41.7%) have expected count less than 5. The minimum expected count is .60.

b. The standardized statistic is 1.583.

The result of the multiple regression analysis which produced a R value of 0.98 (Table 4.26) suggests that there is also no significant relationship between age and the frequency of purchase. The consistency between the Chi-Square test and multiple regression analysis increases the reliability of this analysis and further confirms that age does not make a difference within the youth market on purchasing behaviour.

Table 4.26: Multiple Regression: Age and Frequency of Purchase

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.097ᵃ	.009	.003	.469

a. Predictors: (Constant), Age

4.4.8 Objective 8: The Impact of Age and Gender on Social Media Browsing in the Youth Market

The above objective was addressed using cross tabulations in order to categorize the relationship between the cross tabulated variables namely 'age' and 'do you actively seek out brand pages on social media platforms', in order to establish if age has an impact on social media browsing. The result of the cross tabulation shown in Table 4.27 which reveals the Pearson Chi-Square test value of p=0.0632, implies that there is no significant relationship between age and social media browsing in the youth market. This finding is supported by other researchers such as Hargittai (2007) and Treadaway and Smith (2010).

Table 4.27: The Relationship between Age and Seeking Information on Social Media Platforms (n=145)

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	.918ᵃ	2	**.632**	.781		
Likelihood Ratio	1.042	2	.594	.781		
Fisher's Exact Test	1.129			.605		
Linear-by-Linear Association	.796ᵇ	1	.372	.521	.280	.169
N of Valid Cases	145					

a. 3 cells (50.0%) have expected count less than 5. The minimum expected count is .72.

b. The standardized statistic is -.892.

A cross tabulation was also conducted between the variables 'gender' and 'do you actively seek out brand pages on social media platforms', in order to determine if gender has an impact on social media browsing. The result reflected in Table 4.28, shows a Pearson Chi-Square test value of p=0.009., which indicates that there is a significant relationship between

gender and social media browsing. Hence, gender influences social media browsing in the youth market. This finding is supported by Hargittai (2007).

Table 4.28: Relationship between Gender and Seeking Information on Social Media Platforms (n=145)

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	6.865[a]	1	**.009**	.014	.009	
Continuity Correction[b]	4.984	1	.026			
Likelihood Ratio	9.561	1	.002	.014	.009	
Fisher's Exact Test				.014	.009	
Linear-by-Linear Association	6.817[c]	1	.009	.014	.009	.009
N of Valid Cases	145					

	Value	Df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	6.865[a]	1	**.009**	.014	.009	
Continuity Correction[b]	4.984	1	.026			
Likelihood Ratio	9.561	1	.002	.014	.009	
Fisher's Exact Test				.014	.009	
Linear-by-Linear Association	6.817[c]	1	.009	.014	.009	.009
N of Valid Cases	145					

a. 2 cells (50.0%) have expected count less than 5. The minimum expected count is 3.38.

b. Computed only for a 2x2 table

c. The standardized statistic is 2.611.

Given the aforementioned findings, marketers need to realize that the 'offline' identities of consumers such as gender affect their 'online' interactions, which have a direct impact on their social media browsing patterns, usage patterns and purchasing behaviour. This is also supported by researchers such as Boyd (2001), and Smith and Kollock (1999). In addition, some studies have revealed that gender has a profound impact on Internet usage (Hargittai, 2007; Bimber, 2000 & Hargittai & Shafer 2006). Furthermore, studies have shown that men spend more time 'online' and claim higher-level computer skills (Bimber, 2000; Hargittai & Shafer, 2006; Jackson, Ervin, Gardner, & Schmitt, 2001; Ono & Zavodny, 2003).

Table 4.29 shows that a large majority (77 percent) of respondents have made use of social networks to make purchases. Hence, social networks are the most predominantly utilised social media platform by respondents for making purchases. This represents several opportunities for marketers and businesses to exploit.

Table 4.29: Social Media Platforms that Respondents have Purchased From (n=145)

Social media platform	Frequency	Percentage	Cumulative percentage
Social Networks	116	77.3	96.7
Content Communities	73	48.7	60.8
Vlogs	57	38.0	47.5
Blogs	41	27.3	34.2
Podcasts	8	5.3	6.7
Wiki's	5	3.3	4.2

Table 4.30 reveals that 79 percent of respondents indicated that they would return to a company page or brand page on social media platforms because of the excellent product search options and discounts or specials and, 77 percent would do so only in order to keep up to date with the latest trends, because of the interactive nature of the social media platform and the availability of consumer recommendations and ratings. This provides valuable information on how marketers and managers can attain and retain users on social media platforms. The findings (Table 4.30) are supported by research carried out by ROI research which stated that 49 percent of respondents expressed a strong desire to receive more printable coupons on social media platforms, 46 percent notifications on sales and special deals and 35 percent on information on new products (Performics Company, 2011).

Table 4.30: Reasons why Respondents would return to a Company or Brand Page on Social Media Platforms (n=145)

Reason	Frequency	Percent	Cumulative percentage
Excellent product search options	118	78.7	98.3
To find discounts or specials	118	78.7	98.3
To keep up to date with the latest trends	116	77.3	96.7
Interactive nature of the social media platform	115	76.7	95.8
Availability of consumer recommendations and ratings	115	76.7	95.8

4.5 Conclusion

This chapter presented the results of the data analysis, using various statistical techniques to address the objectives of the study. The demographics of the respondents, their usage patterns of social media platforms and, the purchasing behaviour of respondents who purchased through social media platforms was analyzed and reflected using frequency distributions, cross tabulations and multiple regression. Factor analysis was undertaken in order to establish if social media browsing led to purchasing by consumers in the youth market and if so, to what extent and why. Factor analysis was also used to identify market segments found within the youth market and the impact of these market segments on the purchasing behaviour of consumers. In addition, cluster analysis was conducted in order to determine the potential value of social media as a promotional tool.

The findings of this study revealed that social media browsing within the youth market does lead to purchasing behaviour. The purchasing behaviour of respondents who purchase through social media platforms are influenced by several factors identified in the literature of this study and the findings. The findings of the study identified several market segments of consumers and the impact of these market segments on the purchasing behaviour of consumers. In addition, the literature and findings of the study revealed the significant potential of social media as a promotional tool.

Chapter Five

Conclusions and Recommendations

5.1 Introduction

The previous chapter reported the results through analysis of the data. This chapter provides a summary of the important findings relative to the research objectives, the conclusions, and implications for marketers, as well as recommendations for future research.

5.2 Research Objectives

5.2.1 The Impact of Social Media Browsing on Purchasing Behaviour in the Youth Market

The study has revealed that consumers within the youth market are increasingly turning away from traditional media advertising and actively seeking out social media platforms. Growing up in a digital era, the youth have actively embraced digital media and 'online' communication which have become pervasive in their lives. The youth actively spend hours on different social media platforms for various reasons. Some of these include: gaining shopping and product information, engaging in purchase behaviour, monitoring fashion trends, keeping in contact with top brands, and networking and communicating with family and friends.

This behaviour is largely supported by innovative technologies which make accessing social media platforms effortless, convenient and cheap. The increased and widespread use of social media amongst consumers, especially the youth, has increased the importance of social media as a marketing and communications tool and sales driver. Social media has created an entirely new and interactive platform on the Internet which has resulted in the opening up of several new opportunities for marketers.

Given the above, marketers are required to reconsider their marketing strategies and integrate a social media presence in their marketing and communications which could be used to influence the purchasing behaviour of consumers. However, if marketers decide not to gain a social media presence, it is recommended that they understand of how these social media platforms function and utilize them for their researching capabilities.

5.2.2 How Social Media Browsing leads to Purchasing by Consumers in the Youth Market

Factor analysis was conducted in order to establish how social media browsing leads to purchasing by consumers in the youth market and three factors were identified which were arbitrarily labelled by the researcher as: Important Marketing and Communications Channel, Better Product and Brand Choice, and Spending Power. Factor one emerged as the dominant factor, explaining 61 percent of the total variance explained of 74.490. This indicated that factors were unequally distributed. The results from the factor analysis indicated that majority of the respondents engaged in purchasing behaviour through social media platforms because it is an important marketing and communications channel. Hence, social media platforms that are positioned in the minds of consumers as important marketing and communication channels significantly influence the purchasing behaviour of consumers

Furthermore, the descriptive statistics of frequency distribution tests indicated that six other factors surfaced as playing a significant role in influencing the purchasing behaviour of respondents who browse social media platforms. These factors were: the influence of availability of shopping information on social media platforms on purchasing behaviour, the impact of information and advice on products found on social media platforms on purchasing behaviour, the influence of social media platforms that provide useful and meaningful product information on purchasing behaviour, the influence of friends on purchases on social media platforms, the influence of referrals from friends on purchasing behaviour on social media platforms and the influence of a striking brand or company on purchasing behaviour.

In summation, there are nine factors that have emerged from the factor analysis and the descriptive statistics that are responsible for social media browsing leading to the purchasing behaviour of consumers in the youth market.

5.2.3 Why does this Target Market Purchase using Information obtained on Social Media Platforms?

The results of this study indicate that respondents make purchases using information obtained on social media platforms because it is reliable. This is consistent with Mabry (2008) who suggested that consumers make purchases using information obtained on social media platforms because it is honest, transparent and up to date information. In addition, research conducted by Copyright Company (2008) revealed that two thirds of consumers in the study agreed that information on social media platforms are valuable, credible and could influence their perceptions and purchasing behaviour.

Other significant reasons included: less time wastage, convenience and sufficient shopping information. This is consistent with the findings of Treadaway and Smith (2010), and Razorfish (2008). Given that respondents are University students with busy lifestyles who access social media platforms frequently to search for information on various matters, it seems reasonable to assume that these individuals value a low buying effort and thus highly value convenience, reliable information and shorter interactions on these social media platforms.

In addition, the respondents are fairly computer literate individuals who have daily and unlimited access to the Internet at University. Hence, they can easily access social media platforms in order to search for information which increases the potential of respondents as potential buyers over social media platforms. This may be equally true of most youth who tend to make use of social media such as Facebook.

5.2.4 The Usage Patterns of Social Media Platforms by the Youth

It became evident that the respondents are investing a great amount of time on social media platforms, since all 145 respondents indicated that they make use of social networks, 97 percent of the time, whilst over 62 percent of respondents spent over 21 hours on social media platforms in the past weeks. The growing usage of social media indicates a rich interactive platform for marketers to capitalize on as a marketing and communication tool in order to encourage and increase purchasing behaviour of consumers.

This will create several new possibilities and opportunities for marketers since the growth in social media usage will result in it becoming a major source of traffic for marketers, influencing and increasing the purchasing behaviour of consumers through social media platforms.

5.2.5 The Potential Value of Social Media as a Promotional Tool for Targeting the Youth Market

Through cluster analysis, two clusters emerged, each differentiated by the degree of importance and potential value they place on social media platforms as a promotional tool. Cluster one was the dominant and significantly larger cluster, comprising of 123 respondents who value social media as a promotional tool for targeting the youth market. Cluster two, the smaller cluster, comprising of 22 respondents are respondents who are sceptical and doubtful of the potential of social media as a promotional tool.

Thus, this study revealed that there is significant potential for social media as a promotional tool as more and more consumers are inclined towards purchasing through social media

platforms. This indicates the potential that this segment of shopping has on the market and the fundamental nature of social media as a promotional tool.

In addition, the findings from the study are supported by researchers such as Goldsborough (2009) who suggested that an increase in social media usage is what is required in order to create new and innovative ways of reaching consumers. Furthermore, according to the Social Media Marketing Industry Report, 88 percent of marketers are making use of some social media platform for marketing purposes, 64 percent of marketers are making use of social media for five hours or more each week and 39 percent of marketers for ten or more hours weekly (Stelzner, 2009). A study by Forrester Research also indicated that social media marketing will show the greatest percentage increase in the next five years (Kichatov & Mihajlovski, 2010).

5.2.6 Market Segments found within the Youth Market

Eight factors emerged as market segments found within the youth market which were labelled by the researcher. Factor one (Commercial Enthusiasts) which accounted for 46 percent of the 78 percent total variance explained, a relatively high percentage, indicating that respondents in this study primarily took on the role of commercial enthusiasts. Factor two (Network Commercial Information) accounted for only 8 percent, factor three (Network Risk Takers) only 6 percent and factor four (Network Risk Avoiders) only 6 percent of the total variance explained. However, factor five (Network Promotional Tools), factor six (Network Information Influencers), factor seven (Passing Trend) and factor eight (Social Media's Future) explained less than 5 percent of the total variance explained. Hence, factors 5, 6, 7 and 8 are less significant than factors 1, 2, 3 and 4 in identifying market segments found within the youth market. This indicates that a very small percentage of respondents represent market segments 5, 6, 7 and 8.

5.2.7 The Impact of Age on the Purchasing Behaviour of Consumers in the Youth Market

In line with previous research, Hargittai (2007), there was no significant relationship between age and the purchasing behaviour of respondents in the youth market.

5.2.8 The Impact of Demographics such as Age and Gender on Social Media Browsing

There was no significant relationship between 'age' and 'actively seeking out brand pages on social media platforms'. Hence age does not influence social media browsing in the youth market.

However it was ascertained that there is a significant relationship between gender and social media browsing in the youth market which is consistent with the findings of Hargittai (2007).

Minimal academic research has been conducted with regard to the effect that demographics have on social media browsing and thus little comparison could be drawn between past and present studies.

5.3 Recommendations for Future Research

As with all research, the study has certain limitations, thus the results should be interpreted with caution.

- Firstly, the sample compromised 150 respondents from a higher education institution. Considering that all youth are not students, perhaps a larger sample size which includes non-students may ensure that results can be generalized to the population.

- A more representative sample should include a heterogeneous sample. It is important to research youth from other Universities and backgrounds, disadvantaged youth and working class youth. A study of youth in different income brackets, for example, could generate different purchasing behaviour patterns. Furthermore, the limitations of this study provide fertile ground for future research.

- This research study concentrated on the youth market between the age group of 16-24. Future research can be extended to other age groups. Kim (2008) stated that whilst teenagers were predominantly the primary users of social media, a growing population of 25 to 34 year olds and white collar professionals are now increasingly utilizing social media.

- According to Mabry (2008), the growth of demographics is indicative of the growing applicability of social media to everyday life. There is very little academic literature

regarding demographics such as age and gender and its impact on social media browsing which could be explored through further study.

- Li and Bernoff (2008) identified socio techno graphic profiles of consumers and the results of this study identified market segments of consumers. However, other social media user profiles and market segments can be investigated and added to this list. Furthermore, the size of each of these user profiles and market segments can be investigated, as it significantly influences the purchasing behaviour and patterns of consumers within the social media environment.

- Computer literacy plays a significant role in influencing the purchasing behaviour of consumers in the youth market through social media platforms. An increase in computer literacy could lead to more social media usage which may in turn increase purchasing through social media platforms. Research should be conducted to examine the perceptions of youth with regards to purchasing through social media platforms, with the aim of producing positive perceptions and positive behaviour towards purchasing through social media platforms.

- Social media continues to develop and expand on a daily basis, with the various social media platforms making several changes and improvements. Future research can attempt to identify other and new social media developments, features and characteristics which might not have been included in this study, but which has an impact on the purchasing behaviour of consumers.

- The results of the study suggest that consumers make purchases using information obtained through social media platforms. For the purpose of future research, researchers can determine what product or shopping information consumers sought on social media platforms and make this available as it has a significant impact on the purchasing behaviour of consumers, making it a fertile ground for research.

- The results of this study suggest that consumers do not engage in purchasing behaviour through social media platforms because of the risks, lack of familiarity and privacy issues surrounding social media platforms. Future research should investigate what factors would convert these non-buyers into buyers over social media platforms. Research should include investigating ways to neutralise the factors identified in the study as deterrents of purchasing through social media platforms.

- The results of the study suggest that consumers purchase 'online' for convenience, better prices, discounts, variety, time saving and low buying effort. Future research should empirically determine what actions on social media platforms affect the identified factors of revisits and repurchase.

- Future research can investigate how consumers will learn to accept and live with the openness brought about by social media platforms. In addition, research can explore what impact this openness has on a consumer's daily activities, purchase behaviour and purchase preferences.

- Social media platforms have billions of users, many of whom have integrated this into their daily activities. Consumers spend hours on these social media platforms and often become addicted to them to the extent of isolating themselves at social events because they are busy accessing social media platforms. Future research can explore how social media platforms have caused people to become less sociable in a physical setting.

- The growth of prosumption and the changing behaviour of consumers on social media platforms have presented marketers with new challenges. This has forced marketers to consider new marketing and communication channels and marketing practices in approaching the post modern consumer. However, as consumers increasingly mediate messages between marketers, businesses and consumers within the social media environment, the power and influence of paid advertising is diminishing. For the purpose of future research, researchers can look at the impact of prosumption on paid advertising as social media encompasses an inherent shift of informational power.

- For the purpose of future research, researchers can make use of perceptual mapping to gain insight on the views of the different types of social media platforms which can assist marketers in determining which social media platforms to use and, how to use them more effectively when targeting the youth market in their efforts to generate purchasing behaviour. Even though this study does not cover aspects of the relationship between consumer satisfaction and the different types of social media platforms, further research can be conducted to validate the relationship between the different social media platform designs and consumer satisfaction. The importance of revealing the above can provide significant value and benefit to

marketers. Research can also identify significant features and characteristics relevant to specific products, brands or industries.

5.4 Implications for Marketers

The following are some implications for marketers pertinent to this study:

- Marketers are advised to explore the possibility of electronic word of mouth marketing as it remains both a threat and opportunity for marketers in the social media environment. Electronic word of mouth marketing on social media platforms captures the everyday information of users which could include a positive or negative experience with a marketer. Advertising on social media platforms makes marketers more vulnerable and subject to criticism from consumers. Negative comments or conversation around the marketer on these platforms generates negative publicity which saturates these social media platforms in real time.

- Marketers utilizing social media platforms need to familiarize themselves with how these social media platforms function, as social etiquette has now crossed over into social media and there are now standards with regards to the types of behaviour that are acceptable on these platforms (Stileman, 2009). This is supported by Mabry (2008) who stated that social media platforms need to be understood and studied as consumers interact on these platforms differently from traditional media. Marketers need to adopt a stand back approach and participate less with prosumers as the rationale behind prosumption is to afford prosumers, who are producing and consuming greater freedom rather than imposing control over them. However, although marketers might not possess the same type of control as they did in the past, the potential for generating purchasing behaviour by consumers still predominantly lies in the hands of marketers. Marketers need to learn how to act and respond to consumers on their terms when using social media platforms. Marketers need to ensure that social media platforms are being used in useful and meaningful ways. Social media platforms need to provide users with productive resources that can be used to engage, connect and interact with a marketer and a marketer's products and brands. This ensures that a marketer's products and brands are a part of a consumer's discussion which generates awareness and exposure for the marketer and are powerful branding and advertising tools.

- In order to remain prevalent, valuable and functional amongst users of social media, marketers need to update content on a regular and timely basis. Marketers need to explore the importance of messages delivered in real time on social media platforms and the consequences this has on the purchasing behaviour and usage patterns of consumers on social media platforms.

- Marketers need to explore the possibility of how social media platforms can attract and retain users on these social platforms through customer relationship management. In addition, focus on features and characteristics of social media that enhance the relationship between consumers and marketers should be investigated.

- Marketers need to be aware of how strangers on social media platforms influence purchasing behaviour, decisions and preferences. Furthermore, marketers should explore how different groups or communities can impact consumer behaviour on social media platforms. Social media has become a widespread and regular 'online' activity for consumers around the world and has acquired a role in pop culture. Celebrities such as Oprah Winfrey, Salman Khan and Kim Kadashian can now be found on these social media platforms. Celebrities make use of Twitter, Facebook and various other social media platforms on a daily basis in an effort of interacting and communicating with fans and promoting and endorsing products and brands. Marketers should take note of the impact that celebrities have on purchase decisions, generating awareness, exposure and positioning of products and brands over social media platforms.

- Consumers are actively turning to different voices and several social media platforms in order to search for product and shopping information. Consumers want and expect marketers who advertise over social media platforms to be honest, relevant and transparent and to provide them with value. This transparency is now essential as consumers are regularly commenting on products and brands 'online', thus honesty and openness of marketers are vital on these platforms.

- Given the growth and progress of social media as a marketing and communications' tool, consumers are increasingly faced with advertising clutter 'online'. This poses a serious challenge for marketers advertising on social media platforms as generating exposure, attention and awareness to their products and brands is now a more complicated process. In addition, very often on social media platforms, users give attention and tolerate advertising efforts only of their favourite or popular products

and brands and those recommended by friends. To ensure that a marketer's advertising efforts are noticed by users on social media platforms, advertising messages should be constructed carefully. They should be interactive, engaging, and participatory and ensure that they do not invade on the privacy of social media users. Hence, marketers are constantly forced to look for alternative marketing and communication strategies in order to be productive and profitable in the social media environment.

- The perusal of several social media platforms and Internet sites indicates that the majority of marketers in South Africa are hesitant about making use of social media platforms for marketing and advertising as opposed to many countries overseas. Thus, marketers need to change their perceptions with regards to marketing on social media platforms and incorporate this into their marketing strategies in order to be more successful in their future marketing efforts directed at the youth market.

5.5 Conclusion

The constantly developing media landscape and changing consumer behaviour presents new challenges and opportunities for marketing practitioners. The growing popularity and usage of social media platforms has forced marketers to re-evaluate their marketing strategies in order to remain prevalent amongst post modern consumers and influence and increase purchasing behaviour on these platforms. Social media is indicative of a potentially valuable marketing and communications platform for marketers as it seems as if there is a social solution that exists for everything, and each day brings a new application for social media. As consumers proliferate, engage and connect on these social media platforms, they are creating several new opportunities and avenues for marketers to increase the impact and return on investments of marketing spends and influence the purchasing behaviour of consumers.

Social media marketing is playing an increasingly significant role in the marketing and communication strategies of marketers and the biggest advantage of social media is that consumers who browse these platforms are more likely to take action. Hence, marketers who integrate social media elements into their marketing and communication strategies possess greater opportunities to influence consumer purchasing behaviour.

The youth in particular, actively seek out social media platforms in their daily practices and spend hours on these platforms, exposing themselves to greater influence and persuasion

by marketers. However, marketers using these social media platforms need to use social media differently than traditional media for marketing and advertising due to the unique characteristics of social media. Unique characteristics of social media include its search capabilities and ability to congregate consumers and archive their thoughts. Leveraging social media platforms requires marketers to be transparent, honest, interactive, relevant, engaging in sustained and continuous efforts and guiding and contributing in the co-creation of user generated content. However, unlike traditional media, social media has no formula for success but there are principles of effective social media marketing such as the aforementioned.

This study has revealed that marketers cannot afford to overlook the phenomenon of social media as social media has become a preferred means of direct communication with consumers which significantly influence the purchasing behaviour of consumers. Social media has influenced several aspects of consumer behaviour which include: information search, purchase decisions, purchase preferences and purchase behaviour and thus social media is an important and valuable marketing and communication tool which can be exploited by marketers in order to generate and increase sales and influence purchasing behaviour of consumers.

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Survey Questionnaire

Please complete the following questionnaire to the best of your ability. There is no correct or incorrect answer; the aim is to simply get your views on the matter. All information will be treated as confidential and it will only be used for the educational purposes in preparing a masters dissertation at the University of Kwa-Zulu Natal.

Screening Questions

Do you actively seek out brand pages on social media?   Yes ☐ [1]   No ☐ [2]

Do you actively seek out company pages on social media?   Yes ☐ [1]   No ☐ [2]

If you have answered **No** to both questions, then do not proceed with the questionnaire.

This questionnaire consists of 5 sections (A-E). Please answer all questions.

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Section A: Demographics

Please answer the following questions by ticking the most appropriate and correct box.

 1. Please select your gender   Male ☐ [1]   Female ☐ [2]

 2. Which age category do you belong to?   18-19 ☐ [1]   20-22 ☐ [2]   23-24 ☐ [3]

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Section B: Social Media Usage Patterns

3. In the past four weeks, how many hours have you spent on social media platforms?

☐ [1]   ☐ [2]   ☐ [3]   ☐ [4]

Less than 7 hours   Between 8-14 hours   Between 15-21 hours   Over 21 hours

4. What types of social media platforms do you use? Please tick

	Yes[1]	No[2]
a. Blogs		
b. Vlogs		
c. Social networks		
d. Content communities		
e.Podcasts		
f. Wiki's		

5. In the past four weeks, which social media platforms have you used **most frequently?**
Please state using a percentage, the total should add up to 100%

	Percentage
a. Blogs[1]	
b. Vlogs[2]	
c. Social networks[3]	
d. Content communities[4]	
e.Podcasts[5]	
f. Wiki's[6]	
Total Percentage	**100%**

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Section C

6. Please indicate how strongly you Agree or Disagree with each statement below by ticking the appropriate column.

1= Strongly Agree,   2= Agree,   3=Neutral,   4=Disagree,   5= Strongly Disagree,

	Strongly Agree	**Agree**	**Neutral**	**Disagree**	**Strongly Disagree**
Social media is just a passing trend	1	2	3	4	5
Consumers are more responsive to messages delivered through social media compared to traditional media	1	2	3	4	5
Social media information is more reliable than traditional advertising	1	2	3	4	5
With respect to brand information, social media information is more reliable than that obtained from salespeople	1	2	3	4	5
There is no difficulty in obtaining information on brands and products on social media platforms	1	2	3	4	5

I am able to obtain valuable information on brands and products on social media platforms	1	2	3	4	5
I am satisfied with the amount of information on brands and products I can attain on social media platforms	1	2	3	4	5
Compared to my friends I am most likely to be asked about brands and products on social media platforms	1	2	3	4	5
Information on social media platforms are the new electronic word of mouth marketing	1	2	3	4	5
Social media browsing encourages purchasing activity	1	2	3	4	5
Social media browsing has encouraged me to engage in purchasing activity	1	2	3	4	5
I have purchased products or brands after viewing its advertisement on social media platforms.	1	2	3	4	5
I am the first to make purchases of products advertised on social media as compared to my friends	1	2	3	4	5
I like to purchase new brands advertised on social media platforms before others do	1	2	3	4	5
My friends ask for my opinion when shopping for products or brands over social media platforms	1	2	3	4	5
I influence the shopping patterns of my friends on social media platforms	1	2	3	4	5
I influence my friends to visit social media platforms for information when shopping for products or brands	1	2	3	4	5
Purchasing through social media platforms gives me a lot of pleasure	1	2	3	4	5
Purchasing through social media platforms is convenient	1	2	3	4	5
Purchasing 'online' allows me to remain anonymous	1	2	3	4	5
I admire people who purchase expensive items through social media platforms	1	2	3	4	5

I have made purchases through social media platforms that exceeded my budget	1	2	3	4	5
I am a compulsive shopper on social media platforms	1	2	3	4	5
I like to take a chance and purchase items through social media platforms	1	2	3	4	5
Brand or companies encourage me to engage in discussion and conversation on social media platforms	1	2	3	4	5
Brands and companies on social media platforms have empowered me to engage in purchasing activity	1	2	3	4	5
I will wait until purchasing on social media platforms become safe and then purchase, rather than take chances.	1	2	3	4	5
I do not engage in purchasing activity over social media platforms because of the risks involved	1	2	3	4	5
Purchasing through social media platforms is complex	1	2	3	4	5
Payment facilities on social media platforms are unreliable	1	2	3	4	5
Advertising on social media platforms is an invasion of privacy	1	2	3	4	5
My friends influence my 'online' purchasing activity on social media platforms	1	2	3	4	5
Social media platforms provide me with the cheapest brands	1	2	3	4	5
After having seen a brand on my favourite social media website, I tend to view the brand more favourably	1	2	3	4	5
I expect more value for money from brands that are promoted on social media platforms	1	2	3	4	5
Purchasing on social media platforms offer me a wider variety of products/items.	1	2	3	4	5
Within the next five years I believe people will become disinterested in social media platforms	1	2	3	4	5

....

Section D

7. What is your key purpose for visiting these social media platforms? Please tick the most appropriate reason.

	Entertainment[1]	Academic[2]	Commercial[3]	Networking[4]	Other[5]
a. Blogs					
b. Vlogs					
c. Social networks					
d. Wiki's					
e. Podcast					
f. Content Communities					

8. Do you make use of social media platforms to search for information and advice on products?

Yes ☐ [1]   No ☐ [2] → **If No go to question 10**

9. Which of the following social media platforms do you use to search for information and advice on products?

	Yes[1]	No[2]
a. Blogs		
b. Vlogs		
c. Social networks		
d. Content communities		
e.Podcasts		
f. Wiki's		

10. Which of the following social media platforms do you think provides the most reliable shopping information?

	Yes[1]	No[2]
a. Blogs		
b. Vlogs		
c. Social networks		
d. Content communities		
e.Podcasts		
f. Wiki's		

11. What are possible reasons for searching these social media platforms for information and advice?   Tick one or more boxes.

Keeping up to date with your top brands ☐ [1]   Using your friends as a referral source ☐ [3]

Monitoring latest fashion trends ☐ [2]   Customer Service Purposes ☐ [4]

12. From browsing these social media platforms, has it ever lead to any purchases?

Yes ☐ [1]   No ☐ [2] → **If No, You have now completed this questionnaire**

13. How many times have you purchased from these social media platforms in the past 12 months?

☐ [1]   ☐ [2]   ☐ [3]   ☐ [4]

Once   Between 2-4 times   Between 5-8 times   Over 8 times

14. Which of the following social media platforms have purchased from?

	Yes [1]	No [2]
a. Blogs		
b. Vlogs		
c. Social networks		
d. Content communities		
e. Podcasts		
f. Wiki's		

15. Please specify which items you have purchased and how many times you have purchased these items in the last six months on social media platforms

Items	Number of Purchases			
	1 time [1]	2 times [2]	3 times [3]	4 times or more [4]
a. Clothing and Shoes				
b. DVD's and CD's				
c. Groceries and food items				
d. Books and Magazines				
e. Health and Beauty products				
f. Electronic Gadgets				
g. Other				

16. Do you have any friends who have purchased from these social media platforms?

Yes ☐ [1]   No ☐ [2]

17. What have they purchased?

a. Cd's ☐ [1]   b. DVD's ☐ [2]   c. Books ☐ [3]   d. Groceries ☐ [4]   e. Other ☐ [5]

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Section: E

Please indicate to what extent each of the following factors have influenced your shopping behaviour on social media platforms

	Strongly Influenced[1]	Neutral[2]	Not Influenced[3]
18. Referrals from my friends			
19. My friends purchases on social platforms			
20. Social media platforms which provide sufficient commercial content			
21. Social media platforms which provide useful and meaningful commercial content			
22. A brand or company that stands out from the crowd and best grabs my attention			

23. Would you return to a company web page or a brand page on social media platforms?

Yes ☐ [1]   No ☐ [2] → **If No, you have completed this questionnaire**

24. Why would you return to a company page or a brand page on social media platforms?

Features of Social Media Platforms	Yes[1]	No[2]
a. Excellent product search options		
b. Interactive nature of the social platform		
c. Availability of consumer recommendations and ratings		
d. To keep up to date with the latest trends		
e. To find discounts or specials		

....

Thank you

Appendix B: Factor Analysis- Promax Rotation

Table B.1: Rotated Component Matrix: Varimax with Kaiser Normalization.

	Component							
	1	2	3	4	5	6	7	8
Influence shopping patterns	.880	.222	.196	.067	.142	.072	.014	-.083
Opinion	.860	.217	.222	.100	.177	.038	.042	-.094
Influence to visit social media	.794	.291	.097	.044	.249	.007	.084	-.010
Like	.772	.150	.281	.199	.213	.181	.075	.017
Pleasure	.719	.307	.133	.301	.169	.240	.037	-.155
First to make purchases	.714	.110	.515	.168	-.026	.075	.005	.011
Advertisment	.686	.284	.117	.320	.358	.218	.036	.008
Engage in purchasing activity	.672	.296	.076	.341	.308	.153	.028	.025
Empowered	.657	.108	.254	.021	.199	.324	.248	-.239
Anonymous	.627	.302	.083	.138	.246	.431	-.036	-.112
Convenient	.609	.379	.040	.222	.143	.419	.085	.000
Admire	.608	.144	.244	.261	.067	.404	-.086	-.073
Cheapest	.578	.231	.282	.148	.520	.098	.010	-.082
My friends influence my 'online' purchasing activity	.574	.164	.202	.130	.563	.045	.091	-.159
Most likely to be asked about brands	.548	.380	.458	-.003	-.105	-.094	-.011	-.046
Valuable information	.314	.790	.060	.026	.131	.189	.082	-.090
No difficulty	.253	.769	.133	-.026	.021	-.061	.131	-.088
Satisfied	.445	.742	.080	.131	.036	-.107	.031	-.166
Electronic word-of-mouth marketing	.148	.687	.018	-.007	.225	.411	-.037	.055
Encourages purchasing activity	.336	.646	-.010	.085	.351	.142	-.051	.148
Salespeople	.116	.468	.256	.393	.287	.120	.434	.047
Compulsive shopper	.226	.074	.855	.223	.137	.039	.018	.001
Chance	.304	.041	.815	.124	.105	.195	.022	.070
Exceed my budget	.280	.067	.792	.197	.253	.029	-.010	-.020
Reliable	.146	.450	.451	.373	.189	-.082	.267	-.040
Complex	-.104	-.113	-.104	-.795	-.124	-.260	-.005	.090
Unreliable	-.170	-.141	-.236	-.752	-.136	-.310	-.103	-.065
Safe	-.221	-.006	-.068	-.731	.045	.179	-.100	.151
Risks	-.180	.095	-.210	-.728	-.146	.039	-.231	.060
Value for money	.433	.198	.265	.193	.713	.152	.037	.051
Favourably	.479	.285	.219	.169	.674	.059	.024	-.089

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Discussion and conversation	.412	.173	.340	.051	.171	.653	.170	.008
Invasion of privacy	-.305	-.018	.051	-.150	-.027	-.602	-.061	.427
Passing trend	-.106	.039	.217	-.133	-.162	-.162	-.763	.195
Responsive	-.018	.237	.266	.249	-.182	-.069	.742	.116
Disinterested	-.044	-.033	.052	-.117	-.014	-.054	-.041	.866
Variety	.309	.256	.106	.072	.500	.205	.038	-.526

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 8 iterations.

Table B.2: Structure Matrix: Promax with Kaiser Normalization

	Component							
	1	2	3	4	5	6	7	8
Influence shopping patterns	.945	.524	.426	.344	.542	.416	.123	-.086
Opinion	.940	.527	.456	.378	.568	.393	.163	-.097
Like	.877	.479	.508	.476	.602	.501	.204	.041
Influence to visit social media	.860	.562	.332	.311	.588	.355	.178	-.018
Pleasure	.858	.593	.376	.556	.608	.571	.193	-.114
Advertisment	.829	.587	.371	.581	.736	.572	.189	.052
First to make purchases	.823	.408	.691	.416	.364	.328	.151	.029
Engage in purchasing activity	.799	.577	.333	.576	.674	.499	.181	.056
Empowered	.769	.406	.420	.317	.564	.584	.324	-.199
Anonymous	.756	.555	.274	.400	.639	.706	.069	-.041
Convenient	.737	.619	.264	.474	.570	.679	.195	.063
Admire	.727	.411	.416	.481	.473	.629	.044	-.009
Most likely to be asked about brands	.676	.552	.593	.220	.228	.124	.122	-.032
Valuable information	.526	.870	.224	.266	.474	.417	.204	-.012
Satisfied	.627	.839	.280	.334	.389	.182	.193	-.139
No difficulty	.444	.807	.272	.176	.301	.142	.250	-.045
Encourages purchasing activity	.504	.757	.167	.296	.600	.398	.061	.214
Electronic word-of-mouth marketing	.346	.737	.124	.201	.490	.556	.046	.169
Salespeople	.381	.637	.439	.605	.546	.336	.605	.123
Relaible	.422	.611	.605	.568	.439	.144	.478	.023
Compulsive shopper	.471	.309	.914	.438	.361	.197	.212	.082
Chance	.512	.292	.872	.364	.359	.329	.174	.156
Exceed my budget	.516	.319	.863	.425	.462	.226	.177	.057
Unrelaible	-.386	-.356	-.422	-.860	-.445	-.484	-.317	-.151
Complex	-.302	-.283	-.270	-.842	-.393	-.426	-.220	.012
Risks	-.324	-.121	-.383	-.779	-.334	-.151	-.422	.046
Safe	-.323	-.157	-.248	-.724	-.165	-.009	-.294	.167
Value for money	.629	.484	.440	.463	.900	.489	.177	.123
Favourably	.678	.555	.403	.439	.884	.428	.175	-.030
My friends influence my 'online' purchasing activity	.723	.454	.389	.396	.793	.404	.217	-.126
Cheapest	.750	.521	.468	.426	.786	.448	.155	-.031
Variety	.508	.438	.208	.295	.704	.483	.154	-.450

Discussion and conversation	.576	.426	.454	.339	.532	.793	.239	.119
Invasion of privacy	-.385	-.172	-.026	-.289	-.325	-.696	-.102	.352
Responsive	.117	.317	.382	.362	-.007	-.034	.817	.116
Passing trend	-.134	-.083	.097	-.241	-.261	-.251	-.736	.211
Disinterested	-.144	-.059	.051	-.144	-.130	-.153	-.115	.843

Extraction Method: Principal Component Analysis.

Rotation Method: Promax with Kaiser Normalization.

Table B.3: Component Correlation Matrix: Promax with Kaiser Normalization

Component	1	2	3	4	5	6	7	8
1	1.000	.552	.478	.428	.566	.438	.164	-.099
2	.552	1.000	.337	.369	.500	.339	.259	.083
3	.478	.337	1.000	.403	.281	.122	.282	.118
4	.428	.369	.403	1.000	.452	.354	.380	.037
5	.566	.500	.281	.452	1.000	.567	.188	.011
6	.438	.339	.122	.354	.567	1.000	.058	.058
7	.164	.259	.282	.380	.188	.058	1.000	-.071
8	-.099	.083	.118	.037	.011	.058	-.071	1.000

Extraction Method: Principal Component Analysis.

Rotation Method: Promax with Kaiser Normalization.

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