UNIVERSITY OF LJUBLJANA
SCHOOL OF ECONOMICS AND BUSINESS

MASTER'S THESIS

THE INFLUENCE OF SOCIAL NETWORK CONTENT ON THE PURCHASE DECISIONS OF SOCIAL MEDIA USERS

Ljubljana, January 2023

MIHAELA GJORCHEVA

AUTHORSHIP STATEMENT

The undersigned Mihaela Gjorcheva, a student at the University of Ljubljana, School of Economics and Business, (hereafter: SEB LU), author of this written final work of studies with the title The influence of social network content on the purchase decisions of social media users, prepared under supervision of Assoc. Prof. Mateja Kos Koklič, PhD.

D E C L A R E

1. this written final work of studies to be based on the results of my own research;
2. the printed form of this written final work of studies to be identical to its electronic form;
3. the text of this written final work of studies to be language-edited and technically in adherence with the SEB LU's Technical Guidelines for Written Works, which means that I cited and / or quoted works and opinions of other authors in this written final work of studies in accordance with the SEB LU's Technical Guidelines for Written Works;
4. to be aware of the fact that plagiarism (in written or graphical form) is a criminal offence and can be prosecuted in accordance with the Criminal Code of the Republic of Slovenia;
5. to be aware of the consequences a proven plagiarism charge based on the this written final work could have for my status at the SEB LU in accordance with the relevant SEB LU Rules;
6. to have obtained all the necessary permits to use the data and works of other authors which are (in written or graphical form) referred to in this written final work of studies and to have clearly marked them;
7. to have acted in accordance with ethical principles during the preparation of this written final work of studies and to have, where necessary, obtained permission of the Ethics Committee;
8. my consent to use the electronic form of this written final work of studies for the detection of content similarity with other written works, using similarity detection software that is connected with the SEB LU Study Information System;
9. to transfer to the University of Ljubljana free of charge, non-exclusively, geographically and time-wise unlimited the right of saving this written final work of studies in the electronic form, the right of its reproduction, as well as the right of making this written final work of studies available to the public on the World Wide Web via the Repository of the University of Ljubljana;
10. my consent to publication of my personal data that are included in this written final work of studies and in this declaration, when this written final work of studies is published.

Ljubljana, January 26th, 2023 Author's signature: ___________________________

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

LIST OF APPENDICES

LIST OF ABBREVIATIONS

Asymp. Sig. – Asymptotic Significance

INTRODUCTION

With the internet being a convenient tool for obtaining information, nowadays people have access to a wide range of information in fractions of a second. High technology has brought everything at our fingertips, and people can instantly get in touch with any part of the world (Alfaki & Alharthy, 2014). Social networks are no longer just a means of contacting friends and a platform for having fun (Madhuhansi, 2019). They have become a virtual environment where people share their views, experiences, but also can order clothes, food and many other products and services if they feel like it (Hennig-Thurau, Gwinner, Walsh & Gremler, 2004).

Buying services or products online is very straightforward, and social networks largely contribute to the availability of information about products. Social networks also enable users to share and exchange their experiences about the products and services they have bought (Yogesh & Yesha, 2014).

The purpose of this thesis is to understand how the content available on social media (paid, owned, and earned media) affects the consumer decision-making process. The results could be beneficial to brands that use social networks as a marketing channel, and they could further be applied in the field of online marketing and e-commerce.

In the theoretical part of this thesis, which consists of two sections, I give an overview of social networks and marketing, and consumer behavior. The main base of the first section explores the ten concepts of marketing (Kotler & Keller, 2016) through the lens of social networks. Additionally, more recent research papers were used for more up-to-date information about social networks and marketing. The second section deals with consumer behavior and decisions on social networks and explains the buying decision process. The contents of this section are based on recent research papers and several textbooks on consumer behavior by Leon Schiffman and Leslie Wisenblit (2015), and Michael Solomon (2018).

In the empirical part of this thesis, I wanted to find out how social networks (mainly Facebook, Instagram, and TikTok) influence the buying decision process. The research is correlational, of a quantitative nature. The instrument used is a survey questionnaire comprised of 20 questions. The main idea is to find answers through the application of scientific methods and to understand how the content available on social networks affects the buying decision process among users of social networks. In the future, the results of this research could be beneficial for individuals who work in the fields of internet and social media marketing and e-commerce.

1 SOCIAL NETWORKS AND MARKETING

The digital revolution and new technologies have accelerated the changes in the world. As the world is evolving, new technologies impact the society in different ways (Sheth, 2018). Social media as one of the segments of the digital revolution is of great importance within the media business (Kaplan, 2015), and it has led to a greater transparency (Sheth, 2018). Social media can be defined as “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of user-generated content” (Kaplan & Haenlein, 2010). On social media individuals can discuss, create, and edit user-generated content (Kietzmann, Hermkens, McCarthy & Silvestre, 2011).

The definition of social media and social networking has changed and evolved throughout the years. Back in 1994 the term “Social media” was used for the first time. Since then, it has been the umbrella term that describes a range of online platforms (Aichner, Grünfelder, Maurer & Jegeni, 2021). Although both terms are often used interchangeably, there is a slight difference between them. Even though all social media platforms are not designed for networking between users, networking is one of the most common reasons social media are being used (Aichner & Jacob, 2015).

“Social networking” is a fragment of the social media umbrella term, and it is a special type of social media. Social networking means using social media for connecting with other users via sharing messages, multimedia, etc. On social network sites, individuals can create a public or semi-public profile within a limited system, interact with a list of other users with whom they share a connection, and see and traverse their list of connections as well as those produced by others within the system. The type and terminology of these connections may differ from one site to the next (Boyd & Ellison, 2007). Namely, for this research, I will use the term “social networks” when referring to platforms like Facebook, Instagram, and TikTok.

1.1 A short overview of social networks and content distribution

Humans are social creatures and as such, they have the need to be a part of something, to belong to a certain group (Dijksterhuis, 2005). Humans were always social, and they did not need social networks for social interactions, but social networks give the individuals the opportunity to do so virtually, through software applications (Quesenberry, 2019). The social networks have the ability to amass individuals who have similar interests, and encourage collaboration between them (Brogan, 2010). Social networks are built to connect as many people as possible (Sherchan, Nepal & Paris, 2013). Individuals as social network users can create personalized profiles on social networks, add friends and contacts and interact with them via different types of content (Berthon, Pitt, Plangger & Shapiro, 2012).

According to the recent research, more than half of the world population (59% to be more precise) uses some kind of social media, and the average daily usage is 2 hours and 29 minutes (Chaffey, 2022). This is very similar to the statistics available on Statista, according to which in 2022 the average daily social media usage is 2 hours and 27 minutes. It is interesting that the average daily social media usage kept increasing throughout the years. For comparison, in 2012 the average daily social media usage was only 90 minutes per day (Dixon, 2022).

The growth of social media came as a result of their mass appeal (Tafesse & Wien, 2017). Nowadays, the absolute leader of social networking is Facebook, with more than 2.91 billion active users worldwide. Facebook is followed by YouTube with 2.56 billion users, WhatsApp with 2 billion, Instagram with 1.47 billion, and TikTok is the 6th most popular social network with 1 billion users (Statista, 2022). Facebook Messenger is on the 7th place with 988 million users. Meta is the owner of four of the biggest social networks – Facebook, Instagram, WhatsApp, and Facebook Messenger (Forbes Magazine, 2022). Social networks are free and lately, they have been appealing to all age groups, which is evident from the statistics in the Republic of North Macedonia (State Statistical Office, 2021).

According to the data available on the State Statistical Office's website, in the first quarter of 2021, 90.6% of the population in the Republic of North Macedonia used the Internet for telephoning over the internet/video calls (via webcam) over the Internet (using applications, e.g. Skype, Facetime), 85.2% for participating in social networks (creating a user profile, posting messages or other contributions to Facebook, Twitter, etc.), 82.3% for using instant messaging, i.e. exchanging messages, for example, via Skype, Messenger, WhatsApp, Viber, and 66.1% for finding information about goods or services. From the available data, it is evident that social networks are widely used for connecting with other people, as well as searching for information about goods or services. From the statistics, it is evident that as the number of social network users increased, so did the number of individuals who were buying online (State Statistical Office, 2021). The social networks have a profound impact on many aspects of life, including online and offline behavior (Dixon, 2022).

TikTok was the fastest growing social network in 2021 (Chaffey, 2022). With the increasing number of individuals who use social networks (also known as social network users), the content they generate started increasing in quantity and relevance also (Quesenberry, 2019). Probably one of the greatest advantages of social media is shifting the power from the institution to the individual. Social media users have been given a voice, and a place to interact, cooperate and generate content (Sharma & Verma, 2018).

Usually, the content available on social networks consists of photos, text, and videos (Berthon, Pitt, Plangger & Shapiro, 2012). Text, photos, and videos may be combined, organized, and used together for creating original content on social media. The content (photos, videos, text) on social networks can be published either as "feed" or as "stories", with the main differences being the experience when using them, functionalities, and their lifetime and availability. Both stories and news feed have a dedicated place within each social network (Mehvish, 2019).

Feed

The “news feed”, or now only called “feed” was started by Facebook in 2006, and it represents a standard method for sharing daily updates (Ho, 2019). The feed is the page on a social network in which individuals can see the updates other people make on their profiles, and the selection of these updates is conducted by algorithms (DeVito, 2017). The social networks have differently organized feeds, depending on the primary content they work with. Even though feeds are primarily used for showcasing user-generated content (owned and earned media), they can be also used for placing paid ads (paid media).

As Facebook defines it – “Feed is the constantly updating list of stories in the middle of your home page. Feed includes status updates, photos, videos, links, app activity and likes from people, Pages and groups that you follow on Facebook.” (Facebook, n.d.). The posts individuals see in the feed may vary depending on their interests, connections and Facebook activity. Additionally, individuals can shape and customize their feed depending on their own preferences (Facebook, n.d.). In 2021 Facebook introduced Facebook Reels, which are short vertical videos that can also be shown in the Feed for existing contacts, or in an additional dedicated section called Reels for the wider audience (Facebook, 2021).

The Instagram feed is the mobile-first destination on which individuals can see photo and video posts shared by the people or companies they follow (Instagram, n.d.). While Facebook allows a variety of post types, Instagram is only limited to photos and videos. Instagram has additionally introduced the Instagram Reels, which are short vertical videos that can be shown on Feed, or on Explore, which makes them available for the wider audiences (Instagram, 2020).

TikTok has a significantly different feed, called “ForYou”, which shows vertical videos that are tailored to the interests of the individual. It also has an additional feed called “Following” which only shows videos from the people or companies the individual follows (TikTok, 2022). The short videos are generally less polished and give the impression they were created spontaneously (Gwi, 2022). TikTok is video exclusive, and no other content can be published. It is generally accepted that TikTok popularized short videos, but other social networks followed the trend afterwards – such as Instagram and TikTok (Gwi, 2022).

Social network users can comment and react to posts that are published in the “news feed” section. Some social networks allow the users to edit the content even after it has been posted. Posts in this section are not time-limited and will be available on the social network until they are deleted. (Mehvish, 2019).

Stories

The stories started with Snapchat back in 2013 (O'Connell, 2020) but were later adopted by other social networks after they noticed the popularity of this new feature (Menon, 2022). Stories have different names across social networks – Twitter calls them “Moments”, Instagram calls them “Stories”, Facebook calls them “Facebook Stories”, and TikTok has introduced them recently under the name “Stories”. They are updates in the form of a few second video posts which are available to the public for 24 hours (Ho, 2019), and after 24 hours are available only in the archive of the individual who published them. What makes stories so popular, especially with the younger generations is the scarcity they create. Due to the fear of missing out, individuals watch stories to constantly keep up with their friends, celebrities, influencers, or companies (Gotter, 2020). The stories are usually popular with individuals who use the social networks to see what is trending and share opinions (Gwi, 2022).

The stories are designed to be viewed vertically on smartphones (Menon, 2022). The focus of the stories is on the story itself, not so much on the quality of the video content. Its main point is to instantly let others know what is going on in the individual’s life or in the company (Menon, 2022). Stories are generally not as polished as news feed posts, and that is what makes them more trustworthy. Companies may use stories to give a more realistic picture of what they do on a daily basis (Ho, 2019).

In addition to their usage by social network users for communication, they are be used by companies, celebrities, influencers, and PR agencies as an effective marketing tool as well (Menon, 2022). Even though the stories are designed for showcasing user-generated content (owned and earned media), they can also be used for placing paid ads (paid media).

Stories are time-limited and expire after 24 hours, after which they are available only in the archive of the individual who posted them. The stories cannot be edited after they are posted. One additional functionality for stories is that social network users know who has seen their “stories”, as opposed to “news feed” in which they only receive information about the reactions (likes or comments) (Mehvish, 2019).

1.2 Motivations of social network users to use the social networks

Individuals initially joined and used social networks for different purposes – enjoyment, fun, pleasurable experiences, meeting new people, increasing social connections (Lin & Lu, 2011). As the article was written in 2011, since then, individuals have found new ways to use the social networks – for information search, news, and so on. According to a report published by Pew Research Center in 2020 more than half of the adult population in the United States got their news from social media “often” or “sometimes”, even though most of them question the accuracy of the news they receive (Shearer & Mitchell, 2022).

Cultural factors influence how social network users use the social networks (Pookulangara & Koesler, 2011). Nevertheless, the type of content available on the social network dictates the way the social network users interact with the brands (Chaffey, 2022). A large percentage of the participants in a global internet user survey conducted in 2019 claimed that the social networks have improved their access to information, freedom of expression and ease of communication (Dixon, 2022). In the second quarter of 2020 the level of engagement on social media soared due to the pandemic and the lockdowns (Gwi, 2022).

Each generation prefers different social networks, and they have different behavior on the social networks. Their expectations from the companies on the social networks are different as well (Sproutsocial, 2021). Consumers use the social networks to research and learn about product features, its price, discounts, offers, etc. (Saha, Kumar, Jannat & Nahar, 2021).

In the third quarter of 2021, Facebook and Messenger are mostly used for messaging friends or family, post or share photos or videos and keeping up-to-date with the news or the world. On the other hand, Instagram is mostly used for posting or sharing photos or videos, to follow or find information about products or brands, and for finding funny or entertaining content. The primary reasons for using TikTok are to find funny or entertaining content, to post or share videos and keeping up-to-date with the news or the world (Gwi, 2022).

1.3 Relevance of social networks in marketing

Besides being a marketing channel that can be used to reach consumers, social networks are also one of the key tools for creating marketing strategies due to the numerous possibilities to learn directly from the consumers (Pookulangara & Koesler, 2011). Being present on social networks has a lot of benefits for the companies because it creates a range of opportunities and values (Cheung & Lee, 2010).

The content companies (should) post on the social networks depends on the type of the brand, its purpose, its target, the social media network they are posting on, etc. (Voorveld, Van Noort, Muntinga & Bronner, 2018). Content engagement is very important for the companies, and the consumers who interact with the companies on the social networks help in the development of the company (Wahid, 2021).

Opposite of the traditional media, social media allow the users to interact instead of passively receive information (Sheth, 2018). The two-way communication on the social networks allows brands to engage their customers, to listen, and learn from them (Chopra & Gupta, 2020). The social networks improve information accessibility and exchange between the consumers and the companies, and therefore contribute to information symmetry in the market (Ndiege, 2019).

Being present on social media as a brand means understanding the mindset of the consumers, or social network users (Quesenberry, 2019). There have been major shifts in the way companies communicate with their consumers because of the emergence of social networks, as individuals tend to discuss companies and products even without their approval. In the past, companies have been able to manage the information that is publicly accessible about them via the use of well-timed news releases and competent public relations employees. In times of social networks companies have come to increasingly be seen as observers, without the knowledge, opportunity, and sometimes even the right to change or somehow edit public comments made by their clients (Kaplan & Haenlein, 2010). For instance, Wikipedia strongly discourages individuals who are related to a specific company to edit articles about those companies due to conflict of interest (Wikipedia, 2017).

The individuals using social networks and their content have become more powerful than the individuals who work in marketing or public relations (Kietzmann, Hermkens, McCarthy & Silvestre, 2011). The social networks gave power to the consumers and pressured companies to deliver on their promises (Pookulangara & Koesler, 2011). This means that the company is not the one who dictates and defines its image. Rather, the social network users and their contributions in the form of user-generated content help shape the image of the companies. Social network users connect to other users and share information about products, services, or brands (Pookulangara & Koesler, 2011), and they consider their peers more trustworthy (Kozinets, 2002).

Companies, in a way, must act as curators of the interactions and content that happen on their social network profiles. Companies must find out when and how to get involved in conversations on social networks (Kietzmann, Hermkens, McCarthy & Silvestre, 2011). They should learn how to behave and act like their consumers on social networks (Cheung & Lee, 2010). If companies become part of groups on social networks and start contributing by answering questions about their brands, it is expected that they will get a positive response from the social network community (Cheung & Lee, 2010).

The usage of social media marketing by companies has been significantly increased in order to get the advantage of the growing popularity of the social media (Mangold & Faulds, 2009). The social networks create opportunities for companies to market their products with a smaller budget, while reaching their customers in a friendly manner (Gutiérrez Flórez, Correa Escobar, Henao Restrepo, Arango Botero & Valencia Arias, 2018). This is true especially for the small and medium-sized enterprises, which often have smaller budgets for marketing (Chopra & Gupta, 2020).

There are a few ways to raise awareness about a company or a brand on the social networks – most often social network users see a post about the company published by other users, or from the company’s own profile. Also, if some content becomes viral, that is a good opportunity for raising brand awareness (Colicev, Malshe, Pauwels & O'Connor, 2018).

Traditional marketing, public relations and advertising are more successful and effective when combined with social media (Quesenberry, 2019). Additionally, the social networks are a great source of lead-generation information which could be used for sales and marketing (Brogan, 2010). Apart from lead-generation, social networks can bring additional benefits to companies – such as acquiring new customers, better interaction with customers and an increase in income (Ndiege, 2019).

Companies that sell from brick-and-mortar stores, online stores, or both, can use social networks as a marketing channel, or as a source of valuable information about their consumers. Among the greatest advantages of social networks are their built-in analytical tools, which give insight to the companies about the traffic and popularity indicators (comments, likes, number of followers). With the analytical tools, companies always have intelligence about their consumers and their interests (Ndiege, 2019).

The Instagram users are the most likely to click on social network ads, while the Facebook users are the most likely to directly pay via the social network (Gwi, 2022). Learning about the social network users and how they use the social networks gives companies insights, helps them learn and understand their customers and could help them stay competitive (Cheung & Lee, 2010). If we look at research, the new generations, especially Generation Z, most often use the social networks to find out about products and brands (Gwi, 2022).

1.3.1 Segmentation, targeting and positioning

Companies must know to who they want to sell, how to reach that exact audience and how to meet their needs. Segmentation, targeting and positioning of the product are the three steps of a successful marketing strategy (Schiffman & Wisenblit, 2015). The company’s marketing strategy and resource allocation are guided by segmentation (Cortez, Clarke & Freytag, 2021).

Companies are now aware that the consumers are constantly changing, and their characteristics are not fixed. Social networks allow companies to keep track of these changes while interacting with the consumers and collecting and analyzing data about their interests and opinions (Fennemore, 2020).

1.3.1.1 Segmentation

It is impossible and unrealistic to expect that one product can satisfy the needs of all consumers, as it is difficult to meet the requirements of each consumer at the same time (Camilleri, 2018). When creating a certain product or a service, it is necessary to know to whom that product should be sold and what kind of needs it would satisfy. Before segmentation became widely used, companies used the same communication messages to get to all consumers – mass marketing (Schiffman & Kanuk, 2009).

Market segmentation is the division of the market into smaller homogeneous parts called segments so that the product or service can be more easily presented, according to the needs, wants, and demand of the segment. Depending on the product or service, the segmentation can be done in different ways. Social networks enable companies to identify their audience and reach their segments where they usually spend their time. With social networks, psychographic segmentation became important due to the availability of tools for monitoring the users and their attitudes towards the products or services (Fennemore, 2020). Psychographic segmentation classifies individuals based on their behavior and attitudes, and socialgraphics go one step further – and in addition capture the motivations of the users as well. With socialgraphics companies tailor their marketing activities while taking into consideration the Internet and mobile use data, the goals and motivations, the behavior, and the emotional and psychological needs of their consumers (Schaefer, 2017).

Some of the social networks offer tools for segmentation, and they also offer the possibilities to collect data about the current customers. Later, that knowledge can be used to get to the ideal customers (Rosenthal, 2019). With the data available from the social network users, companies can generate personas that represent their customer base, and create segments by using customer attributes (An, Kwak, Jung, Salminen & Jansen, 2018).

1.3.1.2 Targeting

Once the company knows the needs and wants of the segments, it can proceed to prepare strategies to reach the segments. Then, a marketing campaign that incorporates every component of the marketing mix may be created to meet the unique needs of the segments that are being targeted (Dibb & Simkin, 1991).

The advantage of the social networks is their option to display ads to specific audiences. In contrast from traditional marketing in which it is difficult to measure the number of individuals in the audience, on social networks the companies can choose the exact type of individuals that should see their ads, and get an approximate number of users that would be reached. Since social networks are a good source of data about the consumers, the companies can pay to reach only the audience that is more likely to buy, which eventually leads to a decrease of marketing expenses (Media Update, 2018).

Consumers prefer being part of a community over being the target of a marketing campaign (Cocheo, 2009). That means that the companies should be careful with the targeting, as the marketing campaign has to be relevant to the segment. It is very important to evaluate each segment separately to check how well those segments reflect the company's situation (Cortez, Clarke & Freytag, 2021) and fit into the company's long-term plans. Also, the company should be aware just how exhaustible the segments are because it is necessary to predict how much of the product the segment needs and whether the demand would increase or decrease in the future. Social networks are always updating and evolving their targeting options, so that ads can have a greater impact (Media Update, 2018).

Ads on Facebook, Instagram, TikTok, and other social networks allow companies to reach their segments, and they charge the companies due to their impact. Depending on the goals of the marketing campaign, the amount a company is charged may vary (Shaoolian, 2017). The social networks are a source of valuable data about their users, so they make it easy for companies to target segments by:

– Location (by choosing a neighborhood, a city, state, or country)
– Demographic characteristics (gender, age, level of education, marital status, job position)
– Interests (people who are interested in cycling, Italian food, romantic movies, cars, etc.)
– Behavior (reaching people based on their previous activities, how they use devices, etc.)
– Connections (reach potential customers who are already part of their community or people who are not connected with their social network page).

In addition, the remarketing options of the social networks enable companies to reach social network users who have previously visited their website or interacted with some of their content on social networks (Media Update, 2018).

1.3.1.3 Positioning

Positioning is creating a company's offering and image that is meant to occupy a distinctive place in the minds of the target market. Positioning is not what you do with the product, positioning is what you do in the consumer's mind (Kotler & Keller, 2016).

Positioning defines the relative position where a certain brand is at when compared to other similar products in the same generic class (Andrei, Ecaterina & Ionut, 2010). The customer value proposition “is a strategic tool that is used by a company to communicate how it aims to provide value to customers” (Payne, Frow & Eggert, 2017).

Social networks have a great influence on positioning (Saha, Kumar, Jannat & Nahar, 2021). The social networks are a platform through which companies can promote their vision and their values, engage their employees, and develop connections with their customers. There are multiple strategies to position the brand on social networks, and if done successfully, they influence the consumers’ willingness to spend money on the product (Mileva, 2022).

Small and medium-sized enterprises can position their brands better with the usage of social networks. Intelligence from social networks can be beneficial for such companies and can help them strategically position themselves better (Ndiege, 2019).

1.4 Owned, paid, and earned media via social networks

Social networks can be used as a platform for marketing activities because they are a great source of information for both companies and customers. They allow companies to connect with their customers, which eventually complements the traditional marketing activities (Assaad & Gómez, 2011).

Some companies nowadays exclusively use social media marketing because it tends to be cheaper than traditional marketing (Chopra & Gupta, 2020) and allows the direct targeting of the selected segment. Companies can reach customers on social networks through owned media (their social media profiles and pages), earned media (word-of-mouth) (Colicev, Malshe, Pauwels & O'Connor, 2018) and paid media (ads) (Mattke, Müller & Maier, 2019).

Social networks differ by the type of content that can be published, and therefore the user-generated content available on each of them varies. Social networks allow photo, music and video uploads, but also text-based content such as opinions, feelings, ideas, experiences (Lai & To, 2015). Based on the type of platform, social networks are used for different purposes. Some social networks are video exclusive (such as TikTok), and some allow a wider range of content to be uploaded – photos, videos, and text (such as Facebook) (Masciantonio, Bourguignon, Bouchat, Balty & Rimé, 2021).

It is only natural for companies to try to reach their customers where they spend their time (Evans, 2011). Companies use social networks for advertising, customer service, gathering data about their customers, and creating an engaged brand community (Enginkaya & Yılmaz, 2014).

There are three ways by which companies can connect with their (potential) customers on social networks. First, companies can create their own social network profiles (owned media) and use them to communicate with their customers. Once they are present on the social networks, companies can pay for ads (paid media) that would drive (potential) customers to their own profiles, websites, or other target location. And then, customers could use the social networks to discuss their experiences with the company's products or services, no matter whether it is a good or bad experience (earned media) (Mattke, Müller & Maier, 2019)

1.4.1 Owned media

Owned media are the official social network profiles and pages that are used to target the communication towards the consumers who are interested in the company. The company can independently manage and decide on the type of content it publishes, or it could hire someone else to do it instead (Penttinen & Ciuchita, 2022). The company's website, blogs, etc. can also be considered owned media.

There are three usage types of social networks (Muntinga, Moorman & Smit, 2011):

- consuming (viewing, reading, and listening to existing content, following, downloading content),

- contributing (comments, ratings, reviews, forum discussions), and
- creating (user-generated content such as video, audio, photos, articles, etc.).

Companies may use their own media to reach out to their consumers and instill a favorable brand image through passive exposure (Colicev, Malshe, Pauwels & O'Connor, 2018). Brands can have their own profiles and pages across all social networks, but exactly which social networks they are going to use depends on a few factors. One of the most important factors are their target demographics, and which social networks do they use (Penttinen & Ciuchita, 2022). Additionally, the content that companies post should be adapted to the social network they are posting to (Voorveld, Van Noort, Muntinga & Bronner, 2018).

The collected data of the consumer interactions on the social network profiles and pages can be analyzed and later used for gaining deeper insights of the consumer experience (Holmlund, et al., 2020).

1.4.2 Paid media

Brands may utilize paid ads on social networks to reach out to customers and foster a good brand image. Research has shown that the paid media can increase engagement (Wahid, 2021). Paid media refers to brand-related sponsored content that is created and paid for by the brand. This implies that brands can create and sponsor content, and the social network charges them for showing the content to its users (Demirci, Pauwels, Srinivasan & Yildirim, 2014).

Paid media generally refers to traditional media such as advertisements on radio, television, daily newspapers, billboards, etc. Nowadays, companies can also pay for online ads, as well as ads on social networks (Stephen & Galak, 2012).

Companies have control over the content of the paid media, as well as they have over owned media. Sometimes, one company/individual's owned media can become other company's paid media (Edelman & Salsberg, 2010). This happens when companies pay influencers (popular users of social networks who have many followers and with their posts can influence other potential consumers to buy a certain product or service) to publish a post related to their brand, or when companies pay for banners on websites with great traffic. Recently, brands have been using the benefits of collaboration with influencers (Vrontis, Makrides, Christofi & Thrassou, 2021) and it has become very common to hire influencers who charge for publishing posts about the company or a certain product (Chopra & Gupta, 2020). According to the agreement that the company makes with the influencers, they can invite their followers to start following the company's owned media or to buy their product. Some products sell better when endorsed by influencers - for example, clothes, cosmetics, shoes, and services. Influencers do endorse food, electronics, and jewelry, but people rely on other factors as well when buying such products (Zak & Hasprova, 2020).

One of the goals of paid media is to drive (potential) consumers to use the company's owned media. For example, on Facebook, an ad can be paid to get more followers on a company's page. Technological developments and social networks have changed the way advertising works, and social network ads are usually consumed on smartphones (Maslowska, Ohme & Segijn, 2021).

Before creating an ad on any social network, companies need to pay the social network of their choice and define the purpose of the ad, the specific audience to which the ad will be shown, choose the budget, and carefully select an appropriate creative design for the ad (Wahid, 2021). Most of these parameters are usually determined by companies in the process of segmentation and targeting. Social networks are just the medium through which that information should be conveyed.

Each social network offers its own tools for tracking the performance of the paid ads which provide quantitative metrics. The effectiveness of the ads could be assessed with such tools by counting the number of likes, comments, shares, impressions, followers, etc. (Voorveld, Van Noort, Muntinga & Bronner, 2018). Ads are a good way to introduce the brand to new audiences, raise awareness, promote products, and drive social network users to the company's website. Due to the differences in the social network platforms, the evaluation of the effectiveness of the ads may vary (Voorveld, Van Noort, Muntinga & Bronner, 2018). In other words, the results that are considered effective for one social network might represent a bad result to another.

1.4.3 Earned media

Companies are increasingly relying on earned media to shape customer perceptions of their brands. The company does not generate the content for earned media (Stephen & Galak, 2012). Earned media refers to brand-related social network content that is created by social network users, influencers, content creators, or social network users rather than the company (Mattke, Müller & Maier, 2019). This implies that if an influencer, a content creator, or other social network user posts content related to the brand on their own profile or page, the post will be seen by their social network followers. These posts could be photos, videos, comments, or any form of feedback, (electronic) word-of-mouth, or sometimes content that has the potential to go viral. Word-of-mouth as a key part of marketing has greatly changed in the world of social media (Sheth, 2018).

It is perceived that earned media is more reliable and trustworthy than paid media (Lawrence, Fournier & Brunel, 2013), and previous research has indicated that it can outperform traditional paid advertising (Mattke, Müller & Maier, 2019). As a result, earned media is becoming increasingly important for companies. Earned media is the only media that is not generated directly by the company. Earned media is the most difficult to obtain, because they cannot be controlled by the company (Colicev, Malshe, Pauwels & O'Connor, 2018).

Both traditional and social network earned media have positive effects on sales (Stephen & Galak, 2012). A large portion of social network users share information about the products and services they use. This type of content can be seen in the form of blogs and can also be as (especially Tiktok) videos, photos, etc. By paying attention to social network users' interactions with their company, the companies can collect valuable information about the opinions of the (potential) consumers.

Viral marketing is a form of electronic word-of-mouth and it works because people have a natural tendency to share information about the things they find interesting or useful (Akyol, 2013). With viral marketing, information (in form of a social network content) about the company is introduced to more and more people and grows exponentially, just the way a virus spreads – from person to person. The content used for viral marketing has a potential to reach a great pool of potential customers in an efficient manner (Subramani & Rajagopalan, 2003).

For a content to go viral, it needs to be interesting to a large number of people, so they can engage and share it with their friends on social networks. Hence, viral marketing can be described as a process in which people who are interested in one subject market to each other (Miller & Lammas, 2010).

Viral marketing is a cost-effective and credible way of advertising, but there is never a guarantee that the content will actually go viral and its viewership will grow as expected. Even though content for viral marketing might seem spontaneous and amateur, the content is usually very well planned and prepared by the company (Akyol, 2013).

2 SOCIAL NETWORKS AND CONSUMER BEHAVIOR

Nowadays consumers have plenty of choices for each type of product or service. (Gajjar, 2013). The study of consumer behavior concentrates on the ways in which individuals decide to invest their available resources (time, money, effort) to choose a product or a service (Schiffman & Kanuk, 2009). Nowadays, consumer purchase behavior is influenced and changed by social networks (Ebrahimi, et al., 2022).

Discovering and buying from companies directly on social networks has been a growing trend in the last years. Consumers' expectations from the companies have increased too, as they expect the companies to be available for a two-way engagement and use the social networks for customer service. Additionally, consumers base their buying decisions on social network reviews. (Sridhar, 2021).

If companies had an insight into the needs, desires, habits, motivations, and interests of consumers, they would know how to tailor their products. Social networks are a great opportunity for understanding the mindset of the online consumers, or more specifically, social network users, and they contain lots of data about them (Brogan, 2010). Thus, companies can provide enough information via social networks they could later use in product design, marketing and sales. As previously mentioned, the data companies collect from social network users can be used to generate personas that represent their customer base (An, Kwak, Jung, Salminen & Jansen, 2018). This is very helpful for understanding their own customers.

Many factors contribute to the shaping of consumer behavior. Consumer buying patterns have always been influenced by social factors, but the widespread use of smartphones and social networks has elevated the decision-making process to new heights. It is evident that social networks have replaced traditional media in all parts of the decision-making process. Research has shown that user-generated content had a greater impact on consumer behavior and buying decisions since individuals usually perceive it as more trustworthy (Sharma & Verma, 2018).

2.1 Determinants of consumer behavior

The main purpose of the product is to be sold to the consumers. When companies want to create a new product and sell it to consumers, they need to consider and understand how the consumers think, act, and feel (Kotler & Keller, 2016). To understand how they think, act and feel, it is important to know what will shape the consumers' behavior.

The factors that shape consumer behavior are different, and each company must be aware of the factors related to the consumers they are targeting. Having this knowledge will be of great assistance in product development, media targeting, creating advertising messages, promotion and distribution strategies.

Cultural factors

Culture, subculture, and social class are the cultural factors that influence consumer behavior. Culture can be defined as a society's personality (Solomon, 2018), and throughout history it had many definitions. In the most general sense, it can be regarded as an umbrella term for sets of shared beliefs, values, traditions, norms, laws, knowledge, arts, and assumptions among the members of a given society (Tylor, 1871). Hence, culture can be referred to as the lens through which the consumers view the products (Solomon, 2018). Subcultures exist within a culture and follow the culture's main principles while having their own original properties. Each individual belongs to many subcultures, based on various variables such as age, nationality, religion, geographical location, race, etc. (Solomon, Bamossy, Askegaard & Hogg, 2015).

The cultural background influences how the consumers use social networks for searching information, brand awareness and expressing opinions about companies or brands (Pookulangara & Koesler, 2011). The cultural differences affect the communication on the social networks, the reasons for using the social networks and the way of using them (Sawyer & Chen, 2012).

Every society is hierarchically divided into different classes - high, middle, and lower class, although finer distinctions can be made (Hoyer, MacInnis & Pieters, 2008). Depending on which class they belong to, consumers can have very different buying, spending, and product selection habits. Additionally, the social classes have different ways of receiving and sharing information (Schiffman & Kanuk, 2009)

Social factors

The social factors include reference groups, family, social roles and status. Reference groups are groups of people or individuals whose opinions and attitudes are directly or indirectly taken into account by consumers. It is "an actual or imaginary group conceived of having significant relevance upon an individual's evaluations, aspirations, or behavior" (Park & Lessig, 1977).

Family plays a major role in consumer behavior, and its members are considered to be the reference group which has the greatest influence on consumers (Moore, Wilkie & Lutz, 2002).

Each individual holds a specific position within his family, his work, his circle of friends, etc. A role is a set of activities that a certain individual is expected to perform, and the role implies the status the individual has (Kotler & Keller, 2016).

Personal factors

The personal factors are age and the stage in the life cycle, occupation, economic circumstances, lifestyle, and personality. The age and stage in the life cycle of consumers influence the decisions they make when purchasing products. Therefore, for the purposes of this paper, we will distinguish four age categories among the respondents (Dimock, 2022):

- Generation Z (born from 1997 onward)
- Millennials, or Generation Y (born between 1981 and 1996)
- Generation X (born between 1965 and 1980)
- Baby Boomers (born between 1946 and 1964)

Depending on the generation they belong to, consumers have appetites for different types of products, and also, different type of (advertising) content. That means that reaching each of these generations with ads requires a different approach. These generations prefer different social networks, and they have different habits when using them. Their expectations from the companies on the social networks are different as well (Sproutsocial, 2021).

The occupation or job position also influences consumer decisions, and people similar occupations tend to have similar tastes (Solomon, 2018). The occupation, or job position, may dictate how a person should dress, and the image they need to reflect. So, consumers are expected to purchase products that are in accordance with the requirements of their occupations.

Economic circumstances influence consumer decisions and product choices to a great extent. As income grows, so does the number of possibilities. For example, research has shown that opinions on food safety depend on economic status, among other things (Koç & Ceylan, 2012).

Lifestyle plays an important role in market segmentation and understanding the target consumers. Consumers buy products and services in order to define, actualize or extend the lifestyle with which they are identified (Krishnan, 2011).

Personality is a set of traits that enable (relatively) consistent responses to environmental stimuli (Kotler & Keller, 2016). Consumers prefer brands that have a brand personality aligned with their actual self-concept, but sometimes the decision might be based on their ideal self-concept, or others' self-concept, depending on the situation they are in (Aaker, 1999).

Psychological factors

The psychological factors are motivation, beliefs, and attitudes, experience/memory, learning, emotions, and perception. Motivation as a psychological factor arises from the state of unfulfilled needs. It is a driving force in individuals that prompts them to take action (Schiffman & Kanuk, 2004). Needs turn into motives when they directly pressure the individual to seek the satisfaction of the need. The level of motivation has an impact on consumer behavior, and a motivated consumer is willing to engage in an activity to achieve a certain goal (Hoyer, MacInnis & Pieters, 2008).

Through the experience the consumers acquire over the years, the consumers form their own beliefs and attitudes about certain products and services. Beliefs and attitudes can be influenced by personal experiences, but also by family, friends, and even companies. Companies can use many advertising tools to influence the attitude of the consumers towards their products and services (Jisana, 2014).

Learning refers to changes in behavior that occur by gaining experience – either own experience, or through observations (Solomon, Bamossy, Askegaard & Hogg, 2015). Consumers can learn new information about products and services through advertising, and also by reading, observing, discussing, etc.

Companies have a good knowledge of how consumers respond to certain stimuli. They are aware of the fact that stimuli evoke associations in the minds of consumers and they associate them with something they have already experienced. Regarding the emotional appeal companies can use fear, humor, joy, optimsm, love, serenity, trust, admiration, disgust, etc.

All people experience, view and understand the world in a different way. Perception is very important for understanding consumer behavior because it is unique for all people, and separate individuals can experience the same product in a different way.

2.2 The Buying Decision Process

All the previously mentioned concepts are a segment of the buying decision process. The buying decision process consists of five stages. The five stages of the buying decision process are illustrated in Figure 1. Even though it is a five stages model, not all consumers make decisions following these stages. Sometimes they might make less calculated decisions - skip a stage, and sometimes, they might even reverse some of the stages (Kotler & Keller, 2016).

Figure 1: The five stages of the buying decision process.

Adapted from Kotler & Keller (2016).

During the first stage the consumers recognize a problem, or identify the needs they have. Then, they search for more information about all products that satisfy those specific needs and evaluate alternatives. In the third stage when the consumers evaluate the alternatives, there is a possibility the consumer might decide not to buy a certain product because the alternatives did not meet his needs and expectations, because they were too expensive, the quality was bad, or stop the process due to other reasons. However, if they continue to the next stages, at the end of the process, consumers make a purchase and then proceed to evaluate whether or not the product met their expectations (Schiffman & Wisenblit, 2015).

Technology has enabled us to have everything at our fingertips, so now individuals can instantly get in touch with any part of the world. Nowadays individuals can have access to various types of information in fractions of a second and the Internet is introducing new changes in the buying decision process (Casaló, Flavian & Guinalíu, 2007).

Consumers are becoming more reliant on computer-mediated communication to obtain the information they need to make purchase decisions. Additionally, they communicate with other individuals to share opinions about products, and they see them as a more objective source of information (Kozinets, 2002).

Social networks significantly shorten the customer journey. In the past, when individuals discovered new products, it took a lot more time and repeating ads to buy it from the store. Nowadays, social network users are just a click away from buying a product they saw on social networks (Barysevich, 2020).

2.2.1 Problem recognition

Problem recognition is the identification of a consumption problem that needs to be solved, and it represents the difference between the actual and an ideal state. The actual state is the situation consumers are in, while the ideal state is what they would like it to be (Hoyer & MacInnis, 2008). When the consumer becomes aware of a certain need that sets the first stage of a much larger process - the buying decision process.

Instead of traveling into stores to discover new products, consumers may now get inspiration by just scrolling through their social network newsfeed (problem/need recognition) (Nolcheska, 2017). Social networks have replaced traditional media as a trigger od needs and purchase. Social networks could make users identify an unfulfilled need through ads and discussions with friends (Madhuhansi, 2019).

2.2.2 Information Search

Consumers often base their decisions and judgments on limited information and knowledge (Kardes, Posavac & Cronley 2004). Consumers usually receive information from advertising messages and decide to engage if the offer seems attractive to them.

The information search depends on the previous experience with the product, and the recent increase in the volume of information helps consumers in the buying decision process (Voramontri & Klieb, 2019). If the consumers had a previous experience with the product, they can rely on their previous experience and draw a conclusion without searching for additional information. But if they did not have a similar experience, they are eager to continue with the information search until they find the product that will satisfy their needs (Solomon, 2018). Companies should make sure the information is easily accessible, and comparable to alternatives (Vasic, Kilibarda & Kaurin, 2019). Nowadays if consumers want to ask for recommendations they post on social networks and crowdsource answers from family, friends, or even strangers (information search), or go through comments of previous buyers (Nolcheska, 2017).

The technology has enabled an evolution of the information search process, and it is very different from what it was in the physical retail environment (Chen, Lee, Wu, Sung & Chen, 2017). Nowadays consumers can easily obtain information about all kinds of products. The Internet has enabled consumers to get the features of any product, its price, photos, videos etc. in a fraction of a second. The social networks have made the evaluation of alternatives a bit more detailed, due to the great availability of information. Consumers now spend more time on research and read more reviews to make sure their decision is the right one (Barysevich, 2020).

Consumers may have a different level of trust in each of the sources of information. Consumers are likely to trust a recommendation from a friend more than a commercial source, yet commercial sources are where consumers get the most information (Schwartz, Luce & Ariely, 2011). Following the companies on the social networks becomes a valuable source of information for consumers, especially about new products, discounts and sales (Kunz & Hackworth, 2011).

2.2.3 Evaluation of alternatives

Evaluating alternatives is the third stage in the buying decision process. After identifying their own needs and collecting the necessary information, consumers move on to comparing the various available alternatives.

The evaluative criteria that are crucial for making the decision vary among all individuals and may depend on cultural, social, personal, or psychological factors (Mothersbaugh & Hawkins, 2016). Generally, the expectations and perceptions of the consumers are affected by their cultural values, which are later reflected in the decision to buy (Kueh & Voon, 2007).

In the evaluation of the various products, the consumers use their previous knowledge and experiences, their beliefs and attitudes, or they can take into account the opinion of the family or other reference groups, etc. They rely more on the experience and evaluation of other consumers, than the information given from the company online or in a physical store (Chen, Lee, Wu, Sung & Chen, 2017). The additional benefits that the consumer could obtain from a particular product also play a large role in the process of evaluating alternatives. Sometimes, when evaluating alternatives consumers may not find what they are looking for. In some cases, the consumers will decide to replace what they originally wanted with what is currently available (Munthiu, 2009).

Consumers can compare between options even on social networks, as information about most brands is available either as paid, owned, or earned media. Both information search and evaluation of alternatives are the stages that are the most influenced by the social networks (Nolcheska, 2017).

Evaluation of alternatives can be performed on social networks, without physically touching them, and if consumers find enough information, they might decide to buy the products (Chen, Lee, Wu, Sung & Chen, 2017). When the consumers make the purchase decision, they move to the final stages of the buying decision process.

2.2.4 Purchase decision

In this stage, the consumers have already made their choice using all the information available. At this stage they must decide on the brand, dealer, quantity, timing, and payment method (Kotler & Keller, 2016).

Some social networks offer options to buy directly via their applications - for example, Shops on Instagram. Brands can set up shops on social networks, and consumers can make the transaction directly on the social network (purchase decision).

2.2.5 Post-purchase behavior

In this stage, the consumers have already purchased the product that they selected through the previous four stages. During those stages, the consumers had some kind of expectation from the product. According to the promises of the companies selling the products, they believed that the value proposition was true and that the product would meet their expectations. The expectations about the service quality depends on the culture (Donthu & Yoo, 1998).

Recommendations and comments from the consumers can be used to support the quality promise the company made, and if used in future ads, it would increase the attention to the ad (Maslowska, Ohme & Segijn, 2021).

The role of social networks is especially reflected in the post-purchase behavior part of the process, in which the consumers express their attitude and satisfaction toward the products (Nagamalar & Ravindran, 2019). Social networks make it easier for the brands to get feedback in the form of comments and reviews from consumers (Miranda, Rubio, Chamorro & Loureiro, 2014). Those comments and reviews are a fragment of the earned media, and they could be used by future consumers who are in a different phase of the decision-making process (information search, evaluation of alternatives, purchase decision and post-purchase behavior). Consumers may use the online environment to express their feelings of pride for their usage of specific brands or products (Prasad, Garg & Prasad, 2019). Once social media users buy a product there are three possible scenarios that can play out:

- The product does not meet the expectations (disappointment): The consumers can publish the negative experience on social networks, or leave a negative review (Laruccia, 2018). When negative experiences are published, depending on the number of people who read the review or interacted with the post, the company can directly suffer material damages from reduced sales, and there is a risk that the brand's reputation will be threatened.
- The product matches the expectations (satisfaction): In such cases consumers would probably recommend the product to family or friends in the future, and maybe write a review, or post on social networks (positive word-of-mouth), which would strengthen

the brand (Laruccia, 2018). Also, the consumers would probably come back to buy the same product again.

– The product exceeds the expectations (delight): In this case, the consumers did not have a very high opinion of the product at the beginning, but after using it, they realized that the product actually has a higher value than perceived. When consumers are delighted, they are more likely to repeat the behavior (Charm, Dhar, Liu, Novemsky & Teichner, 2021). Consumers who are truly satisfied with the products may become brand ambassadors and advertise the product to their acquaintances, or post to their own social network profiles, which could bring new customers in (Mothersbaugh & Hawkins, 2016).

3 EMPIRICAL STUDY OF THE INFLUENCE OF SOCIAL NETWORK CONTENT ON THE PURCHASE DECISIONS OF SOCIAL MEDIA USERS

3.1 Purpose and aim of research

The purpose of the research is to understand how the content available on social media (paid, owned, and earned media) affects the consumer decision-making process. The results could be beneficial to brands that use social networks as a marketing channel, and they could further be applied in the field of online marketing and e-commerce.

Understanding the decision-making process of social network users and the factors that influence it would be beneficial because the results could be used for improving digital marketing strategies and boosting e-commerce. Knowing how social network users search for information about products and services would be useful for brands and could help them tailor their content to the specific habits of the consumers.

With this research, I wanted to find out what type of social network content (paid, owned, or earned) published on Facebook, Instagram, and TikTok has an influence on the purchase decisions of social media users and the role of the influencers in both online and traditional shopping.

The results of this research could additionally be used to find out what type of user-generated social network content encourages social network users in the Republic of North Macedonia to buy online. Finally, this research shall find out what type of content, and on which platform brands should post, in order to to efficiently reach the social network users.

The research process was carried out in several steps:

– Identification of a research problem
– Literature review and an overview of previously published works on the same topics

- Research questions
- Developing of the research methods
- Preparing a questionnaire
- Posting the survey questionnaire on social networks in order to reach the necessary sample
- Collect the data, classify it and enter it in SPSS
- Control of the entered data in order to reduce the possibility of error
- Creating graphs according to the entered data
- Statistical data processing
- Analysis and interpretation of the obtained results

3.2 Research questions

With this master thesis, I want to answer the following research questions:

- How do consumers respond to different types of social network content?
- How does the social network content influence the social media users at different stages of the decision-making process?
- To what extent do the social network users trust social network content produced by brands, users of social media, and influencers?
- To what extent does the social network content produced by brands, users of social media, and influencers influence the social network users?

3.3 Hypotheses

Individuals as social network users can create personalized profiles on social networks, add friends and contacts and interact with them via different types of content (Berthon, Pitt, Plangger & Shapiro, 2012). With the increasing number of individuals who use social networks (also known as social network users), the content they generate started to increase in quantity and relevance also (Quesenberry, 2019). Individuals initially joined and used social networks for different purposes – enjoyment, fun, pleasurable experiences, meeting new people, increasing social connections (Lin & Lu, 2011). Consumers use the social networks to research and learn about product features, its price, discounts, offers, etc. (Saha, Kumar, Jannat & Nahar, 2021). After the theoretical analysis, I came to a conclusion that consumers use social networks in various stages of the buying decision process, and my proposal is that the content of the social media affects the buying decision process. The proposal will be observed and discussed through the nine hypotheses.

PROPOSAL: "The content available on the social media affects the buying decision process.".

3.3.1 Hypothesis 1

Social networks differ by the type of content that can be published, and therefore the user-generated content available on each of them varies. Social networks are used for different purposes - some social networks are video exclusive (such as TikTok), and some allow for a combination of content (such as Facebook) (Masciantonio, Bourguignon, Bouchat, Balty & Rimé, 2021). Depending on the type of content that is allowed to be published on the social network, consumers are affected differently. Hence:

HYPOTHESIS 1: Different types of content affect the decision to buy to a different extent.

3.3.2 Hypothesis 2

Opposite of traditional media, social media allow the users to interact instead of passively receive information (Sheth, 2018). The two-way communication on the social networks allows brands to engage their customers, to listen, and learn from them (Chopra & Gupta, 2020). Companies can reach customers on social networks through owned media (their social media profiles and pages), paid media (ads), and earned media (word-of-mouth). Social network users connect to other users and share information about products, services, or brands, and they consider their peers more trustworthy (Kozinets, 2002). If companies become part of groups on social networks and start contributing by answering questions about their brands, it is expected that they will get a positive response from the social network community (Cheung & Lee, 2010). Therefore:

HYPOTHESIS 2: Consumers are likely to message a company on social media to find out more information about a product.

3.3.3 Hypothesis 3

According to Muntinga, Moorman, and Smit (2011) contributing (comments, ratings, reviews, forum discussions) is one of the ways social networks can be used. Research has shown that the user-generated content had an impact on consumer behavior and buying decisions (Sharma & Verma, 2018). The role of the social networks is especially reflected in the post-purchase behavior part of the process, in which the consumers express their attitude and satisfaction toward the products (Nagamalar & Ravindran, 2019). Social networks make it easier for the brands to get feedback in the form of comments and reviews from consumers (Miranda, Rubio, Chamorro & Loureiro, 2014). Hence:

HYPOTHESIS 3: Most consumers comment on social media about their recent purchases.

3.3.4 Hypothesis 4

It is interesting that the average daily social media usage has been increasing throughout the years. For comparison purposes, in 2012 the average daily social media usage was only 90 minutes per day, and in 2022 it was 2 hours and 27 minutes (Dixon, 2022). From the statistics available on the Macedonian State Statistical Office's website, it is evident that as the number of social network users increased, so did the number of individuals who were buying online (State Statistical Office, 2021). Therefore:

HYPOTHESIS 4: The more time users spend on social media, the more likely they are to purchase products directly from a company's profile.

3.3.5 Hypothesis 5

Nowadays if consumers want to ask for recommendations they post on social networks and crowdsource answers from family, friends, or even strangers (information search), or go through comments of the previous buyers (Nolcheska, 2017). The technology has enabled an evolution of the information search process, at it is very different from what it was the physical retail environment (Chen, Lee, Wu, Sung & Chen, 2017). Consumers now spend more time on research and read more reviews to make sure their decision is the right one (Barysevich, 2020). Instagram is mostly used for posting or sharing photos or videos, to follow or find information about products or brands, and for finding funny or entertaining content (Gwi, 2022).

HYPOTHESIS 5: Instagram users are more likely to use the social networks to find information about products than Twitter users.

3.3.6 Hypothesis 6

In addition to their use by social network users for communication, social networks are being used by companies, celebrities, influencers, and PR agencies as an effective marketing tool as well (Menon, 2022). Some products sell better when endorsed by influencers - for example clothes, cosmetics, shoes, and services. Influencers do endorse food, electronics and jewelry, but people rely on other factors as well when buying such products (Zak & Hasprova, 2020). Hence,

HYPOTHESIS 6: Most consumers are likely to buy a product if it is endorsed by an influencer.

3.3.7 Hypothesis 7

The social networks have led to a greater transparency (Sheth, 2018). Social network users connect to other users and share information about products, services, or brands, and they consider their peers more trustworthy (Kozinets, 2002). Consumers are likely to trust a recommendation from a friend more than a commercial source, yet commercial sources are where consumers get the most information (Schwartz, Luce & Ariely, 2011). Hence:

HYPOTHESIS 7: Consumers trust posts and suggestions from friends and family the most.

3.3.8 Hypothesis 8

Following the companies on the social networks becomes a valuable source of information for consumers, especially about new products, discounts and sales (Kunz & Hackworth, 2011). Companies may use their own media to reach out to their consumers and instill a favorable brand image through passive exposure (Colicev, Malshe, Pauwels & O'Connor, 2018). Therefore:

HYPOTHESIS 8: Most consumers use the company's own social network profile when they want to find out more information about a certain product.

3.3.9 Hypothesis 9

Depending on the generation they belong to, consumers have appetites for different types of products, and also, different type of (advertising) content. These generations prefer different social networks, and they have different habits when using them. Their expectations from the companies on the social networks are different as well (Sproutsocial, 2021). Hence, I hypothesize:

HYPOTHESIS 9: Generation Z uses Instagram more often than Facebook.

3.4 Methodology

The research is correlational, of a quantitative nature. The instrument that was used is a survey questionnaire. The survey was conducted through a specially designed questionnaire that served as a tool for measuring the subject of research. A quantitative questionnaire (structured survey) was designed for social network users. Similar research has been conducted in India, Turkey, and Kosovo (Jashari & Rrustemi, 2017). The questionnaire was available in Macedonian since I had access to mostly Macedonian social network users.

The questionnaire was composed of 20 questions divided into three groups (see Appendix 2):

– 1st group - Usage of social networks and type of content - 5 questions
– 2nd group - Buying decision and social networks - 11 questions
– 3rd group - Demographic - 4 questions

With the questionnaire, I wanted to find out the experiences, habits, attitudes, tendencies, perceptions, and opinions of social network users about their usage of social networks and how they combine social networks with the buying decision process. The respondents were asked to choose one, or a a few of the offered responses, depending on the questions. The respondents were able to state their opinions through multiple-choice, multiple-choice grids, checkboxes, checkboxes grids, and linear scales.

The instructions for filling the questionnaire were given in the beginning, and some additional instructions were included in the questions where it was needed. The first group of questions consisted of five questions, with the first question being a filter question. The purpose of the first question was to exclude non-social network users from the research. For the next question, I designed a seven-level scale which enabled me to measure the frequency of social network usage, and the respondents could choose one of the seven options for each social network. This scale was loosely based on a previously validated five-level scale (Jothi & Gaffoor, 2017), which I updated, and additionally included options for "I do not have a profile" and "not at all".

Throughout all groups of questions, I used five-level rating scales for measuring different opinions and attitudes. These scales were used in six questions. Each five-level scale enabled the respondents to rate different activities, opinions, and attitudes from 1 to 5. What is in common for all these scales is that 1 as the lowest value meant strong disagreement with the statement, and 5 meant strong agreement. The middle option (3) was available in each scale, as a neutral statement. The meaning of the grade levels changed with the context of the question. For the level of influence of different types of content on the decision to purchase a product the scale ranged from 1 (does not influence at all) to 5 (strongly influences), while for other questions the scale was slightly modified. For example, for measuring the level of informativeness of the types of content the scale ranged from 1 (not informative at all) to 5 (very informative).

Nominal scales were used for selection of categories in all questionnaire groups, especially in the third group of questions which were related to the demographics data. In total, I used nominal scales for 13 questions. The types of products I offered as a choice in Question 16 were based on previous research conducted by (Jothi & Gaffoor, 2017). The reasons for using social networks and the type of content that influences social network users were borrowed from GWI's flagship report on the latest trends in social media (Gwi, 2022), and further modified.

The questionnaire was online for five days (16-20 September 2022) and distributed through social networks (Facebook, Instagram and TikTok). One limitation in the distribution of the questionnaires is that TikTok has only video-based content, and Instagram is photo and video-based, so it was more difficult to reach the users for the purpose of this research. On Facebook, I collected the data by sharing a link, for Instagram and TikTok I published separate posts (photo/video) with instructions to click the link in bio.

3.4.1 Sample description

The population that was included in the research are social network users, and the sample size was planned to cover approximately 150 social network users. The only prerequisite for participation was the individuals to be users of at least one social network.

I used social network users that were conveniently available (located mostly in Republic of North Macedonia), so for this research, I used convenience sampling. This is pilot research, and even though I would not be able to generalize the results, it could serve as a good base for further research, and convenience sampling would be enough to fulfill the purpose of this thesis.

A total of 164 respondents filled out the questionnaire, from which 16 were not social network users, and their answers will not be included in the analysis and interpretation of the data. The respondents who declared that they were not social media users automatically submitted the questionnaire, and I did not record any additional answers for them.

The purpose of the last four questions in the questionnaire was to collect the demographic data on the respondents' generation, gender, ethnicity and level of education. Regarding all four questions the respondents could choose only one answer.

According to the received answers, 52.7 % of the respondents were female, 45.9 % were male, while the rest did not declare their gender. The largest percentage of the population that has filled out the questionnaire are Generation Z and Millennials. The questionnaire was available on the social networks, and this is expected, because according to the State Statistical Office of the Republic of North Macedonia (2021), these generations use the Internet and social networks the most. Therefore, Generation Z are the most numerous with 49.3% representation, followed by Millennials with 38.5%, then Generation X with 10.8% and Baby Boomers with 1.4%.

It is logical that older generations such as Generation X and Baby Boomers will be less present on social networks, since this is a generation that has become familiar with the Internet in their older years. They are still adapting to the new digital environment, new technologies and the Internet.

Since the largest portion of the respondents are Generation Z and Millennials, it is expected that most of the respondents have a bachelor's degree (42.6%) or have graduated high school (41.9%). In addition, 10,8% hold a master's degree, 3.4% have a doctorate degree, and 1.4% have finished only elementary school.

The questionnaire was available in Macedonian, and therefore the largest portion (91.2%) of the respondents is Macedonian, and the representation of other ethnicities is shown in Appendix 3.

3.4.2 Descriptive statistics

3.4.2.1 Question 2

Question 2: How frequently do you use these specific social networks?

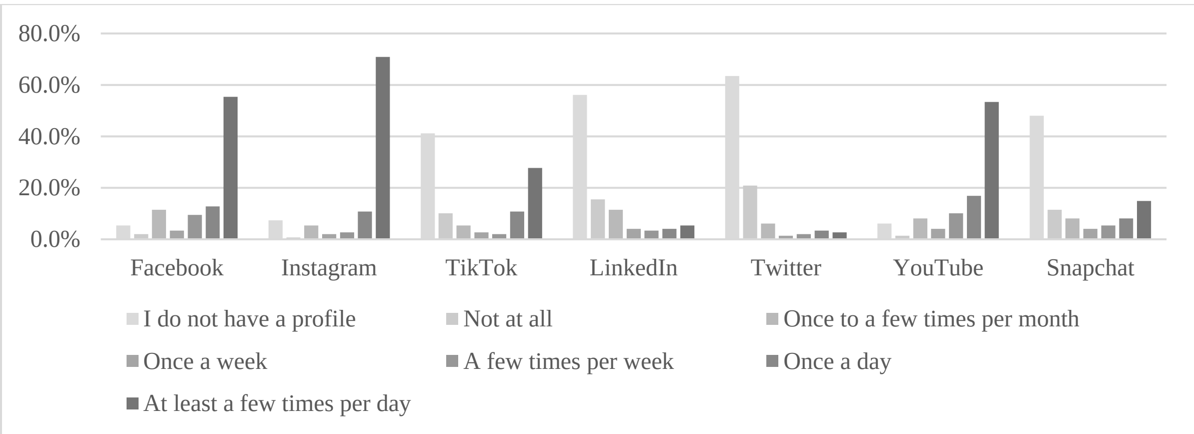
The answers to the question – "How frequently do you use these specific social networks?" varied depending on the type of social network. The most popular social networks with the respondents were Facebook and Instagram (see Appendix 4), while most respondents did not have a profile on Twitter (63.5%), LinkedIn (56.1%), Snapchat (48%), and surprisingly, TikTok (41.2%). YouTube is third in popularity, followed by TikTok.

Instagram is the social network that 70.9% of respondents use at least a few times per day, followed by Facebook with 55.4%. Instagram and Facebook are dominant and they are undoubtedly the most frequently used social networks, as presented in Figure 2. The answers show that the respondents use social networks frequently.

High contrast can be noted in the case of TikTok because 41.2% of the respondents answered that they did not have a profile, while on the other hand, 27.7% use it at least a few times per day, and 10.8% use it once a day.

With further analysis I got the results that 27,8% of respondents who do not have a TikTok profile belong to Generation Z, and 55,7% are Millennials. Generation Z are indeed the most numerous on TikTok - 78% of the respondents who use TikTok at least a few times per day, belong to Generation Z. On the other hand, only 19.5% of respondents who use TikTok a few times per day are Millennials.

Figure 2: Frequency of social network usage



Source: Own work.

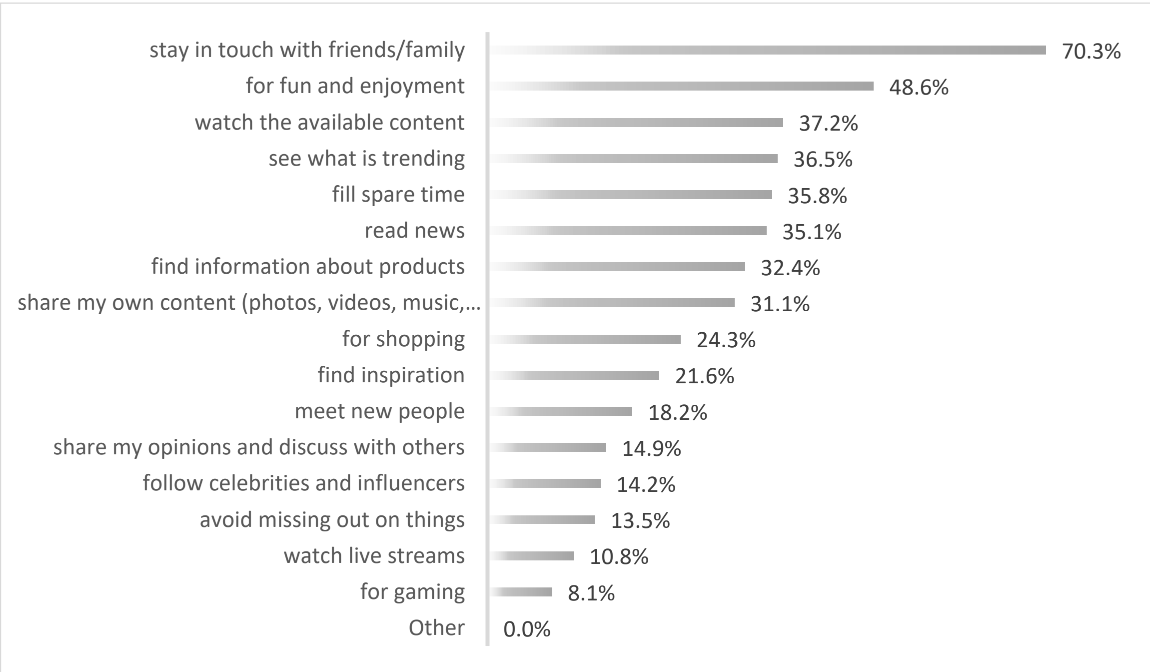
3.4.2.2 Question 3

Question 3: Why do you use social networks such as Facebook, Instagram, and TikTok?

The third question referred to the reasons why users use social networks, and the question was formulated as follows: "Why do you use social networks such as Facebook, Instagram, and TikTok?". The respondents could choose more than one reason for using social networks. Some of the respondents chose one reason only, but there were cases when they chose a combination of two, three, or more reasons. The results are displayed in Figure 3.

The most frequent reason was "stay in touch with friends/family" which was selected by 70.3% of respondents. Furthermore, 48.6% of respondents stated that they use social networks “for fun and enjoyment”. Other frequent reasons for usage are “watch the available content“ (37.2%), “see what is trending” (36.5%), “fill spare time” (35.8%), “read news” (35.1%).

Figure 3: Reasons for using social networks



Source: Own work.

For this research, it is relevant that 32.4% of respondents use social networks to find information about products. From the respondents who use the social networks to find information about products, 47.9% belong to Generation Z, 37.5% are Millennials and 14.6% are Generation X. This means that the younger audiences use the social networks to find information about products more than the older generations.

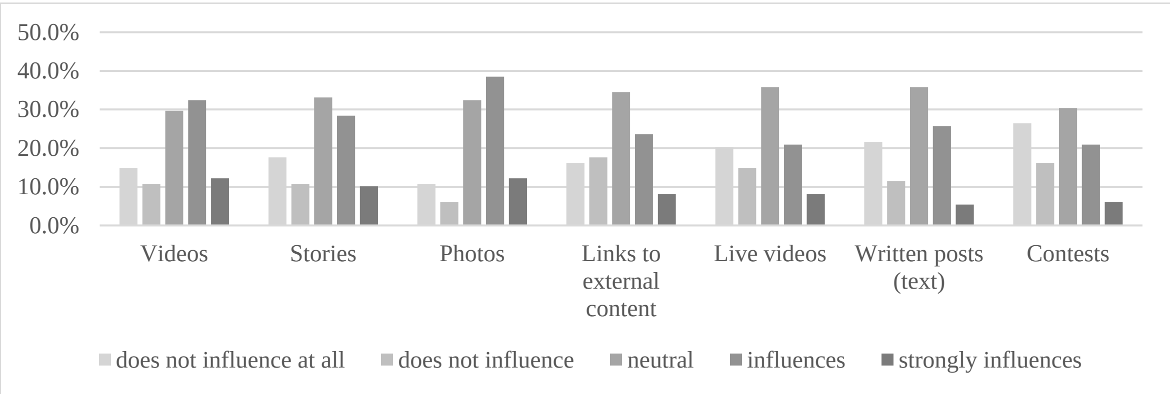
It is also interesting that 14.2% of the total number of respondents use the social networks to follow celebrities and influencers, but only 23.8% of the respondents who use the social networks for this purpose are likely to buy a product that is being endorsed by an influencer. Even though they use the social network to follow influencers and celebrities, they are not very likely to buy a product that is being endorsed by them.

3.4.2.3 Question 4

Question 4: Please rate the level of influence of different types of content on your decision to purchase a product (a product that is introduced in that content).

With the fourth question I wanted to find out about the influence of different social network content on the respondents' decision to purchase a product. The respondents could choose one option for each type of content, ranging from 1 (Does not influence at all) to 5 (Strongly influences). In Figure 4 I presented the level of influence of different types of content.

Figure 4: Level of influence of different types of content



Source: Own work.

What is similar for all types of content is that each of them received a lot of "neutral" answers (for details see Appendix 5). From the results it can be concluded that the photos are the most influential type of content with 12.2% of the respondents answering that they strongly influence their decision, and 38.5% that they influence their decision. Photos got the highest mean of all with a value of 3.35 and standard deviation of 1.118. Next in line are the videos, with 12.2% of respondents claiming that they strongly influence their decision, and 32.4% claiming that they influence their decision. Their mean is 3.16 with a standard deviation of 1.224. In all other content (except for photos and videos) the number of "neutral" answers has the highest frequency. The tables of the frequencies, means and standard deviation are all included in Appendix 5.

Social network contests received the lowest score of all content, with 26.4% of respondents claiming that contests do not influence their decision at all, and 16.2% that they do not influence. Their mean is 2.64 with a standard deviation of 1.245.

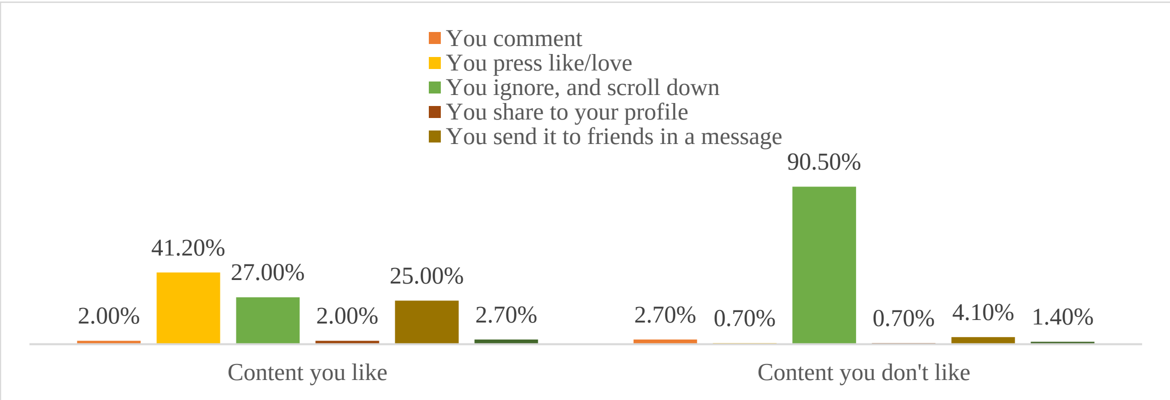
3.4.2.4 Question 5

Question 5: How do you most often react to content published by companies on social networks?

As expected, respondents react differently to content they like and content they do not like. 90,5% of respondents claimed that they "ignore and scroll down" when they encounter content published by companies that they do not like. On the other hand, when respondents see content they like, 41.2% of them press like or love, 25% of them send it to friends in a message, and 27% of them ignore it and scroll down. The results are presented in Figure 5.

In both content they like, and do not like, a very small percentage of respondents leaves comments on the content, tags their friends, and shares to their profile. This means that their level of direct engagement with the companies' content is generally low, and most engagement is generated for the content the respondents like when they press like or love, or send it to friends.

Figure 5: Reactions to content published by companies on social networks



Source: Own work.

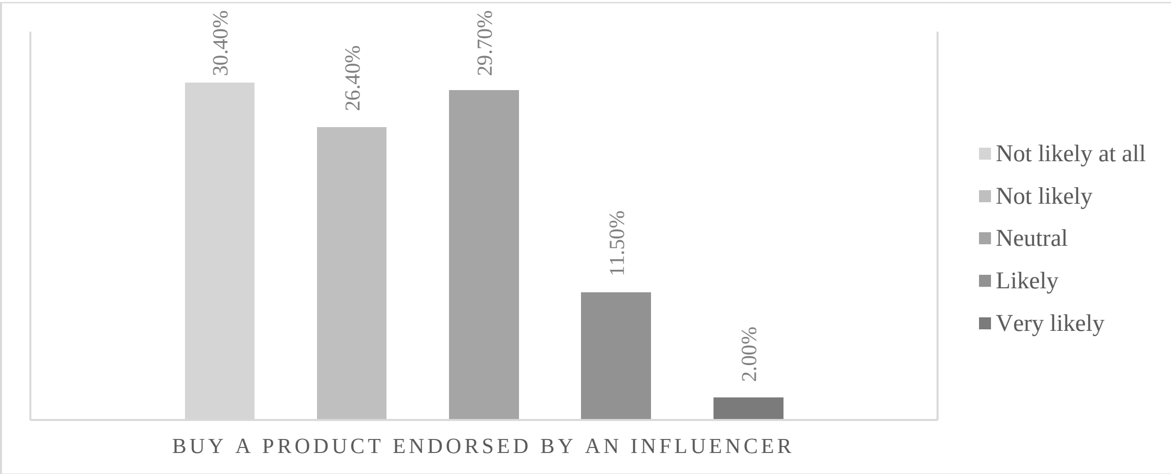
3.4.2.5 Question 6

Question 6: How likely are you to buy product that is being endorsed by an influencer?

Surprisingly, respondents are generally not very likely to buy a product that is being endorsed by an influencer. The majority of respondents (30.4%) stated that they are "not likely at all" to buy a product that is being endorsed by an influencer, 26.4% of respondents claim that they are "not likely" to buy a product endorsed by an influencer, and 29.7% of them are neutral. The results are presented in Figure 6.

This leaves us very little respondents who are likely to buy (11.50%) a product that is endorsed by influencers, and only 2% of them are very likely. The mean is 2.28, and the standard deviation is 1.082.

Figure 6: Likely to buy a product that is endorsed by an influencer



Source: Own work.

3.4.2.6 Question 7

Question 7: Have you ever bought a product because you have seen an ad on social networks?

The answers to this question show that the majority of the respondents have bought a product because they have seen an ad on social networks. More than half of respondents (53.4%) have answered that they have bought a product up to a few times, while 6.8% buy products all the time. If we look at the structure of respondents, it can be concluded that 46.83% of those who have bought a product up to a few times belong to Generation Z, and 39.24% are Millennials.

Still, a large percentage of respondents (39.9%) have never ordered a product just because they have seen an ad on social networks. If we look at the structure of respondents, it can be concluded that 52.54% of those who have never bought a product up to a few times belong to Generation Z, and 37.88% are Millennials.

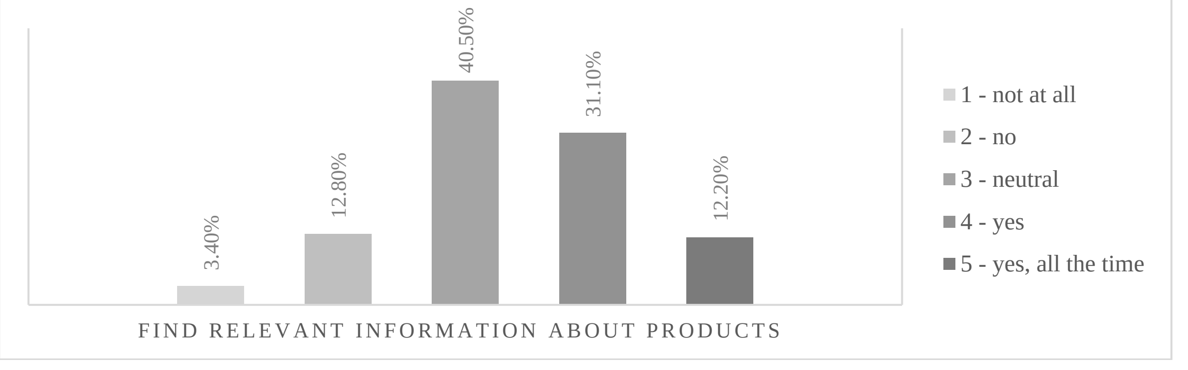
3.4.2.7 Question 8

Question 8: On a scale from 1 to 5, do you think you can find relevant information on social networks about the products you want to buy?

Most of the respondents (40.5%) are neutral about finding information on social networks about products they want to buy. Still, 31.1% of them think they can find relevant information on social networks, while 12.2% use the social networks as a source of information all the time. The results are presented in Figure 7.

The lower values of the scale were chosen by fewer respondents – 3.4% claimed that they cannot find relevant information on social networks at all, while 12.8% picked the grade 2 on the scale. The mode is 3, and the mean is 3.36, which reflects the tendency of respondents towards the higher grades of the scale.

Figure 7: Finding relevant information on social networks about products



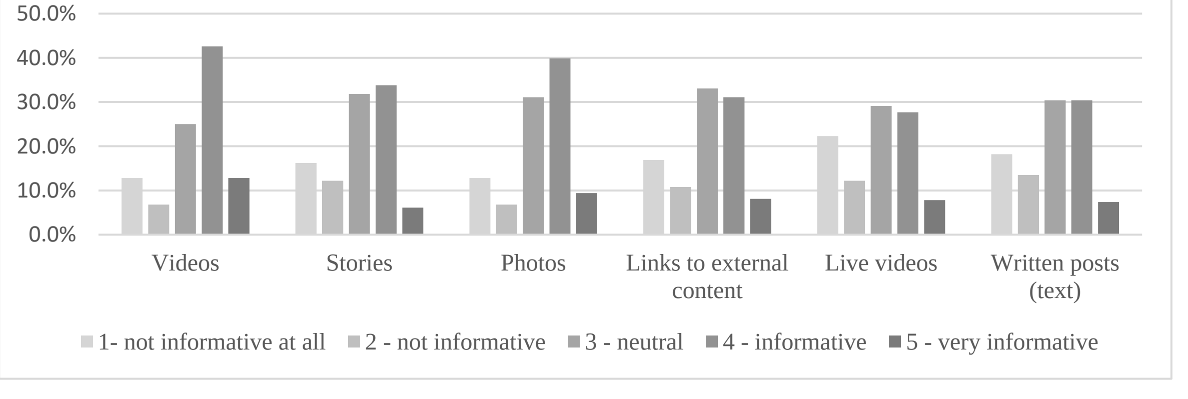
Source: Own work.

3.4.2.8 Question 9

Question 9: How informative are the following types of content when you want to buy a product and require more information?

In Question 9 the respondents could rate how informative the content on social networks is. With a mean value of 3.36, the videos were rated as the most informative content on social networks, followed by photos with a mean value of 3.26. The results are presented in Figure 8, and additional information is available in Appendix 6.

Figure 8: Informativeness of social network content



Source: Own work.

12.8% of respondents claimed that the videos were very informative, while 9.4% of respondents claimed the same about photos. Additionally, 42.6% of respondents claimed that the videos were informative, and 39.9 of respondents claimed the same about photos.

Live videos were rated as less informative than videos, and were actually rated as the least informative content. Stories and links to external content had very similar results and followed after videos and photos, while writtten posts (text) were rated as the second least informative content.

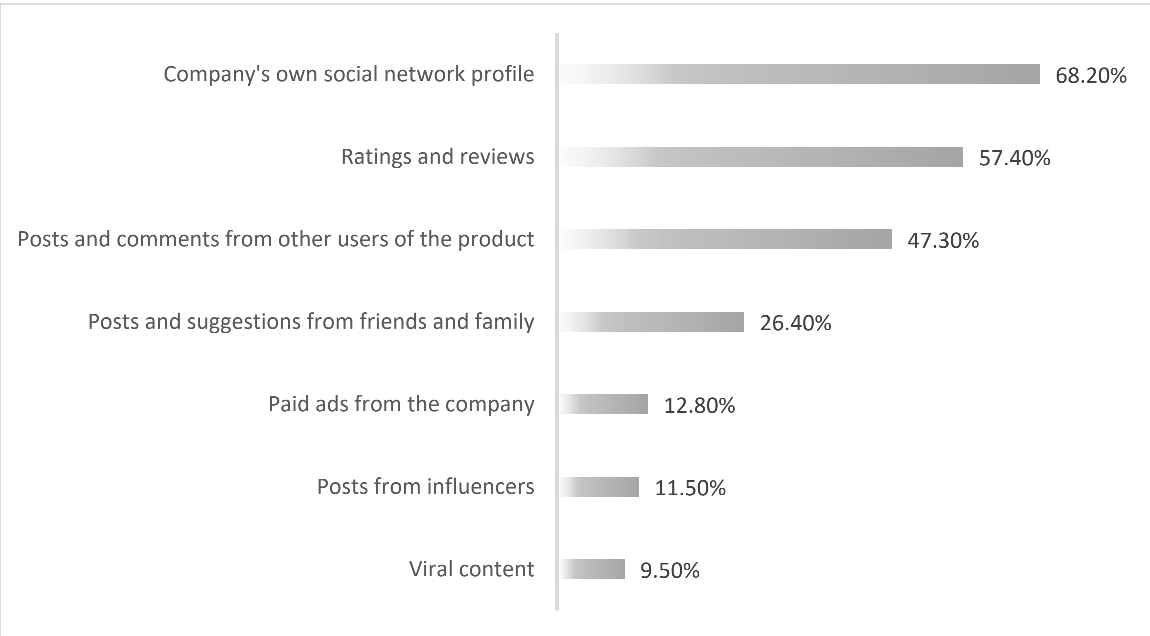
3.4.2.9 Question 10

Question 10: When you want to find out more information about a certain product, which sources of information do you usually use?

The respondents could choose one or more sources of information. Some of the respondents chose one source only, but there were cases when they chose a combination of two, three, or more reasons. The results are displayed in Figure 9.

Company's own social network profile is the most often used source of information, as 68.2% of respondents chose this source. Next are ratings and reviews with 57.4%, and posts and comments from other users of the product with 47.3%. Posts and suggestions from friends and family are used by 26.4% of respondents. Posts from influencers (11.5%) and paid ads from the company (12.80%) are not used often. The least used source of information is viral content with 9.5%.

Figure 9: Sources of information



Source: Own work.

3.4.2.10 Question 11

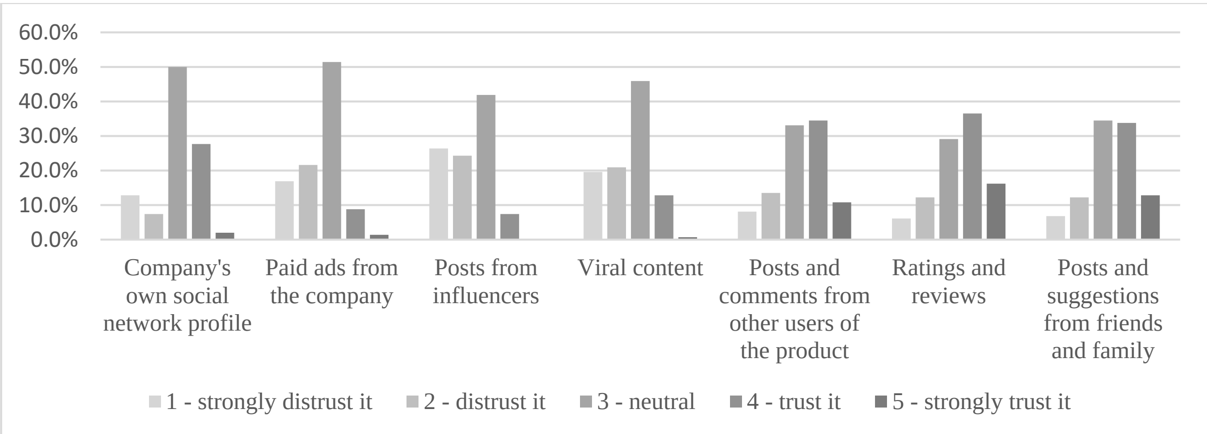
Question 11: To what extent do you trust the following sources when you want to find out more information about a certain product?

While in the previous question the majority of respondents claimed that they used the companies' own social network profiles when they needed information about certain products, it is not the source of information they trust most. The results are displayed in Figure 10, and additional information is available in Appendix 7.

Ratings and reviews got the highest mean of all, which equals 3.45. 16.2% of respondents claimed that they strongly trusted the ratings and reviews, and 36.5% of them claimed that they trust it. Next are posts and suggestions from friends and family, which got a mean of 3.34. 12.8% of respondents said they strongly trust this source, while 33.8% said they trust it.

Posts from influencers got the lowest score of all, with a mean of 2.30 and 0 respondents who strongly trust them. Only 7.4% of respondents trust posts from influencers. The greatest part of respondents (26.4%) strongly distrust them, followed by 24.3% who distrust them. Viral content and paid ads from the company got a similar score, and many respondents claimed that they do not trust these two sources.

Figure 10: Trust in information sources



Source: Own work.

3.4.2.11 Question 12

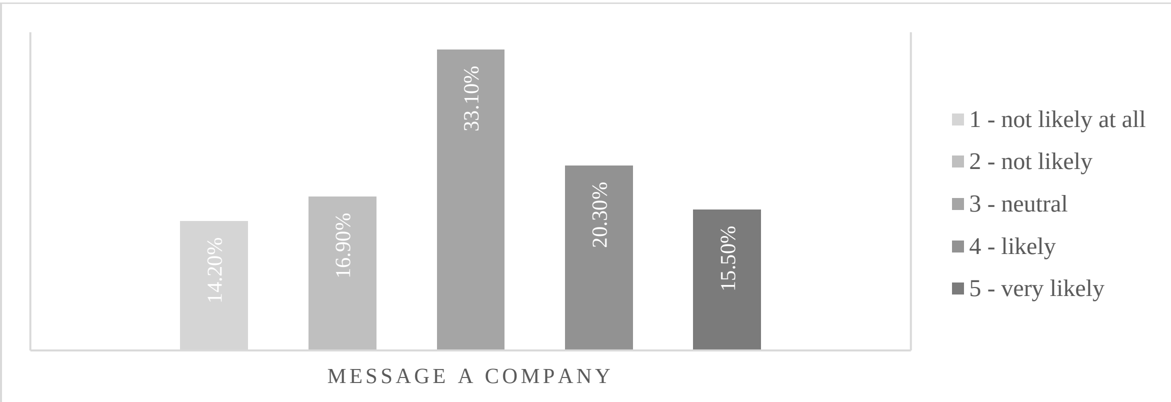
Question 12: How likely are you to message a company on social media to find out more information about a product?

Messaging a company directly on a social network can be a great way of obtaining information about products or services. However, the opinions of the respondents were divided regarding this statement (see Figure 11).

Regarding the answers, I got mostly “neutral“ answers, with 33.1% of respondents rating it with a 3, while the mean value across all answers was 3.06. The results show that most respondents are on the upper end of the scale (35.8% chose 4 or 5 on the scale). Out of them, 20.3% of respondents said that they are likely to message a company (4 on the scale), and 15.50% said that they were very likely to do it (5 on the scale). 65.2% of respondents who said they were very likely to message a company belong to Generation Z, and 53.3% of respondents who said they were likely to do so belong to Generation Z.

On the other hand 31.1% of respondents chose the lower end of the scale. Out of them 16.9% said that they were not likely, and 14.20% claimed that they were not likely at all to send a message to a company. 33.10% of respondents chose the “neutral“ option.

Figure 11: Likely to send message to a company



Source: Own work.

3.4.2.12 Question 13

Question 13: Have you ever ordered products directly from a company's profile on some social network (Facebook, Instagram, TikTok...)?

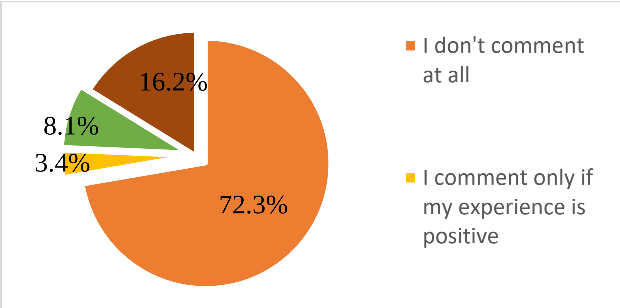
Only 16.9% of respondents have never ordered products directly from a company’s profile on some social network (Facebook, Instagram, TikTok…). On the other hand, 83.1% of respondents have ordered products directly from a company’s profile on some social network (Facebook, Instagram, TikTok…). 69.6% of them have ordered products up to a few times, while 13.5% do it all the time (see Appendix 8).

3.4.2.13 Question 14

Question 14: After you make a purchase, do you share your opinions and reviews on the product on the brand's social network profile?

Surprisingly, 72.3% of the respondents answered that they do not comment at all on the brand's social network profile after they make a purchase. 27.7% of respondents do comment, of which 3.4% of respondents comment only if their experience is positive, 8.1% comment only if their experience is negative and 16.2% of them comment for both positive and negative experiences. Figure 12 reflects the answers of the respondents.

Figure 12: Sharing opinions and revies after purchase



Source: Own work.

3.4.2.14 Question 15

Question 15: Do you follow at least one influencer?

61.5% of respondents have answered that they follow at least one influencer on social networks, while 38.5% claimed that they do not follow influencers.

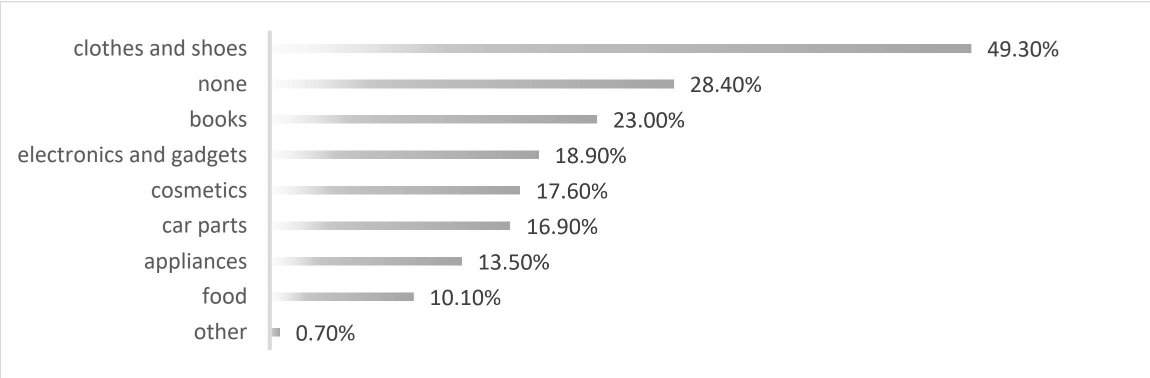
3.4.2.15 Question 16

Question 16: What are the types of products you are most likely to buy just because you've seen a social network post from influencers?

The respondents could choose one or more types of products they were most likely to buy just because they've seen a social network post from influencers. Some of the respondents chose one product only, but there were cases when they chose a combination of two, three, or more products. The results are displayed in Figure 13.

As expected, the majority of respondents (49.30%) answered that they are most likely to buy clothes and shoes because they have seen a social network post from influencers. It is interesting that 28.4% of respondents claimed that they would not buy any product just because they have seen a social network post from influencers.

Figure 13: Types of products



Source: Own work.

3.4.3 Hypotheses testing

The nine hypotheses which were developed were tested using SPSS. The proposal is "The content available on social media affects the buying decision process.", and it will be discussed through the nine hypotheses.

HYPOTHESIS 1: Different types of content affect the decision to buy to a different extent.

To test this hypothesis I analyzed the results from Question 4 in which respondents could rate the level of influence of different types of content on their decision to purchase a product. All types of content taken into consideration, the photos have reached the highest mean of all, and its value is 3.35. Next in line are the videos, with a mean of 3.16, stories with a mean of 3.03 and all the rest of the content with a mean below 3 (for details see Appendix 5).

For testing this hypothesis, I used the paired samples t-test to compare the extent to which the types of content affect the decision to buy between types of content (see Table 1). I paired the variables that got the highest mean value of all (photos and videos), similar content (videos and live videos), and photos and social network contests (the highest and lowest mean value). The null hypothesis would be that there is no difference between the extent of effect of different types of content on the decision to buy, and the alternative hypothesis is that there is difference between the extent of effect of different types of content on the decision to buy.

Table 1: Paired samples test for Hypothesis 1

Paired Samples Test

		Paired Differences					t	df	Significance	
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference Lower	Upper			One-Sided p	Two-Sided p
Pair 1	P4-Video - P4-Photo	-.189	.891	.073	-.334	-.044	-2.583	147	.005	.011
Pair 2	P4-Video - P4-Live	.345	1.135	.093	.160	.529	3.693	147	<.001	<.001
Pair 3	P4-Photo - P4-Comp	.709	1.316	.108	.496	.923	6.559	147	<.001	<.001

Source: Own work.

The null hypothesis is rejected, as the absolute t-value for each of the tested pairs is greater than the critical t-value. Hence, the assumption of the hypothesis is confirmed, and different types of content affect the decision to buy to a different extent.

HYPOTHESIS 2: Consumers are likely to message a company on social media to find out more information about a product.

Based on answers to Question 12, the respondents had divided opinions about the likelyhood of them messaging a company on social media to find out more information about a product. About one third of the respondents selected the neutral answer, while the rest were almost evenly divided between negative and positive answers about messaging a company. The mean value was 3.06.

One sample t-test was used to test this hypothesis (see Appendix 9). The null hypothesis is that the consumers are neither likely nor unlikely to message a company on social media to find out more information about a product (their response is neutral), and the test value is 3. The alternative hypothesis is that their response is not neutral.

The results show that the mean is slightly greater than the tested value of 3. However, the value of p shows that this is not statistically significant, and therefore the null hypothesis cannot be rejected. Therefore, the hypothesis 2 cannot be confirmed meaning that we cannot claim that consumers are likely to message a company on social media to find out more information about a product.

HYPOTHESIS 3: Most consumers comment on social media on their recent purchases.

The third hypothesis has been tested using answers to Question 14, where the respondents selected one of the answers of how whether they share their opinion on the brand's social network profile after the purchase. They could select any of the four answers: I don’t comment at all, I comment only if my experience is positive, I comment only if my experience is negative, I leave comments for both positive and negative experiences.

For the purpose of testing, I merged all the positive answers (I comment only if my experience is positive, I comment only if my experience is negative, I leave comments for both positive and negative experiences), and compared them to "I don't comment at all". Majority (72.3%) answered that they do not comment at all.

To test this hypothesis, I used a one-sample chi-square test. The null hypothesis is both categories occur with equal probabilities. The results from the one-sample chi-square test are presented in Table 2.

Table 2: One-Sample Chi-Square Test Summary for Hypothesis 3

One-Sample Chi-Square Test Summary

Total N	148
Test Statistic	29,432[a]
Degree Of Freedom	1
Asymptotic Sig.(2-sided test)	<.001

a. There are 0 cells (0%) with expected values less than 5. The minimum expected value is 74.

Source: Own work.

As the p value is smaller than .05, it can be confirmed that there is a statistically significant difference. The null hypothesis is rejected, and it is safe to say that the categories do not occur with equal probabilities. In conclusion, most consumers do not comment on social media on their recent purchases, thus Hypothesis 3 is not supported.

HYPOTHESIS 4: The more time users spend on social media, the more likely they are to purchase products directly from a company's profile.

For the purpose of testing this hypothesis, I combined and analyzed answers to two questions: Question 2 about frequency of social media use and Question 13 about ordering products directly from a company's profile on social network. A new variable was created (FrequencySMmax). The value of the FrequencySMmax variable for each respondent equals the highest frequency of social media usage chosen by the respondent for any of the social networks offered in Question 2.

In short, for each respondent I selected the highest frequency (I do not have a profile; Not at all; One to a few times per month; Once a week; A few times per week; Once a day; At least a few times per day) they have selected for either of the social networks offered (Facebook, Instagram, TikTok, LinkedIn, Twitter, YouTube, Snapchat) and recoded it as a new variable. The highest frequency they chose for either of the social networks became the value in this new variable.

Additionally, some of the values of the answers were merged to simplify the testing and results. The value “I do not have a profile” was on its own, but it was not present in the new variable due to the fact that all respondents were social network users, and at least in one of the answers they chose had a higher frequency value than this one. The values for “Not at all” and “One to a few times per month” were merged together as one value, and “Once a week”, “A few times per week”, and “Once a day” were merged as well. “At least a few times per day” remained on its own.

For the testing, one more variable was created – already_bought_YES_NO, which merges the positive answers from Question 13 - “Yes, up to a few times” and “Yes, I do it all the time”. Both positive answers were converted into a “yes” value for the new variable, and the negative answer remained “no” in the new variable. As a reminder, Question 13 was “Have you ever ordered products directly from a company's profile on some social network (Facebook, Instagram, TikTok...)?”.

Finally, a chi-squared test was conducted for the two new variables, FrequencySMax and already_bought_YES_NO. The results are presented in Table 3 and Table 4.

Table 3: Variables count for Hypothesis 4

frequencySMmax * already_bought_YES_NO Crosstabulation

Count

		already_bought_YES_NO		
		No	Yes	Total
frequencySMmax	Not at all / One to a few times per month/Once a week / A few times per week / Once a day	4	14	18
	At least a few times per day	21	109	130
Total		25	123	148

Source: Own work.

Table 4: Chi-Square Tests for Hypothesis 4

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.415[a]	1	.520		
Continuity Correction[b]	.095	1	.758		
Likelihood Ratio	.389	1	.533		
Fisher's Exact Test				.509	.360
Linear-by-Linear Association	.412	1	.521		
N of Valid Cases	148				

a. 1 cells (25.0%) have expected count less than 5. The minimum expected count is 3.04.

b. Computed only for a 2x2 table

Source: Own work.

If we observe Table 3, it can be noted that the respondents who use social networks most (at least a few times per day) have already bought more than those who use the social network less often.

However, in the chi-square test, the results show no relationship between the two variables (please see Table 4). The p-value (.509) indicates that there is no statistically significant relationship between the variables, and chance was at play. The calculated value of chi-square is smaller than the chi-square critical value, hence the null hypothesis cannot be rejected. That means that the chosen answers occurred by chance, and Hypothesis 4 cannot be supported.

HYPOTHESIS 5: Instagram users are more likely to use the social networks to find information about products than Twitter users.

For testing this hypothesis, I wanted to compare between two groups of respondents, and who either have an Instagram profile, or a Twitter profile based on answers to Question 2. The respondents who did not use either of the two social networks, and the respondents who used both of the social networks were excluded from the analysis. The focus was supposed to be only on the respondents who used Instagram or Twitter, in order to be able to compare the groups.

Of all respondents, only 137 had a profile or used Instagram, and only 54 had a profile or used Twitter. When I excluded the respondents who had a profile on or used both social networks, I was left with very few respondents who used Twitter, but not Instagram, and even those who used Twitter used it very rarely. For Twitter, 92 of these respondents did not have a profile, 2 respondents did not use Twitter at all, and only 1 used it once a day. In the responses of these respondents, there were not answers indicating a more frequent use.

A chi-square test was planned for testing this hypothesis. However, the chi-square test could not be conducted due to the fact that very few people were actually using Twitter. Therefore, this hypothesis could not be accepted neither rejected, due to the structure of the respondents' answers, and a lack of substantial information.

HYPOTHESIS 6: Most consumers are likely to buy a product if it is endorsed by an influencer.

As influencers are very present on the social networks lately, and many brands use their budgets on influencer marketing, I assumed that most consumers are likely to buy a product if it is endorsed by an influencer. However, the results related to Question 6 show that respondents are generally not likely to buy a product that is being endorsed by an influencer. The mean value across all response categories was 2.28.

Even though recent literature suggests that influencers have increased sales for many companies, and there are many examples of successful marketing campaigns between influencers and companies, the majority of respondents (30.4%) stated that they are “not likely at all“ to buy a product that is being endorsed by an influencer. Next, 26.4% of respondents claim that they are “not likely“ to buy a product endorsed by an influencer, and 29.7% of them are neutral.

If we examine the answers further, it can be concluded that 37.7% of the respondents who are “not likely at all“ to buy a product endorsed by an influencer, actually follow at least one influencer on social networks.

In addition, 69.2% of the respondents who are “not likely“ to buy a product that is endorsed by an influencer follow at least one influencer on social networks, and 72.72% of the respondents whose answer was “neutral“ follow at least one influencer. In conclusion, even though most of the respondents follow influencers, they are not likely to buy the products they are endorsing. This leaves us very little respondents who are likely to buy (11.50%) a product that is endorsed by influencers, and only 2% of them are very likely.

Table 5: One-Sample Chi-Square Test Summary for Hypothesis 6

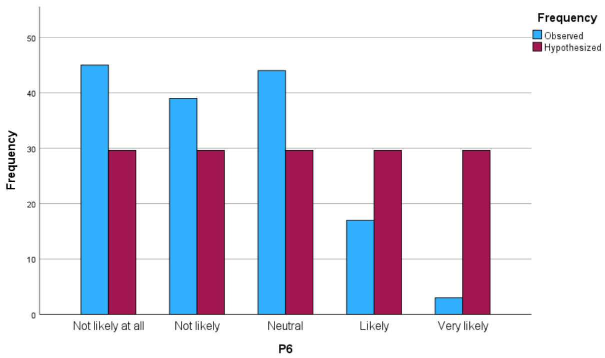
One-Sample Chi-Square Test Summary

Total N	148
Test Statistic	47,270[a]
Degree Of Freedom	4
Asymptotic Sig.(2-sided test)	<.001

a. There are 0 cells (0%) with expected values less than 5. The minimum expected value is 29,600.

Source: Own work.

Figure 14: Likely to buy a product endorsed by an influencer



Source: Own work.

One-sample Chi-square test was used to determine if the results differed from randomness (see Table 5, and Figure 14). From the results, it can be noted that these responses did not occur randomly. There is a statistically significant difference between the five possible responses. In conclusion, this means that most consumers are not likely to buy a product if it is endorsed by an influencer. The hypothesis 6 is not accepted.

HYPOTHESIS 7: Consumers trust posts and suggestions from friends and family the most.

For the purpose of testing hypothesis 7, I analyzed answers to Question 11. In the responses, ratings and reviews got the highest mean of all, which equals 3.45. 16.2% of respondents claimed that they strongly trusted the ratings and reviews, and 36.5% of them claimed that they trust it. Next are posts and suggestions from friends and family, which got a mean of 3.34. 12.8% of respondents said they strongly trust this source, while 33.8% said they trust it. 10.8% of respondents claimed they strongly trusted posts and comments from other users of the product, while 34.5% said they trusted it.

Posts from influencers got the lowest score of all, with a mean of 2.30 and 0 respondents who strongly trust them. Only 7.4% of respondents trust posts from influencers. The greatest part of respondents (26.4%) strongly distrust them, followed by 24.3% who distrust them. Viral content and paid ads from the company got a similar score, and many respondents claimed that they do not trust these two sources. I used the Paired Samples Test, and the results are presented in Table 6. Additionally, more information can be found in Appendix 10.

Table 6: Paired Samples Test for Hypothesis 7

		Paired Differences							Significance	
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference Lower	Upper	t	df	One-Sided p	Two-Sided p
Pair 1	P11-6 / Ratings and reviews - P11-7 / Posts and suggestions from friends and family	.108	.927	.076	-.042	.259	1.419	147	.079	.158
Pair 2	P11-5 / Posts and comments from other users of the product - P11-7 / Posts and suggestions from friends and family	-.074	.881	.072	-.217	.069	-1.026	147	.153	.307

Source: Own work.

The null hypothesis would be that there is no difference between the variables in the pairs, while the alternative hypothesis would be that there is difference between the variables in the pairs.

For the Pair 1, the standard alpha level is .05, and .158 is greater than .05. For the Pair 2, the standard alpha level is .05, and .307 is greater than .05. The null hypothesis cannot be rejected, as the absolute t-value for each of the tested pairs is lower than the critical t-value.

While the frequencies do show that ratings and reviews got the highest score, and posts and suggestions from friends and family came in second, the paired samples t-test shows that there is practically no difference between the variables, as their score is very similar. It is safe to say that the posts and suggestions from friends and family are among the most-trusted sources, so the hypothesis 7 can be confirmed.

HYPOTHESIS 8: Most consumers use the company's own social network profile when they want to find out more information about a certain product.

Company's own social network profile is the most often used source of information, as 68.2% of respondents chose this source. Next are ratings and reviews with 57.4%, and posts and comments from other users of the product with 47.3%. Posts and suggestions from friends and family are used by 26.4% of respondents.

Posts from influencers (11.5%) and paid ads from the company (12.80%) are not used very often as a source of information. The least used source of information is viral content with 9.5%. The results from the test are presented in Table 7, and Table 8.

Table 7: Hypothesis Test Summary for Hypothesis 8

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.[a,b]	Decision
1	The categories of Company's own social network profile occur with equal probabilities.	One-Sample Chi-Square Test	<.001	Reject the null hypothesis.

a. The significance level is ,050.

b. Asymptotic significance is displayed.

Source: Own work.

Table 8: One-Sample Chi-Square Test Summary - Hypothesis 8

One-Sample Chi-Square Test Summary

Total N	148
Test Statistic	19.703[a]
Degree Of Freedom	1
Asymptotic Sig.(2-sided test)	<.001

a. There are 0 cells (0%) with expected values less than 5. The minimum expected value is 74.

Source: Own work.

One-sample Chi-square test was used to determine if the results differed from randomness. The null hypothesis is that the categories of company's own social network profile occur with equal probabilities..

Asymptotic Sig. (2-sided test) refers to the p value which is <.001, which is lower than 0.05. From the results, it can be noted that these responses did not occur randomly, and the chosen answers did not happen by chance. The null hypothesis can be rejected.

In conclusion, this means that most consumers really use the company's own social network profile when they want to find out more information about a certain product. The hypothesis 8 is accepted.

HYPOTHESIS 9: Generation Z uses Instagram more often than it uses Facebook.

To test this hypothesis, I included the data only for Instagram and Facebook (Question 2), while taking into consideration only respondents who belong to Generation Z. 73 (45.9%) of the respondents declared that were born from 1997 onward, so they belonged to Generation Z. I additionally excluded the respondents who claimed that they did not have a profile on Facebook or Insgraram.

In total, I analyzed the answers of 71 respondents. In Appendix 11, I have presented the tables with the descriptive statistics for both Facebook and Instagram. To test this hypothesis, I used the Wilcoxon Signed-Rank Test, and the results are presented in Table 9 and Table 10.

Table 9: Wilcoxon Signed-Rank Test Ranks for Hypothesis 9

Ranks

		N	Mean Rank	Sum of Ranks
P2-Insta - P2-Fb	Negative Ranks	2[a]	22.25	44.50
	Positive Ranks	36[b]	19.35	696.50
	Ties	33[c]		
	Total	71		

a. P2-Insta < P2-Fb

b. P2-Insta > P2-Fb

c. P2-Insta = P2-Fb

Source: Own work.

Table 10: Wilcoxon Signed-Rank Test Test Statistics for Hypothesis 9

Test Statistics[a]

	P2-Insta - P2-Fb
Z	-4.771[b]
Asymp. Sig. (2-tailed)	<.001

a. Wilcoxon Signed Ranks Test

b. Based on negative ranks.

Source: Own work.

From Table 9 it is evident that 2 respondents used Facebook more than they used Instagram, while 36 used Instagram more often than they used Facebook. In total, in 33 respondents we had a tied result, and they used Instagram and Facebook with the same frequency.

The p-value presented in Table 10 shows that there is a statistically significant difference in the frequency of usage of the social networks. In general, the Z-value shows that Facebook was used less frequently than Instagram by Generation Z. Hence, hypothesis 9 is supported.

PROPOSAL: The content available on the social media affects the buying decision process.

All nine hypotheses were related to the proposal. Four hypotheses were supported, four were not supported and one hypothesis was left untested due to limited data. The summary of the hypotheses is presented in Table 11.

Table 11: Summary table for hypotheses

	Hypothesis	Result
1.	Different types of content affect the decision to buy to a different extent.	Supported
2.	Consumers are likely to message a company on social media to find out more information about a product.	Not supported
3.	Most consumers comment on social media on their recent purchases.	Not supported
4.	The more time users spend on social media, the more likely they are to purchase products directly from a company's profile.	Not supported
5.	Instagram users are more likely to use the social networks to find information about products than Twitter users.	Cannot be tested
6.	Most consumers are likely to buy a product if it is endorsed by an influencer.	Not supported
7.	Consumers trust posts and suggestions from friends and family the most.	Supported
8.	Most consumers use the company's own social network profile when they want to find out more information about a certain product.	Supported
9.	Generation Z uses Instagram more often than it uses Facebook.	Supported

Source: Own work.

4 DISCUSSION AND IMPLICATIONS

4.1 Interpretation of findings

With the analysis of the results of the nine hypotheses, it was confirmed that the content (published by companies and other social network users) influences different stages of the buying decision process of social network users. According to Chaffey (2022) more than half of the world population (59%) uses social media, and the average daily social media usage has been increasing throughout the years (Dixon, 2022). The analysis led to a conclusion that most respondents are frequent social network users, as they used social networks at least a few times per day. Instagram and Facebook were the most popular social networks. On the other hand, the respondents rarely had a profile on Twitter, LinkedIn and Snapchat.

Different generations prefer different social networks (Gwi, 2022). Their expectations from the companies on the social networks are different as well (Sproutsocial, 2021). The fact that different generations prefer different social networks, could indicate that they prefer different types of content as well. My empirical study confirmed that Generation Z uses Instagram more often than it uses Facebook, therefore, it can be stated that they have different content interests when compared with other generations.

Social network users use social networks for different reasons, and keeping in touch with friends/family is the most frequent one (Gwi, 2022). According to my study too, staying in touch with friends/family is the most frequent reason (70.3%), followed by usage for fun and enjoyment (48.6%). Other frequent reasons for usage are "watch the available content" (37.2%), "see what is trending" (36.5%), "fill spare time" (35.8%), "read news" (35.1%), "find information about products" (32.4%).

Companies may use their own social network profiles to communicate with their consumers (Colicev, Malshe, Pauwels & O'Connor, 2018). Posting on social networks might be good for the companies, because according to my study, when they want to find out more information about a certain product, the social network users choose the company's own social network profile as the most often used source of information (68.2%). Next are ratings and reviews with 57.4%, and posts and comments from other users of the product with 47.3%. Posts and suggestions from friends and family are used by 26.4% of respondents.

Kunz and Hackworth (2011) discussed that following the companies on the social networks could be a valuable source of information for consumers, especially about new products, discounts, and sales. When respondents were asked about their opinion, whether they can find information on social networks about products, most of them (40.5%) had a neutral opinion. Still, 31.1% of them think they can find relevant information on social networks, while 12.2% use the social networks as a source of information all the time.

Previous research has shown that Instagram is mostly used for posting or sharing photos or videos, for following or finding information about products or brands, and for finding funny or entertaining content (Gwi, 2022). I hypothesized that the Instagram users were more likely to use the social networks to find information about products than Twitter users. I, however, was not able to test this hypothesis because of insufficient data. Among the respondents we had very few Twitter users, and that data was not enough for conducting the tests.

Social network users connect to other users and share information about products, services, or brands (Pookulangara & Koesler, 2011), and they consider their peers more trustworthy (Kozinets, 2002). While in my study most respondents claimed that they used the companies' own social network profiles when they needed information about certain products, it is not the source of information they trust the most. Social network users trust ratings and reviews the most, followed by posts and suggestions from friends and family. The scores of ratings and reviews and posts and suggestions from friends and family were very similar. It is safe to say that the posts and suggestions from friends and family are among the most-trusted sources.

According to Menon (2022), companies, celebrities, influencers, and PR agencies use social networks as an effective marketing tool, and according to Zak and Hasprova (2020) some products sell better when endorsed by influencers. On the other hand, my study shows that social network users distrust posts from influencers, and they are not very likely to buy a product that is being endorsed by an influencer. Still, nearly two thirds of the respondents follow at least one influencer on social networks. The reason behind these results might be the perception of the social network users that the influencers are untruthful, and that they have greater interest in their cooperation with the brand, rather than the interests of their own followers. The social network users might feel that influencers act in the interest of the brand they represent, rather than in the interest of the consumers (Singh, Crisafulli & Xue, 2020). Additionally, maybe some influencers do not align their content with the interests of their audience (Tafesse & Wood, 2021). Or maybe it is just human nature, and they are not willing to admit they could be influenced by other people.

Social networks are used for different purposes, and different types of content are available on them (Masciantonio, Bourguignon, Bouchat, Balty & Rimé, 2021). My study shows that social network users prefer different types of content, with photos and videos being the content that influences their decision to buy the most. The respondents could rate how informative the content on social networks is. With a mean value of 3.36, the videos were rated as the most informative content on social networks, followed by photos with a mean value of 3.26.

Wahid (2021) claimed that content engagement is very important for the companies, and the consumers who interact with the companies on the social networks help in the development of the company. My study shows that social network users react differently to content they like, and content they do not like. Most of them ignore and scroll down when they encounter content published by companies that they do not like. On the other hand, when respondents see content they like, 41.2% of them press like or love, 25% of them send it to friends in a message, and 27% of them ignore it and scroll down. In both content they like, and do not like, a very small percentage of respondents leaves comments on the content, tags their friends, and shares to their profile.

Social media allow the users to interact (Sheth, 2018), and the two-way communication on the social networks allows brands to engage their customers, to listen, and learn from them (Chopra & Gupta, 2020). Messaging a company directly on a social network can be a great source of information about products or services for consumers. However, the opinions of the respondents were divided regarding this statement. The answers generally gravitate toward the "neutral" answer, and are not as high as expected. 33.1% of respondents selected a neutral answer, 20.3% of respondents said that they are likely to message a company, and 15.50% said that they were very likely to do it. I did not explore the reasons why, but maybe this is because most of them use the company's social network profile to obtain information about the product, and they do not need additional information.

Being present on social networks can bring additional benefits to companies - such as acquiring new customers, better interaction with customers and an increase in income (Ndiege, 2019). More than half of respondents have answered that they have bought a product just because they have seen an ad on social networks. Still, a large percentage of respondents (39.9%) have never ordered a product just because they have seen an ad on social networks. On the other hand, 83.1% of respondents have ordered products directly from a company's profile on some social network (Facebook, Instagram, TikTok…).

4.2 Practical implications

My study has shown that almost half of the social network users think they can find relevant information about the products they want to buy on social networks. This leads to a conclusion that the companies should be active on the social networks and publish information about their products, as they might get discovered by social network users who require more information about some products, or are searching for substitute or complementary products. The younger generations use the social networks to find information about products more than the older generations.

With the rise of TikTok, came the rise of the video. So now, companies should focus on generating video content to present and promote their products. The results of my study showed that Generation Z is the most numerous generation on TikTok, so it would be wise for companies to tailor their TikTok content to this gemographics if they want to be relevant to the younger consumers. Additionally, as the results of my research show, companies should focus more on Instagram if they want to reach the younger demographics, and more on Facebook if their targets are the older generations.

More than 80% of the respondents claimed they have already ordered products directly from a company's profile on some social network (Facebook, Instagram, TikTok...). This means that the social networks are an important point of sale and should therefore be considered a valuable asset for the companies. Creating content, publishing on a regular basis and maintaining communication with consumers are one of the ways to keep the audience engaged and interested in the products.

The respondents in my study said they were not very likely to buy a product endorsed by an influencer, but almost a half of them answered that they are most likely to buy clothes and shoes because they have seen a social network post from an influencer. This is good news for the companies in the fashion and beauty industries, but influencers have a long way to go to earn the trust of their followes.

While the social network users do follow influencers, they do not specifically trust them much, according to the results in my study. It would be wise for influencers to be more open in their interactions and to carefully choose the products they endorse. Probably the social network users want to see influencers who are authentic, and honestly review products, rather than just seeing an ad of the influencer using the products. The influencers might be perceived by the social network users as driven by their financial motives, rather than their honest opinions.

The results of my research have shown that the level of trust in the social network content is not very high, and companies could work on building better relationships with their customers. The level of social network users' direct engagement with the companies' content is generally low, and most engagement is generated for the content the respondents like when they press like or love or send it to friends. Two-way communication between companies and consumers is key to achieving long-term relationships but based on my research more than two thirds of social network users usually do not leave feedback in the form of comments after a purchase. So, companies could think about ways for motivating consumers to share their experiences. This way, companies will understand their customers better and identify their needs and expectations. Social networks are just one channel through which two-way communication could take place and a convenient way to track consumer experiences.

4.3 Limitations

The population that was included in the research are social network users and the sample size was planned to cover approximately 150 social network users from the Republic of North Macedonia. The only criterion was the individuals to be users of at least one social network. I asked my acquaintances who were social network users to respond to my survey which resulted in a convenience sample, therefore I am not able to generalize the findings of my empirical study.

I used a variety of articles and papers as a theoretical base to create the model for the empirical research. However, the results I got sometimes varied from the results in the already published papers. This might be due to the location of the respondents and their habits being different. In the theoretical part, I mostly used articles that analyzed consumers from the United States, and most of my respondents were from the Republic of North Macedonia. Sometimes social networks have certain functionalities available only in some countries.The difference in answers might be due to the lack of some functionalities of social networks in the Republic of North Macedonia.

The questionnaire was online for five days (16-20 September 2022) and shared on social networks (Facebook, Instagram and TikTok). One limitation of doing so is that TikTok only has video-based content, and Instagram is photo and video-based, so it was more difficult to reach the users for the purpose of this research.

Moreover, this model of research was not focused on one type of product, content or social network. Maybe if they are explored in more detail, the results would be more precise and easier to be applied into the everyday work environment of the marketers.

CONCLUSION

The social networks are platforms which people use for various reasons, but mostly to communicate with their friends and family, have fun and spend their free time . (Madhuhansi, 2019). Each generation prefers different social networks, and they have different behavior on the social networks (Sproutsocial, 2021). After conducting my study I gained deeper insight of the influence of social network content on the purchase decisions of social media users.

It is only natural for brands to try and reach their (potential) customers where they like to spend their time, so their presence on the social networks is recommended, and beneficial for their sales (Evans, 2011). The social networks and the content that is being published on them contribute to a great extent to the availability of information about products. Moreover, social networks enable consumers to share their experiences and opinions about the products and services they used, or want to use (Yogesh & Yesha, 2014). However, according to my research the consumers rarely decide to leave feedback, and companies still have to figure out ways to engage them more.

I would say that the most important aspect of this thesis are the findings of the lack of the two-way communication between companies and social network users. My empirical study shows that social network users are not very likely to message a company on social networks, and they rarely post comments on their recent purchase. The answers also show that companies still have a long way to go to deserve the trust of the consumers. While I did not explore the reasons why social network users have low levels of trust towards companies, it is probable that the companies publish content that is intended for promotion and sales. On the other hand, the consumers would expect different types of content with greater transparency, and like to see the other side of the business, the people who work there, etc. The purpose of being part of the social networks as a company is to communicate and engage with the audience, and therefore the companies should find ways to successfully do so.

The social networks have shifted the power from the companies to the individuals. Individuals can now generate and share content, reach larger audiences, and have an even greater impact than the companies (Sharma & Verma, 2018). Word of mouth might be the best type of marketing from the consumers' point of view because it cannot be paid for or controlled in any way (Tan, 2015). It is the result of the company's good performance, and meeting the needs. You simply get what you deserve.

REFERENCE LIST

1. Aaker, J. L. (1999). The malleable self: The role of self-expression in persuasion. *Journal of marketing research, 36*(1), 45-57.
2. Aichner, T. & Jacob, F. (2015). Measuring the degree of corporate social media use. *International Journal of Market Research, 57*(2), 257–276. https://doi.org/10.2501/ijmr-2015-018
3. Aichner, T., Grünfelder, M., Maurer, O. & Jegeni, D. (2021). Twenty-five years of Social Media: A review of social media applications and definitions from 1994 to 2019. *Cyberpsychology, Behavior, and Social Networking, 24*(4), 215–222. https://doi.org/10.1089/cyber.2020.0134
4. Akyol, Ş. (2013). Social media and marketing: Viral marketing. *Academic Journal of Interdisciplinary Studies, 2*(8), 586.
5. Alfaki, I. M. & Alharthy, K. (2014). *American International Journal of Contemporary Research, 4*(10), 105–114.
6. An, J., Kwak, H., Jung, S. G., Salminen, J. & Jansen, B. J. (2018). Customer segmentation using online platforms: isolating behavioral and demographic segments for persona creation via aggregated user data. *Social Network Analysis and Mining, 8*(1), 1-19.
7. Andrei, P., Ecaterina, B. R. & Ionut, T. C. (2010). Does Positioning Have A Place In The Minds Of Our Students?. *Annals of Faculty of Economics, 1*(2), 1133-1136.
8. Assaad, W. & Gómez, J. M. (2011). Social network in marketing (social media marketing) opportunities and risks. *International Journal of Managing Public Sector Information and Communication Technologies 2*.
9. Barysevich, A. (2020, November 20). *How social media influence 71% consumer buying decisions.* Retrieved August 29, 2022, from https://www.searchenginewatch.com/2020/11/20/how-social-media-influence-71-consumer-buying-decisions/

10. Berthon, P. R., Pitt, L. F., Plangger, K. & Shapiro, D. (2012). Marketing meets Web 2.0, social media, and creative consumers: Implications for international marketing strategy. *Business horizons, 55*(3), 261-271.
11. Boyd, D. M. & Ellison, N. B. (2007). Social network sites: Definition, history, and scholarship. *Journal of Computer-Mediated Communication, 13*(1), 210–230. https://doi.org/10.1111/j.1083-6101.2007.00393.x
12. Brogan, C. (2010). *Social media 101: Tactics and tips to develop your business online.* [Kindle version]. Retrieved from https://www.amazon.com/Social-Media-101-Tactics-Business-ebook/dp/B00371V7JC
13. Camilleri, M. A. (2018). Market segmentation, targeting and positioning. *In Travel marketing, tourism economics and the airline product* (pp. 69-83). Cham: Springer.
14. Casaló, L., Flavian, C. & Guinalíu, M. (2007). The impact of participation in virtual brand communities on consumer trust and loyalty: The case of free software. *Online information review.*
15. Chaffey, D. (2022, August 23). *Global Social Media Statistics Research Summary 2022 [June 2022]*. Retrieved August 30, 2022, from https://www.smartinsights.com/social-media-marketing/social-media-strategy/new-global-social-media-research/
16. Charm, T., Dhar, R., Haas, S., Liu, J., Novemsky, N. & Teichner, W. (2021, March 31). *Understanding and shaping consumer behavior in the next normal.* Retrieved August 15, 2022, from https://www.mckinsey.com/business-functions/growth-marketing-and-sales/our-insights/understanding-and-shaping-consumer-behavior-in-the-next-normal
17. Chen, Y. C., Lee, Y. H., Wu, H. C., Sung, Y. C. & Chen, H. Y. (2017). Online apparel shopping behavior: Effects of consumer information search on purchase decision making in the digital age. *2017 IEEE 8th International Conference on Awareness Science and Technology (iCAST).* 143-148.
18. Cheung, C. M. & Lee, M. K. (2010). A theoretical model of intentional social action in online social networks. *Decision support systems, 49*(1), 24-30.
19. Chopra, C. & Gupta, S., (2020). Impact of social media on consumer behaviour. *International Journal of Creative Research Thoughts, 8*(6), 1943-1961.
20. Cocheo, S. (2009). Shred your marketing beliefs at the door. American Bankers Association. *ABA Banking Journal, 101*(6), 12.
21. Colicev, A., Malshe, A., Pauwels, K. & O'Connor, P. (2018). Improving consumer mindset metrics and shareholder value through social media: The different roles of owned and earned media. *Journal of Marketing, 82(*1), 37-56.
22. Cortez, R. M., Clarke, A. H. & Freytag, P. V. (2021). B2B market segmentation: A systematic review and research agenda. *Journal of Business Research, 126,* 415-428.
23. Demirci, C., Pauwels, K., Srinivasan, S. & Yildirim, G. (2014). Conditions for owned, paid and earned media impact and synergy. *Marketing Science Institute Working Papers Series Report No. 14, 101.*
24. DeVito, M. A. (2017). From editors to algorithms: A values-based approach to understanding story selection in the Facebook news feed. *Digital journalism, 5*(6), 753-773.

25. Dibb, S. & Simkin, L. (1991). Targeting, segments and positioning. *International Journal of Retail & Distribution Management*, *19*(3), 4-10.
26. Dijksterhuis, A. (2005). Why we are social animals: The high road to imitation as social glue. *Perspectives on imitation: From neuroscience to social science, 2*, 207-220.
27. Dimock, M. (2022, April 21). *Defining generations: Where millennials end and generation Z begins.* Retrieved August 13, 2022, from https://www.pewresearch.org/fact-tank/2019/01/17/where-millennials-end-and-generation-z-begins/
28. Dixon, S. (2022, August 22). *Global Daily Social Media Usage 2022.* Retrieved August 30, 2022, from https://www.statista.com/statistics/433871/daily-social-media-usage-worldwide/
29. Donthu, N. & Yoo, B. (1998). Cultural influences on service quality expectations. *Journal of service research, 1*(2), 178-186.
30. Ebrahimi, P., Basirat, M., Yousefi, A., Nekmahmud, M., Gholampour, A. & Fekete-Farkas, M. (2022). Social Networks Marketing and Consumer Purchase Behavior: The Combination of SEM and Unsupervised Machine Learning Approaches. *Big Data and Cognitive Computing*, *6*(2), 35.
31. Edelman, D. & Salsberg, B. (2010). Beyond paid media: Marketing's new vocabulary. *McKinsey Quarterly, 4*, 20-22.
32. Enginkaya, E. & Yılmaz, H. (2014). What drives consumers to interact with brands through social media? A motivation scale development study. *Procedia - Social and Behavioral Sciences*, *148*, 219–226. https://doi.org/10.1016/j.sbspro.2014.07.037
33. Evans, D. (2011). *Social Media Marketing: The next generation of business engagement.* Indiana: John Wiley & Sons.
34. Facebook. (2021, September 29). *Unlock your creativity with reels on Facebook.*. Retrieved August 28, 2022, from https://www.facebook.com/creators/reels-for-facebook
35. Facebook. (n.d.). *How feed works: Facebook help center.* Retrieved August 28, 2022, from https://www.facebook.com/help/1155510281178725
36. Fennemore, P. (2020, March 31). *How social media influences market segmentation.* Retrieved September 21, 2022, from https://www.marketingtechnews.net/news/2012/mar/16/how-social-media-influencing-marketing-segmentation/
37. Forbes Magazine. (2022). *Meta platforms.* Retrieved August 27, 2022, from https://www.forbes.com/companies/meta-platforms/
38. Gajjar, N. B. (2013). Factors Affecting Consumer Behavior. *International Journal of Research In Humanities and Social Sciences*, *1*(2), 10-15.
39. Gotter, A. (2020, April 24). *How social media stories are changing the face of Social Video.* Retrieved August 28, 2022, from https://www.business2community.com/social-media-articles/how-social-media-stories-are-changing-the-face-of-social-video-02305367

40. Gutiérrez Flórez, L. E., Correa Escobar, M. I., Henao Restrepo, A., Arango Botero, D. & Valencia Arias, A. (2018). Influence of social networks on the purchase decisions of university students. *Cuadernos de Gestión 18*(1), 61-84.
41. Gwi. (2022). *The biggest social media trends for 2022.* Retrieved August 30, 2022, from https://www.gwi.com/reports/social
42. Hennig-Thurau, T., Gwinner, K. P., Walsh, G. & Gremler, D. D. (2004). Electronic word-of-mouth via consumer-opinion platforms: what motivates consumers to articulate themselves on the internet?. *Journal of interactive marketing, 18*(1), 38-52.
43. Ho, M. (2019). *10 trends and statistics about Facebook stories.* Retrieved August 28, 2022, from https://brewinteractive.com/x-trends-and-statistics-about-facebook-stories/
44. Holmlund, M., Van Vaerenbergh, Y., Ciuchita, R., Ravald, A., Sarantopoulos, P., Ordenes, F. V. & Zaki, M. (2020). Customer experience management in the age of big data analytics: A strategic framework. *Journal of Business Research*, 116, 356-365.
45. Hoyer, W. D., MacInnis, D. J. & Pieters, R. (2008). *Consumer Behavior* (6th ed.). Mason: Cengage Learning.
46. Instagram. (n.d.). *Instagram feed: Create content posts and inspire your community. Retrieved* August 28, 2022, from https://business.instagram.com/instagram-feed
47. Instagram. (2020, August 5). *Introducing Instagram reels.* Retrieved August 28, 2022, from https://about.instagram.com/blog/announcements/introducing-instagram-reels-announcement
48. Jashari, F. & Rrustemi, V. (2017). The impact of social media on consumer behavior–Case study Kosovo. *Journal of Knowledge Management, Economics and Information Technology, 7*(1), 1-21.
49. Jisana, T. K. (2014). Consumer behaviour models: an overview. *Sai Om Journal of Commerce & Management, 1*(5), 34-43.
50. Jothi, C. A. & Gaffoor, A. M. (2017). Impact of social media in online shopping. *Journal on Management Studies, 3*(3), 576-586.
51. Kaplan, A. M. & Haenlein, M. (2010). Users of the world, unite! the challenges and opportunities of social media. *Business Horizons, 53*(1), 59–68. https://doi.org/10.1016/j.bushor.2009.09.003
52. Kaplan, A. M. (2015). Social media, the digital revolution, and the business of media. *International Journal on Media Management, 17*(4), 197-199.
53. Kardes, F. R., Posavac, S. S. & Cronley, M. L. (2004). Consumer inference: A review of processes, bases, and judgment contexts. *Journal of Consumer Psychology, 14*(3), 230–256. https://doi.org/10.1207/s15327663jcp1403_6
54. Kietzmann, J. H., Hermkens, K., McCarthy, I. P. & Silvestre, B. S. (2011). Social media? Get serious! Understanding the functional building blocks of social media. *Business horizons, 54*(3), 241-251.
55. Koç, B. & Ceylan, M. (2012). The effects of social-economic status of consumers on purchasing, behaving and attitude to food products. *British Food Journal, 114*(5), 728–742. doi: 10.1108/00070701211230006

56. Kotler, P. & Keller, K. L. (2016) *Marketing management global edition*, Boston: Pearson.
57. Kozinets, R. V. (2002). The field behind the screen: Using netnography for marketing research in online communities. *Journal of marketing research*, *39*(1), 61-72.
58. Krishnan, J. (2011). Lifestyle-A tool for understanding buyer behavior. *International Journal of Economics and Management, 5*(1), 283-298.
59. Kueh, K. & Voon, B. H. (2007). Culture and service quality expectations: Evidence from Generation Y consumers in Malaysia. *Managing Service Quality: An International Journal.*
60. Kunz, M. B. & Hackworth, B. A. (2011). Are consumers following retailers to social networks. *Academy of Marketing Studies Journal, 15*(2), 1-22.
61. Lai, L. S. & To, W. M. (2015). Content analysis of social media: A grounded theory approach. *Journal of Electronic Commerce Research, 16*(2), 138.
62. Laruccia, M. M. (2018). *Social Networks and Post-Purchase Behavior: Analysis of the Content of the Mentions on AliExpress.* Retrieved September 21, 2022, from https://ssrn.com/abstract=3268913
63. Lawrence, B., Fournier, S. & Brunel, F. (2013). When companies don't make the ad: A multimethod inquiry into the differential effectiveness of consumer-generated advertising. *Journal of Advertising, 42*(4), 292-307.
64. Lin, K. Y. & Lu, H. P. (2011). Why people use social networking sites: An empirical study integrating network externalities and motivation theory. *Computers in human behavior, 27*(3), 1152-1161.
65. Madhuhansi, W. (2019). Impact of Social Media Characteristics on Consumer Buying Decision Process in Western Province, Sri Lanka. *Global Journal of Management and Business Research: E Marketing , 19*(2).
66. Mangold, W. G. & Faulds, D. J. (2009). Social media: The new hybrid element of the promotion mix. *Business horizons*, *52*(4), 357-365.
67. Masciantonio, A., Bourguignon, D., Bouchat, P., Balty, M. & Rimé, B. (2021). Don’t put all social network sites in one basket: Facebook, Instagram, Twitter, Tiktok, and their relations with well-being during the COVID-19 pandemic. *PLOS ONE*, *16*(3). https://doi.org/10.1371/journal.pone.0248384
68. Maslowska, E., Ohme, J. & Segijn, C. M. (2021). Attention to social media ads: The role of consumer recommendations and smartphones. *Journal of Interactive Advertising, 21*(3), 283-296.
69. Mattke, J., Müller, L. & Maier, C. (2019). Paid, owned and earned media: A qualitative comparative analysis revealing attributes influencing consumer’s brand attitude in Social Media. *Proceedings of the Annual Hawaii International Conference on System Sciences*. https://doi.org/10.24251/hicss.2019.098
70. Media Update. (2018, July 12). *Targeting on social media: The why and how*. Retrieved September 21, 2022, from https://www.mediaupdate.co.za/marketing/144209/targeting-on-social-media-the-why-and-how

71. Mehvish. (2019, May 9). *Facebook news feed vs your story: Where should you post updates.* Retrieved September 22, 2022, from https://www.guidingtech.com/facebook-news-feed-vs-your-story/
72. Menon, D. (2022). Updating 'stories' on social media and its relationships to contextual age and narcissism: A tale of three platforms – WhatsApp, Instagram and Facebook. *Heliyon, 8*(5). doi:10.1016/j.heliyon.2022.e09412
73. Mileva, G. (2022, March 02). *Brand positioning on social media and why it works.* Retrieved August 29, 2022, from https://influencermarketinghub.com/brand-positioning/
74. Miller, R. & Lammas, N. (2010). Social media and its implications for viral marketing. *Asia Pacific Public Relations Journal, 11*(1), 1-9.
75. Miranda, F. J., Rubio, S., Chamorro, A. & Loureiro, S. M. (2014). Using social networks sites in the purchasing decision process. *International Journal of E-Business Research, 10*(3), 18-35. doi:10.4018/ijebr.2014070102
76. Moore, E. S., Wilkie, W. L. & Lutz, R. J. (2002). Passing the Torch: Intergenerational Influences as a Source of Brand Equity. *Journal of Marketing, 66*(2), 17–37. https://doi.org/10.1509/jmkg.66.2.17.18480
77. Mothersbaugh, D. L. & Hawkins, D. I. (2016). *Consumer Behavior: Building Marketing Strategy* (13th ed.). New York: McGraw-Hill Education.
78. Munthiu, M. C. (2009). The buying decision process and types of buying decision behaviour. *Sibiu Alma Mater University Journals. Series A. Economic Sciences, 2*(4), 27-33.
79. Muntinga, D. G., Moorman, M. & Smit, E. G. (2011). Introducing COBRAs: Exploring motivations for brand-related social media use. *International Journal of advertising, 30*(1), 13-46.
80. Nagamalar, M. & Ravindran, D. (2019). Impact of Social Media Sites (SMS) on Post Purchase Behavior of Tourism Customers. *International Journal of Recent Technology and Engineering (IJRTE) 8*(2S8), 1514-1516.
81. Ndiege, J. R. A. (2019). Social media technology for the strategic positioning of small and medium-sized enterprises: Empirical evidence from Kenya. *The Electronic Journal of Information Systems in Developing Countries*, *85*(2), e12069.
82. Nolcheska, V. (2017). The influence of social networks on consumer behavior. *Cataloging-In-Publication Data, 95*(1), 95-108.
83. O'Connell, B. (2020, February 28). *History of Snapchat: Timeline and facts.* Retrieved August 28, 2022, from https://www.thestreet.com/technology/history-of-snapchat
84. Park, C. W. & Lessig, V. P. (1977). Students and housewives: Differences in susceptibility to reference group influence. *Journal of consumer Research*, *4*(2), 102-110.
85. Payne, A., Frow, P. & Eggert, A. (2017). The customer value proposition: evolution, development, and application in marketing. *Journal of the Academy of Marketing Science, 45*(4), 467-489.

86. Penttinen, V. & Ciuchita, R. (2022). Social media marketing: the opportunities and challenges of paid, owned, and earned media. In A. Hanlon & T. L. Tuten, (Eds.), *SAGE Handbook of Social Media Marketing* (pp. 247-262). London: Sage Publications.
87. Pookulangara, S. & Koesler, K. (2011). Cultural influence on consumers' usage of social networks and its' impact on online purchase intentions. *Journal of Retailing and Consumer Services, 18*(4), 348-354.
88. Prasad, S., Garg, A. & Prasad, S. (2019). Purchase decision of generation Y in an online environment. *Marketing Intelligence & Planning 37*(4), 372-385.
89. Quesenberry, K. A. (2019). *Social media strategy: Marketing, advertising, and public relations in the consumer revolution* (3rd edition). Lanham: Rowman & Littlefield.
90. Rosenthal, A. (2019, October 29). *What Is Social Media Segmentation and How Can It Boost Your Marketing Strategy?* Retrieved August 29, 2022, from https://blog.capterra.com/social-media-segmentation-can-boost-your-marketing/
91. Saha, T., Kumar, N., Jannat, F. & Nahar, N. (2021). Influence of Social Media on Brand Positioning and Brand Equity: A Study on Fast Moving Consumer Goods of Bangladesh. *European Journal of Business and Management, 13*(6), 118-125.
92. Sawyer, R. & Chen, G. M. (2012). The impact of social media on intercultural adaptation. *Intercultural Communication Studies, 21*(2), 151-169.
93. Schaefer, M. (2017, December 13). *It's all about understanding customer behavior*. Retrieved September 21, 2022, from https://businessesgrow.com/2012/01/26/forget-demographics-its-all-about-the-socialgraphics/
94. Schiffman, L. G. & Kanuk, L. L. (2009). *Consumer behavior* (10th ed.). New Jersey: Pearson Education.
95. Schiffman, L. G. & Wisenblit, J. (2015). *Consumer behavior* (11th ed.). Harlow: Pearson.
96. Schwartz, J., Luce, M. F. & Ariely, D. (2011). Are consumers too trusting? The effects of relationships with expert advisers. *Journal of Marketing Research, 48*(SPL), S163-S174.
97. Shaoolian, G. (2017, April 13). *Is Instagram advertising the right social media platform for your brand?* Retrieved August 29, 2022, from https://www.forbes.com/sites/gabrielshaoolian/2017/04/13/is-instagram-advertising-the-right-social-media-platform-for-your-brand/
98. Sharma, S. & Verma, H. V. (2018). Social Media Marketing: Evolution and Change. In *Social Media Marketing* (pp. 19–36). Singapore: Palgrave Macmillan.
99. Shearer, E. & Mitchell, A. (2022, February 09). *News use across social media platforms in 2020.* Retrieved August 27, 2022, from https://www.pewresearch.org/journalism/2021/01/12/news-use-across-social-media-platforms-in-2020/
100. Sherchan, W., Nepal, S. & Paris, C. (2013). A survey of trust in social networks. *ACM Computing Surveys (CSUR), 45*(4), 1-33.
101. Sheth, J. N. (2018). How social media will impact marketing media. In *Social Media Marketing* (pp. 3-18). Singapore: Palgrave Macmillan.

102. Singh, J., Crisafulli, B. & Xue, M. T. (2020). ‘To trust or not to trust’: The impact of social media influencers on the reputation of corporate brands in crisis. *Journal of Business Research, 119*, 464-480.
103. Solomon, M. R. (2018). *Consumer Behavior: Buying, Having, and Being* - Global Edition (12th ed.). Harlow: Pearson.
104. Solomon, M. R., Bamossy, G., Askegaard, S. & Hogg, M. K. (2015). *Consumer behaviour: A European perspective* (5th ed.). Harlow: Pearson.
105. Sproutsocial. (2021, July 22). *How different generations use social media-and what this means for your business*. Retrieved August 29, 2022, from https://sproutsocial.com/insights/guides/social-media-use-by-generation/
106. Sridhar, S. (2021, December 9). *4 ways social media impacts consumer behavior.* Retrieved September 22, 2022, from https://sproutsocial.com/insights/social-media-consumer-behavior/
107. State Statistical Office. (2021). *Usage of information and communication technologies in households and by individuals, 2021*. Retrieved February 13, 2022, from https://www.stat.gov.mk/PrikaziSoopstenie_en.aspx?rbrtxt=77
108. Statista. (2022). *Global social media ranking 2022*. Retrieved August 27, 2022, from https://www.statista.com/statistics/272014/global-social-networks-ranked-by-number-of-users/
109. Stephen, A. T. & Galak, J. (2012). The effects of traditional and social earned media on sales: A study of a microlending marketplace. *Journal of marketing research, 49*(5), 624-639.
110. Subramani, M. R. & Rajagopalan, B. (2003). Knowledge-sharing and influence in online social networks via viral marketing. *Communications of the ACM, 46*(12), 300-307.
111. Tafesse, W. & Wien, A. (2017). A framework for categorizing social media posts. *Cogent Business & Management, 4*(1), 1284390. doi:10.1080/23311975.2017.1284390
112. Tafesse, W. & Wood, B. P. (2021). Followers' engagement with Instagram influencers: The role of influencers’ content and engagement strategy. *Journal of Retailing and Consumer Services, 58,* 102303. https://doi.org/10.1016/j.jretconser.2020.102303
113. Tan, J. (2015, April 29). *Why word-of-mouth is the Best Marketing Tool You have.* Retrieved November 21, 2022, from https://www.referralcandy.com/blog/word-of-mouth-marketing-strategy
114. TikTok. (2022, April 20). *What is the 'for you' feed?* Retrieved August 28, 2022, from https://www.tiktok.com/creators/creator-portal/en-us/how-tiktok-works/whats-the-for-you-page-and-how-do-i-get-there/
115. Tylor, E. B. (1871). *Primitive culture: Researches into the development of mythology, philosophy, religion, art and custom* (Vol. 2). London: J. Murray.
116. Vasic, N., Kilibarda, M. & Kaurin, T. (2019). The influence of online shopping determinants on customer satisfaction in the Serbian market. *Journal of Theoretical and*

Applied Electronic Commerce Research, *14*(2). https://doi.org/10.4067/s0718-18762019000200107

117. Voorveld, H. A., Van Noort, G., Muntinga, D. G. & Bronner, F. (2018). Engagement with social media and social media advertising: The differentiating role of platform type. *Journal of advertising*, *47*(1), 38-54.

118. Voramontri, D. & Klieb, L. (2019). Impact of social media on consumer behaviour. *International Journal of Information and Decision Sciences*, *11*(3), 209-233.

119. Vrontis, D., Makrides, A., Christofi, M. & Thrassou, A. (2021). Social Media Influencer Marketing: A systematic review, Integrative Framework and future research agenda. *International Journal of Consumer Studies*, *45*(4), 617–644. https://doi.org/10.1111/ijcs.12647

120. Wahid, R. M. (2021). Implementation of Paid Instagram Ads for Fresh Produce Sellers Affected by Covid-19 Pandemic in a Traditional Market in Palembang. *Int. J. Innov. Sci. Res. Technol*, *6*(1), 322-328.

121. Wikipedia. (2017, March 10). *FAQ/Organizations.* Retrieved August 27, 2022, from https://en.wikipedia.org/wiki/Wikipedia:FAQ/Organizations

122. Yogesh, F. & Yesha, M. (2014). Effect of social media on purchase decision. *Pacific Business Review International*, *6*(11), 45-51.

123. Zak, S. & Hasprova, M. (2020). The role of influencers in the consumer decision-making process. *SHS web of conferences 74*, 1-7.

APPENDICES

Appendix 1: Povzetek (Summary in Slovene language)

Ker je internet priročno orodje za pridobivanje informacij, imajo dandanes ljudje dostop do najrazličnejših informacij v delčkih sekunde. Visoka tehnologija nam je prinesla vse na dosegu roke in ljudje lahko takoj stopijo v stik s katerim koli delom sveta. Družbena omrežja niso več samo sredstvo za stik s prijatelji in platforma za zabavo. Postala so virtualno okolje, kjer ljudje delijo svoje poglede, izkušnje, lahko pa tudi naročajo oblačila, hrano in številne druge izdelke in storitve, če se jim zahoče.

Nakup storitev ali izdelkov preko spleta je zelo enostaven, družbena omrežja pa v veliki meri prispevajo k dostopnosti informacij o izdelkih/ storitvah. Družbena omrežja uporabnikom omogočajo tudi deljenje in izmenjavo izkušenj o izdelkih in storitvah, ki so jih kupili.

Namen magistrskega dela je razumeti, kako vsebina na družbenih medijih (plačljivih, lastniških in zasluženih medijih) vpliva na proces odločanja porabnikov. Rezultati bi lahko koristili blagovnim znamkam, ki uporabljajo družbena omrežja kot kanal za trženje, nadalje pa bi jih lahko uporabili na področju spletnega trženja in e-trgovine.

V teoretičnem delu magistrskega dela, ki je sestavljen iz dveh sklopov, podajam pregled družbenih omrežij in trženja ter vedenja porabnikov. V empiričnem delu magistrskega dela sem želela ugotoviti, kako družbena omrežja (predvsem Facebook, Instagram in TikTok) vplivajo na proces nakupne odločitve. Raziskava je korelacijske, kvantitativne narave. Uporabljen instrument je anketni vprašalnik, sestavljen iz 20 vprašanj. Glavna ideja je z uporabo znanstvenih metod poiskati odgovore in razumeti, kako vsebine, ki so na voljo na družbenih omrežjih, vplivajo na proces nakupne odločitve uporabnikov družbenih omrežij. V prihodnosti bi lahko bili rezultati te raziskave koristni za posameznike, ki se ukvarjajo s spletnim trženjem in trženjem prek družbenih medijev ter e-trgovino.

Analiza rezultatov je pokazala, da vsebine, ki jih objavljajo podjetja in drugi uporabniki družbenih omrežij, vplivajo na proces nakupne odločitve uporabnikov družbenih omrežij. Ti se za uporabo družbenih omrežij odločajo iz različnih razlogov, najpogostejši razlog pa je ohranjanje stikov s prijatelji/družino. Porabniki imajo raje različne vrste vsebin, fotografije in videi pa so vsebine, ki najbolj vplivajo na njihove odločitve. Vendar stopnja zaupanja v vsebino ni tako visoka in podjetja bi lahko delala na tem, da bi zgradila boljše odnose s svojimi porabniki.

Dvosmerna komunikacija med podjetji in porabniki je ključna za doseganje dolgoročnih odnosov, a uporabniki družbenih omrežij po nakupu običajno ne pustijo povratne informacije. Tako bi lahko podjetja razmišljala o načinih za motiviranje porabnikov, da delijo svoje izkušnje. Tako bodo podjetja bolje razumela svoje porabnike ter prepoznala njihove potrebe in pričakovanja. Družbena omrežja so le en kanal, prek katerega bi lahko potekala dvosmerna komunikacija, in so priročen način za sledenje izkušnjam porabnikov.

Appendix 2: Questionnaire

Section 1.

1. Do you use social networks?
   - ☐ Yes
   - ☐ No

2. How frequently do you use these specific social networks?
   Mark only one oval per row.

	I do not have a profile	Not at all	One to a few times per month	Once a week	A few times per week	Once a day	At least a few times per day
Facebook							
Instagram							
TikTok							
LinkedIn							
Twitter							
YouTube							
Snapchat							

3. Why do you use social networks such as Facebook, Instagram, and TikTok?
   Please check all that apply.

   - ☐ stay in touch with friends/family
   - ☐ fill spare time
   - ☐ watch the available content
   - ☐ see what's trending
   - ☐ read news
   - ☐ find inspiration
   - ☐ follow celebrities and influencers
   - ☐ avoid missing out on things
   - ☐ for fun and enjoyment
   - ☐ find information about products
   - ☐ meet new people
   - ☐ for shopping
   - ☐ for gaming
   - ☐ share my opinions and discuss with others
   - ☐ share my own content (photos, videos, music, opinions...)
   - ☐ watch livestreams
   - ☐ Other: ______________

4. Please rate the level of influence of different types of content on your decision to purchase a product (a product that is introduced in that content):

   Mark only one oval per row.

	1 – does not influence at all	2 – does not influence	3 – neutral	4 – influences	5 – strongly influences
Videos					
Stories					
Photos					
Links to external content					
Live videos					
Written posts (text)					
Contests					

5. How do you most often react to content published by companies on social networks?

	You comment	You press like/love	You ignore, and scroll down	You share to your profile	You send to friends in a message	You tag friends
Content you like						
Content you don't like						

Section 2. Buying Decision and Social Networks

6. How likely are you to buy a product that's being endorsed by an influencer?

	1	2	3	4	5	
Not at all						Very likely

7. Have you ever bought a product because you've seen an ad on social networks?

- ☐ Yes, I do it all the time
- ☐ Yes, up to a few times
- ☐ No

8. On a scale from 1 to 5, do you think you can find relevant information on social networks about the products you want to buy?
   Mark only one oval.

	1	2	3	4	5	
Not at all						Yes, all the time

9. How informative are the following types of content when you want to buy a product and require more information?
   Mark only one oval per row.

	1 – not informative at all	2 - not informative	3 - neutral	4 – informative	5 - very informative
Videos					
Stories					
Photos					
Links to external content					
Live videos					
Written posts (text)					

10. When you want to find out more information about a certain product, which source of information do you use?

    Check all that apply.

    - ☐ Company's own social network profile
    - ☐ Paid ads from the company
    - ☐ Posts from influencers
    - ☐ Viral content
    - ☐ Posts and comments from other users of the product
    - ☐ Ratings and reviews
    - ☐ Posts and suggestions from friends and family

11. To what extent do you trust the following sources when you want to find out more information about a certain product?

	1 – strongly distrust it	2 – distrust it	3 – neutral	4 -trust it	5 – strongly trust it
Company's own social network profile					
Paid ads from the company					
Posts from influencers					
Viral content					
Posts and comments from other users of the product					
Ratings and reviews					
Posts and suggestions from friends and family					

12. How likely are you to message a company on social media to find out more information about a product?

	1	2	3	4	5	
Not at all						Very likely

13. Have you ever ordered some products directly from a company's profile on some social network (Facebook, Instagram, TikTok...)?
    - ☐ Yes, up to a few times
    - ☐ Yes, I do it all the time
    - ☐ No

14. After you make a purchase, do you share your opinions and reviews on the product on the brand's social network profile?
    - ☐ I don't comment at all
    - ☐ I comment only if my experience is positive
    - ☐ I comment only if my experience is negative
    - ☐ I leave comments for both positive and negative experiences

15. Do you follow at least one influencer?
    - ☐ Yes
    - ☐ No

16. What are the types of products you are most likely to buy just because you've seen a social network post from influencers?

    - ☐ None
    - ☐ Clothes and shoes
    - ☐ Appliances
    - ☐ Electronics and gadgets
    - ☐ Food
    - ☐ Books
    - ☐ Cosmetics
    - ☐ Car parts
    - ☐ other

Section 3. Demographic information

17. Which generation do you belong to?
    - ☐ Generation Z (born from 1997 onward)
    - ☐ Generation Y - millenials (born between 1981 and 1996)
    - ☐ Generation X (born between 1965 and 1980)

- ☐ Baby Boomers (born between 1946 and 1964)

18. Gender:
   - ☐ Male
   - ☐ Female

19. Ethnicity:
   - ☐ Macedonian
   - ☐ Albanian
   - ☐ Aromanian
   - ☐ Turk
   - ☐ Serbian
   - ☐ Roma
   - ☐ Bulgarian
   - ☐ Bosniak
   - ☐ Other ______

20. Level of education:
   - ☐ Elementary school
   - ☐ High school
   - ☐ Bachelor's degree
   - ☐ Master's degree
   - ☐ PhD

Appendix 3: Profile of the respondents – Demographic Data

Table 12: Profile of the respondents

Variables		Frequency	Percent
Gender	Male	68	45.9
	Female	78	52.7
	Prefer not to say	2	1.4
Level of education	Elementary school	2	1.4
	High School	62	41.9
	Bachelor's degree	63	42.6
	Master's degree	16	10.8
	PhD	5	3.4
Ethnicity	Macedonian	135	91.2
	Albanian	2	1.4
	Aromanian	1	0.7
	Turk	3	2
	Serbian	1	0.7
	Roma	1	0.7
	Bulgarian	1	0.7
	Bosniak	1	0.7
	Other	4	2.7
Generation	Generation Z (born from 1997 onward)	73	49.3
	Generation Y - Millennials (born between 1981 and 1996)	57	38.5
	Generation X (born between 1965 and 1980)	16	10.8
	Baby Boomers (born between 1946 and 1964)	2	1.4

Source: Own work.

Appendix 4: Frequency of social network usage from Question 2

Table 13: Frequency of social network usage

	Facebook		Instagram		TikTok		LinkedIn		Twitter		YouTube		Snapchat	
	f	%	f	%	f	%	f	%	f	%	f	%	f	%
I do not have a profile	8	5.4	11	7.4	61	41.2	83	56.1	94	63.5	9	6.1	71	48.0
Not at all	3	2.0	1	0.7	15	10.1	23	15.5	31	20.9	2	1.4	17	11.5
One to a few times per month	17	11.5	8	5.4	8	5.4	17	11.5	9	6.1	12	8.1	12	8.1
Once a week	5	3.4	3	2.0	4	2.7	6	4.1	2	1.4	6	4.1	6	4.1
A few times per week	14	9.5	4	2.7	3	2.0	5	3.4	3	2.0	15	10.1	8	5.4
Once a day	19	12.8	16	10.8	16	10.8	6	4.1	5	3.4	25	16.9	12	8.1
At least a few times per day	82	55.4	105	70.9	41	27.7	8	5.4	4	2.7	79	53.4	22	14.9

Source: Own work.

Appendix 5: Level of influence of different types of content from Question 4

Table 14: Level of influence of different types of content

	Videos		Stories		Photos		Links to external content		Live videos		Written posts (text)		Contests	
	f	%	f	%	f	%	f	%	f	%	f	%	f	%
does not influence at all	22	14.9	26	17.6	16	10.8	24	16.2	30	20.3	32	21.6	39	26.4
does not influence	16	10.8	16	10.8	9	6.1	26	17.6	22	14.9	17	11.5	24	16.2
neutral	44	29.7	49	33.1	48	32.4	51	34.5	53	35.8	53	35.8	45	30.4
influences	48	32.4	42	28.4	57	38.5	35	23.6	31	20.9	38	25.7	31	20.9
strongly influences	18	12.2	15	10.1	18	12.2	12	8.1	12	8.1	8	5.4	9	6.1
Mean		3.16		3.03		3.35		2.90		2.82		2.82		2.64
Std. Deviation		1.224		1.229		1.118		1.177		1.212		1.195		1.245

Source: Own work.

Table 15: Mean and Standard Deviation for all types of content

Descriptive Statistics

	Mean	Std. Deviation
P4-Video	3.16	1.224
P4-Story	3.03	1.229
P4-Photo	3.35	1.118
P4-Link	2.90	1.177
P4-Live	2.82	1.212
P4-Text	2.82	1.195
P4-Comp	2.64	1.245

Source: Own work.

Appendix 6: Informativeness of social network content from Question 9

Table 16: Informativeness is the social network content

	Videos		Stories		Photos		Links to external content		Live videos		Written posts (text)	
	f	%	f	%	f	%	f	%	f	%	f	%
1 - not informative at all	19	12.8	24	16.2	19	12.8	25	16.9	33	22.3	27	18.2
2 – not informative	10	6.8	18	12.2	10	6.8	16	10.8	18	12.2	20	13.5
3 - neutral	37	25	47	31.8	46	31.1	49	33.1	43	29.1	45	30.4
4 - informative	63	42.6	50	33.8	59	39.9	46	31.1	41	27.7	45	30.4
5 – very informative	19	12.8	9	6.1	14	9.4	12	8.1	13	8.8	11	7.4
Mean	3.36		3.01		3.26		3.03		2.89		2.95	
Std. Deviation	1.184		1.166		1.139		1.195		1.281		1.214	

Source: Own work.

Appendix 7: Trust in information sources from Question 11

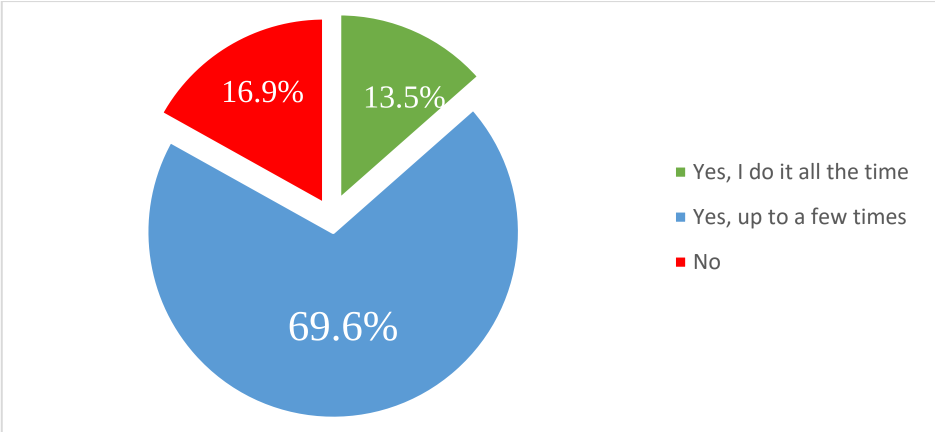
Table 17: Trust in information sources

	Company's own social network profile		Paid ads from the company		Posts from influencers		Viral content		Posts and comments from other users of the product		Ratings and reviews		Posts and suggestions from friends and family	
	f	%	f	%	f	%	f	%	f	%	f	%	f	%
1 – strongly distrust it	19	12.8	25	16.9	39	26.4	29	19.6	12	8.1	9	6.1	10	6.8
2 – distrust it	11	7.4	32	21.6	36	24.3	31	20.9	20	13.5	18	12.2	18	12.2
3 - neutral	74	50	76	51.4	62	41.9	68	45.9	49	33.1	43	29.1	62	34.5
4 – trust it	41	27.7	13	8.8	11	7.4	19	12.8	51	34.5	54	36.5	50	33.8
5 – strongly trust it	3	2	2	1.4	0	0	1	0.7	16	10.8	24	16.2	19	12.8
Mean	2.99		2.56		2.30		2.54		3.26		3.45		3.34	
Std. Deviation	0.976		0.920		0.945		0.972		1.084		1.090		1.066	

Source: Own work.

Appendix 8: Ordered products from a company's profile from Question 13

Figure 15: Ordered products directly from a company's profile on some social network



Source: Own work.

Appendix 9: One sample t-test for Hypothesis 2

Table 18: One-Sample Statistics for Hypothesis 2

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
P12	148	3.06	1.252	.103

Source: Own work.

Table 19: One-Sample Test for Hypothesis 2

One-Sample Test

	Test Value = 3						
			Significance			95% Confidence Interval of the Difference	
	t	df	One-Sided p	Two-Sided p	Mean Difference	Lower	Upper
P12	.591	147	.278	.556	.061	-.14	.26

Source: Own work.

Appendix 10: Paired Samples Statistics for Hypothesis 7

Table 20: Paired Samples Statistics for Hypothesis 7

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	P11-6 / Ratings and reviews	3.45	148	1.090	.090
	P11-7 / Posts and suggestions from friends and family	3.34	148	1.066	.088
Pair 2	P11-5 / Posts and comments from other users of the product	3.26	148	1.084	.089
	P11-7 / Posts and suggestions from friends and family	3.34	148	1.066	.088

Source: Own work.

Table 21: Paired Samples Correlations for Hypothesis 7

Paired Samples Correlations

		N	Correlation	Significance	
				One-Sided p	Two-Sided p
Pair 1	P11-6 / Ratings and reviews & P11-7 / Posts and suggestions from friends and family	148	.631	<.001	<.001
Pair 2	P11-5 / Posts and comments from other users of the product & P11-7 / Posts and suggestions from friends and family	148	.664	<.001	<.001

Source: Own work.

Appendix 11: Usage of Facebook and Instagram for Hypothesis 9

Table 22: Usage of Facebook by Generation Z for Hypothesis 9

P2-Fb

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	2	2.8	2.8	2.8
	One to a few times per month	9	12.7	12.7	15.5
	Once a week	5	7.0	7.0	22.5
	A few times per week	10	14.1	14.1	36.6
	Once a day	14	19.7	19.7	56.3
	At least a few times per day	31	43.7	43.7	100.0
	Total	71	100.0	100.0	

Source: Own work.

Table 23: Usage of Instagram by Generation Z for Hypothesis 9

P2-Insta

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not at all	1	1.4	1.4	1.4
	One to a few times per month	2	2.8	2.8	4.2
	Once a week	1	1.4	1.4	5.6
	Once a day	3	4.2	4.2	9.9
	At least a few times per day	64	90.1	90.1	100.0
	Total	71	100.0	100.0	

Source: Own work.