

**UHBL2122-42 ACADEMIC COMMUNICATION SKILLS**

**20202021/2**

**ACADEMIC PAPER**

**LECTURER’S NAME:**

DR. RUZAINI BINTI IBRAHIM

**GROUP MEMBERS (BATTLE ANGEL-ALITA):**

|  |  |
| --- | --- |
| **NAME** | **MATIRC NO.** |
| HONG PEI GEOK | A20EC0044 |
| LOW JUNYI | A20EC0071 |
| TAN JIA XUAN | A20EC0154 |
| TAN YONG SHENG | A20EC0157 |

**DATE OF SUBMISSION: 23/6/2021**

Did you know that people sell food, electronic appliances or even cars on social media? In this digital generation, e-commerce becomes common and fast developed with the introduction of social media. According to Global Web Index, it is found that almost 97% of online adult users have at least one social media account and people spend time on social networks and messaging to communicate with their friends and get the latest information (Tobon & Garcia-Madariaga, 2021). When more people start to use social media frequently, they will now be acquainted with the use of e-commerce on social media. According to Statista (2020), there is a dramatic increase in the number of online shoppers and it is estimated that 2.14 billion people worldwide purchased goods online in 2021. The development of social media has brought lots of surprises to the commercial field as it opens up features that benefit both businessmen and online consumers. Social media has promoted the development of user-generated content, a global community, and the feedback or suggestion by consumers (Voramontri & Klieb, 2019). These features have developed creative and innovative progress in the commercial field. Therefore, there is always something new in social media related to e-commerce in order to attract the interest of target consumers. Moreover, more opportunities are given with the development of social media in the commercial field. According to Jussila (2011), social media has already been illustrated to open a wide range of new opportunities for the business sector by providing the features that encourage interaction, innovation and collaboration between various parties. Besides, the development of social media also changes the consumers’ purchasing behavior because social media provides a lot of information and it becomes the key for the consumer’s decision-making. Therefore, it is undeniable that the development of social media introduced a new stream of commercial opportunities in businesses and also changed consumers' purchasing habits. As now, we can see that social media is a current new trend, it shows that humans have taken a big step forward for a better world through the use of communications technology.

The effect of social media is it has changed the marketing strategy of businesses. This is because all the companies are preferring a multi-functions stage and have the growing potential in marketing. As we know, social media has played a significant role in numerous marketing areas to help brands such as Prada, Louis Vuitton and Gucci to promote high-end products (Forbes, 2013). For this reason, most of the companies are compensated to increase their status by expanding their business coverage through social media. Therefore, it is discovered that the majority of the companies have the ability to utilize various platforms of social media including Facebook, Twitter and LinkedIn to engage customers (Mahoney, 2016). For instance, social media has commonly been used as a platform to advertise products by engaging users and providing useful information about the products or even developing relationships with consumers. According to Tobon and Garcia-Madariaga (2021), almost all the companies regardless of their size are manipulating social media to recommend products and big brands like Acer and KFC transmit their existence and friendly customer relationship through social media. Other than that, social media is cost effective as most of the social media platforms can be viewed by everyone for free. The companies are able to take advantage of low-cost advertisement functions in social media platforms to promote their brand and special activities such as discounts. Advertising in social media is usually cheaper than traditional advertising so the companies do not have to spend plenty of money to increase their customer flow (Azure, 2011). This supports companies to save their budget to attract customers. In contrast, this money is used to develop new products or increase the quality of existing products. In addition, social media allows the business to offer the latest information about anything from the brand. Thus, some information like promotions, vouchers and gifts can be spread faster and easier through social media. Unlike retails, social media can implement the virtual transaction of products while retails require face-to-face to achieve business deals. As a result, companies can develop their business worldwide or globally since there are many online users from all around the world and it only needs a small amount of funds to start their businesses but with low risks. From this, there are several forms of businesses such as consumer to consumer (C2C), consumer to business (C2B) and business to business (B2B) that have been developed through social media (Blumenthal, 2020). To summarize, many companies had transformed their marketing strategies and followed the trend by shifting their businesses to online platforms to gain additional business opportunities, earn more profits and compensate with other companies.

In addition, social media causes the evolution of consumer’s behavior. According to a statistic by Barysevich (2020), 80% of the sellers agree that social media influencers are effective enough to alter consumer’s behavior**.** As currently there are abundant Youtubers or influencers using their high profile accounts such as social media accounts to benefit enterprises or companies in the matter of advertising their brands including famous and exclusive restaurants or coffee shops. Consequently, the subscribers and followers will consume in the shops as an act to support their favorite influencer. There are also certain social media taster or product testers which will taste or test the products requested by the subscribers and followers. After the testers have used the product, they will share their reviews and experiences via social media. If the product tested is good, thus, more consumers will buy the product as they felt safer due to the social media tester having given a good review to the product. Conversely, if the product is lousy or low quality, the consumers will not buy this kind of product. Furthermore, people tend to make a different decision after looking at reviews and news articles for products (Forbes, 2013). In fact, with the presence of social media, consumers can share their reviews and experiences for certain products. As social media is used by billions of people, some consumers or businessmen will open a group for the purpose of exchanging opinions about the products. From there, consumers use ‘reddit’ which is a social media platform to ask for details for certain products and these questions will be seen by hundreds of thousands of people and be answered within a month. Through social media, consumers can also directly access product details and the customer’s reviews. For example, in Shopee which is a social e-commerce platform, consumers are able to chat with the sellers for the product details or the other customer’s experience for the certain product. As a result, social media can be used by consumers to decide what to buy or to know more about new products. As well as that social media having immediate access to information at consumer’s convenience whenever and wherever they want to buy. Thus, consumers use social media for the benefits of immediate access to information at their convenience, helping them to decide what to buy or to know more about new products, when and where they want to buy (Voramontri & Klieb, 2019). In this case, big corporate or branded companies will use their official social media account to advertise the latest models or products which let most social media users know the latest update of their products. For example, Samsung television had posted the brand new 1080p graphic screen to the public via social media but in the meantime Sony television shared that they will start to sell 4k graphic television within 2 months via social media. Obviously, most of the people will wait for the higher quality screen from Sony television. All this news is shared and posted on social media because social media can be seen by anyone in a short period and also has the power to affect the consumer's behavior. Ultimately, consumers have made use of social media before purchasing and this will definitely affect their decision-making.

Besides, social media also contributes to increasing consumers' intention to buy through social media. Consumer purchasing intention is directly linked to their attitude and preference because it is defined as the customer’s probability of buying a service or product online. The decision made by the consumer has largely been affected by the previous consumer and also the feedback shared on social media (Grewal et al., 1998). Creating advertisements on social media will attract consumers’ concerns and enhance their willingness to buy the product through social media. This can be proved by the studies conducted by Khang (2021), he found that social media impacts the pre-commercial stage and an advertisement shared by users on social media influences the intention to buy. Therefore, most airline companies have more than one social media platform to publish information and provide online support to their customers when purchasing tickets. Social media also provides a better platform for companies to analyze the market easily. Online purchase is time and petrol saving as consumers can obtain various product prices through social media easily without going to each store physically (Henneberry, 2012). This allows consumers to access every detail of the product they are interested in easily. In this modern era, everyone is having a hectic lifestyle and online purchases significantly reduce the time required. Furthermore, most of the online shops provide better prices and huge discounts during every festival. They organize rewards programs and deals-finding extensions such as Pricescount to ensure consumers obtain more savings and attract consumer’s interests. Consumers are able to shop and compare the same product in different stores for the most affordable price and without wasting much time. Another main reason that consumers purchase using social media is retailers and companies provide free shipping to boost customer purchase intention. Consumers will try to purchase more goods to reach the minimum requirement for getting qualified for free shipping. Lastly, online shopping through social media avoids crowded areas to minimize the potential of getting infected by COVID-19. According to the Amazon Advertising Report (2021), 60% of consumers shop for Amazon more frequently during the pandemic (Boice, 2021). Online purchase through social media reduces the rate of being exposed to physical contact with other people. Thus, this method is highly practiced by many consumers to aid in ending this pandemic. Hence, it is clearly shown that the growth of social media contributes to enhance the consumers' intention to buy through social media.

Furthermore, social media has developed a new stream in e-commerce which is called social commerce as it provides platforms such as Shopee or Lazada to enable social interaction among consumers and also between consumers and companies. In fact, social commerce acts as the main catalyst to transform business from traditional to innovative and alternative ways. This is due to the ability of social commerce to maximize the efficiency of the advance of the Internet and the evolution of social media. For instance, social commerce has facilitated design features that allow interconnectivity between consumers and also encourage consumers to create contents and then influence others. According to Agarwal (2018), social media platforms are not only making connections and sharing information with people all around the world, however social media platforms also allow users to create web contents freely through numerous form of social media including blogs, micro-blogs, wikis, social networking sites, photo-sharing sites, instant messaging, video-sharing sites, podcasts, widgets, virtual worlds, and more. Admittedly, these features advocate the e-commerce way with variety, exploration, co-operation and co-creation among consumers and also businessmen. These features also explore more opportunities and open up new areas in business. Consequently, social commerce has provided benefits and different values for both consumers and business. In this case, consumers have created great values since the development of social commerce shifts market power from companies to consumers and the collaborative efforts of networked customers also lead to greater output for business (Huang & Benyoucef, 2013). For this reason, social and interactive ways between consumers through social media become the core of success in e-commerce and thus this success also brings benefit to consumers by providing them with more reliable information on target products. Moreover, the interconnectivity of consumers through social media such as shared information, reviews or recommendations is likely to establish trust in e-commerce by increasing the reliability of the companies and their products (Hajli, 2014). As the company receives more good reviews and recommendations from their consumers, the reliability of companies and their products will also increase. More potential customers will be encouraged to buy based on trust reviews from their peers, families or influencers. This will eventually improve the relationship between consumers and the companies and then increase trustworthiness of companies. Up to this point, it is significant that social media has introduced the development of a new stream of social commerce which will bring to more commercial opportunities in innovative and alternative ways.

In conclusion, we strongly agree that 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. Undoubtedly, the development of social media is making a revolution of business from traditional ways to innovative ways as it has introduced a new stream of commercial opportunities in business. With this in mind, social media allows innovative and effective marketing strategies to target consumers. Besides, the development of social commerce provides alternative features that maximizes the efficiency of social media to create values from the consumers and increase trust between companies and consumers. Social media has also changed the consumers’ purchasing behavior as it provides reliable information on choosing better products. Furthermore, the convenience of social media has increased the intention of consumers to purchase online. Without a doubt, the development of social media makes more people take a great interest in purchase and desire of consumption. Unfortunately, despite social media has provided a wide range of advantages, there are still some risks associated with these platforms such as scam. This is because social media is a public platform for all the users including scammers. Scammers are hiding behind social media and ready to use advertisements and offers to market their scams. Therefore, consumers should increase their awareness as scammers will figure out different tactics to cheat them. Consumers should also pay attention and learn how to protect themselves from becoming the victim. On the other hand, businessmen should follow commercial morality while using social media as a platform to manage their businesses. By doing these, we can make social media a safer and conducive platform for making online purchases through everyone’s effort.

# References

Agarwal, A. K. (2018). The Impact Of Social Media On Business Growth And Performance In

India. *International Research Journal of Commerce Arts and Science, 9(4)*, 263–272.

[https://doi.org/10.32804/CASIRJ](https://doi.org/https://doi.org/10.32804/CASIRJ).

Azure, C. (2011). *Social Media for Business-Ways to Grow Your Business.* Constant Contact.

<https://blogs.constantcontact.com/why-social-media-marketing/>

Barysevich, A. (2020, November 20). *How social media influence 71% consumer buying*

*decisions*. Search Engine Watch. <https://www.searchenginewatch.com/2020/11/20/how-social-media-influence-71-consumer-buying-decisions/>

Boice, M. (2021, March 24). *Top Reasons Consumers Shop Online*. The 13 Top Consumers Shop

Online. Retrieved May 21, 2021, from [https://www.junglescout.com/blog/reasons-consumers-shop-online/#](https://www.junglescout.com/blog/reasons-consumers-shop-online/)

Bloomenthal, A. (2020). *Electronic Commerce (e-commerce)*. Investopedia.

<https://www.investopedia.com/terms/e/ecommerce.asp>

Forbes, L. P. (2013). Does Social Media Influence Consumer Buying Behavior? An Investigation

Of Recommendations And Purchases. *Journal of Business & Economics Research (JBER)*,

*11*(2), 107. <https://doi.org/10.19030/jber.v11i2.7623>

Grewal D, Krishnan R, Baker J, Borin N (1998) The effect of store name, brand name and price

discounts on consumers’ evaluations and purchase intentions. Journal of Retailing 74: 331-352.

Hajli, M. N. (2014). A study of the impact of social media on consumers. *International Journal of*

*Market Research*, *56*(3), 387–404.

<https://doi.org/https://doi.org/10.2501/IJMR-2014-025>.

Henneberry, R. (2012, June 20). *5 Reasons People Buy Products Online*. How To Cash In On The 5

Reasons People Buy Products Online. Retrieved May 21, 2021, from <https://www.crazyegg.com/blog/reasons-people-buy-products-online/>

Huang, Z., & Benyoucef, M. (2013). From e-commerce to social commerce: A close look at

design features. *Electronic Commerce Research and Applications*, *12*(4), 246–259.

<https://doi.org/https://doi.org/10.1016/j.elerap.2012.12.003>.

Jussila, J. J., Kärkkäinen, H., & Leino, M. (2011). Benefits of social media in business-to-business customer interface in innovation. *Proceedings of the 15th International Academic MindTrek Conference on Envisioning Future Media Environments - MindTrek ’11*. Published. <https://doi.org/10.1145/2181037.2181065>

Khang H, Ki EJ, Ye L (2012) Social media research in advertising, communication, marketing, and

public relations, 1997-2010. Journalism and Mass Communication Quarterly 89:279-298.

Mahoney, L. M., & Tang, T. (2016). *Strategic social media: From marketing to social change*. John

Wiley & Sons.

Statista. (2020, November 27). *Global number of digital buyers 2014–2021*.

<https://www.statista.com/statistics/251666/number-of-digital-buyers-worldwide/>

Tobon, S., & Garcia-Madariaga, J. (2021). The Influence of Opinion Leaders’ eWOM on Online

Consumer Decisions: A Study on Social Influence. *Journal of Theoretical and Applied*

*Electronic Commerce Research*, *16*(4), 748–767. <https://doi.org/10.3390/jtaer16040043>

Voramontri, D., & Klieb, L. (2019). Impact of Social Media on Consumer Behaviour. *International Journal of Information and Decision Sciences*, *11*(3), 1. <https://doi.org/10.1504/ijids.2019.10014191>

# Appendix

Turnitin Report

