

# THE IMPACTS OF SOCIAL MEDIA ON BUSINESSES AND CONSUMER HABITS



## INTRODUCTION

- Almost 97% of online adult users have at least one social media account (Tobon & Garcia-Madariaga, 2021).
- According to Statista (2020), it is estimated that 2.14 billion people worldwide purchased goods online in 2021.
- Open a wide range of new opportunities for the business sector (Jussila, 2011).

## THESIS STATEMENT

The development of social media introduced a new stream of commercial opportunities in businesses and also changed consumers' purchasing habits.

## MAIN IDEA



### 1. SOCIAL MEDIA HAS CHANGED THE MARKETING STRATEGY OF BUSINESSES

- Played a role in the variety marketing area to help brands to promote high end products (Forbes, 2013).
- Most of the companies able to engage more customers by utilizing social media (Mahoney, 2016).
- Advertise product by engaging users and providing useful information about the products.

### 2. SOCIAL MEDIA CAUSES DEVELOPMENT OF CONSUMERS DECISIONS BEHAVIOURS

- People tend to look at reviews for products and news articles to make a decision (Lukas, 2013).
- Consumers use social media for the benefits of immediate access to information at their convenience (Voramontri & Klieb, 2019).
- According to a statistic by Barysevich (2020), 80% of the sellers agree that social media influencers are effective enough to alter consumer's behavior.

### 3. SOCIAL MEDIA LEADING TO THE INCREASE OF CONSUMERS' INTENTION TO BUY VIA SOCIAL MEDIA

- Online purchases are time-saving and can easily obtain various products through social media without going to each store physically.
- Provides better price and huge discount during every festival.
- Online shopping through social media avoids crowded areas to minimize the potential of getting infected by COVID-19. 60% of consumers shop for Amazon more frequently during the pandemic. (Boice, 2021)

### 4. SOCIAL MEDIA INTRODUCES DEVELOPMENT OF SOCIAL COMMERCE

- Provides a platform such as Shopee or Lazada to enable social interaction among consumers.
- It is not only making connections and sharing information all around the world, however it also allow users to create web contents freely through social media platform, thus providing different values for both business and consumers (Argawal, 2018).
- It is likely to establish trust in e-commerce by increasing the reliability of the companies and their products (Hajji, 2014)

## CONCLUSION

- Social media has introduced a new stream of commercial opportunities in business and also changed consumers' purchasing habits which impacts the development of e-commerce in a good way.
- The development of social media is making a revolution of business from traditional ways to innovative and alternative ways.
- Despite social media provides a wide range of advantages, there are still some risks associated with these platforms such as scam. Thus, users should pay attention and learn how to protect themselves from becoming the victim.

