Effectiveness of Social Media Use Towards the Interaction of Young Adults to Local Businesses

Polytechnic University of the Philippines
College of Business Administration

In Partial Fulfillment of the Requirements for
the Subject Fundamentals of Business Analytics

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Abstract

This paper aims to study the effectiveness of social media use for the interaction between the young consumers and local businesses. Social media has become more prevalent as a marketing tool used by businesses to promote their products or services effectively and inexpensive as possible. Moreover, people nowadays use social media to gain information about the products they want to purchase. Businesses use this opportunity to maximize their profit by engaging with their customers through social media platforms like Facebook, Instagram, Twitter, Pinterest, and Snapchat.

The study took place at Polytechnic University of the Philippines under the College of Business Administration in Sta. Mesa, Manila. The researchers used the questionnaire prepared by Bitner and Albinsson (2016) in the thesis entitled Targeting Young Adults: The Effectiveness of Social Media Use for Local Businesses. The respondents are young adults which aged 17-25 years old with a sample size of 337 participants.

The researchers found out in this study that Facebook and Youtube are used most often by young adults. Moreover, young adults report that using social media mainly gain information about sales and promotion frequently, and rarely to take surveys, giving feedback, or ask questions. Furthermore, local businesses must actively be posting their products or services, creating giveaway posts, and proving information about sales and
promotions to increase engagement, purchase intentions, and access of the consumers on the relevant data. Building a stronger relationship with customers can be attained by providing them surveys to gain information about improvements and new trends.

Introduction

Social media has become huge and still growing up to the present. It has become a great platform for reaching wide array of audiences. It evolves into a platform for giving various information and played a great role for communication. The popularity of social media has created almost everyone to be exposed with various online activities including online marketing. It gives a bigger opportunity to make known of something in just flick of a finger. Social Media presence has changed the game and the competition in many aspects of living. Any decision may make or break you, so as in Social media.

According to the latest Digital 2019 report from Hootsuite and We are Social, globally, the number of unique mobile users grew by 100 million than last year which makes the total number to 5.11 billion now. For the total number of internet users, an increase of 9 percent will be seen growing from 4.24 billion to 4.39 billion since January 2018. There are now 3.48 billion of social media users compared to 3.19 billion users a year ago, showing a 9 percent difference. The 3.26 billion of these 3.48 billion users gain access to social media through their mobile devices, showing a 10 percent growth than last year. In the Philippines, the use of social media has become a staple for almost everyone despite the lack of strong internet connectivity. Filipinos access social media apps and sites with an average of 10 hours and 2 minutes per day through different devices. The country also tops when it comes to social media penetration. 67 percent of online Filipinos use their mobile phones for accessing social media. Communication through the use of social media is seen to be having an effect on the decision making process of a consumer and marketing strategies. Consumer socialization theory foresees that interaction and communication within consumers affects their mental, emotional, and behavioral attitudes (Ward, 1974). According to Patarawadee Sema (2013) Estimatedly 52% of leisure travelers used social media to share their activities and experience travelling for 12 months. Approximately 23% of using people using media made access to all of the 7 socia media apps and sites (Bebo, Facebook, Friendster, LinkIn, Myspace, Twitter, SecondLife, and/or other): 42% of them used 4-6 social media sites; 35% used 1-3 social media sites. A majority of the social media users (65%) have used Facebook to both read and post activities and 59% of them joined in Myspace for reading.

The generation today, specifically young adults, are more and more getting hooked with the use of social media. Through this kind of social media interaction, the consumers, specially young adults, can be easily reached and be given the information about the product or service, the brand and even the company. Also, younger generations are known for their complex and dynamic preferences. In this way, local businesses can also gather different informations about the trends and happenings of today that shows the interests of their target market. The efficiency of social media marketing strategies like the use of digital advertisements can also trigger the customer to react to the product or service being offered. Also, customers can now interact with businesses by giving likes, comments and recommendations, so local businesses get insights about what to offer and to generate new ideas that would fit to the demand of their customers: Same with the customers; seeing reactions, comments and electronic word-of-mouth (e-WOM), helps them to decide or somehow affect their buying decision. Social media becomes an influential force for consumer buying process. According to Bitner and Albinsson (2016), local businesses should focus mainly on posting information on sales and promotions as well as contests and giveaway posts to increase engagement with young consumers, since these were found to predict a perceived relationship with local businesses, which is valued by young consumers.

This research focused on the effectiveness of social media use for the interaction between young consumers and businesses. It looked specifically at consumers between the ages of 17-25. The research specifically regarded local businesses, being defined as “privately owned businesses in the local area that are not chains or franchises.” The research took place in the Sta. Mesa, Manila, with the students of Polytechnic University of the Philippines under the College of Business Administration as the respondents.
The research question is as follows: does social media interaction between young adults, ages 17-25, and local businesses lead to a perceived relationship with the business and does that affect purchase decision?

The research question was chosen as a result of a personal interest in social media and specifically its use in marketing. This research will prove valuable as social media is an under researched and constantly changing area. The goal of this research is also to provide information to assist local and small business owners in their social media strategies, specifically when targeting the growing consumer segment of young consumers.

Review of the Literature

Social media has broad trends in terms of entrepreneurs pursuing their businesses in the Philippines. It encompasses a significant role in supporting brand awareness and strategies of the company's products or services. As a result, it enhances the profit of the company. According to Digital Fitness (2017), it can increase the profit of your company when it's coupled with search engine optimization, and the trick here is to use Facebook, Pinterest, and Linkedin to carefully target likely customers. These social media platforms help to reach the market and promote your business effectively. A company can quickly connect with the consumers and influence their buying decisions.

Social Media

A study done by Bitner and Albinsson (2016) used the definition of social media, which can be defined as “a group of internet-based applications...that allow the creation and exchange of user generated content” (Kaplan & Haenlein, 2010, p. 61). Social media consists of different platforms like social media networking sites, blogs, forums and other interesting applications where they post and share their everyday's stories. People use social media as a medium of communication because of its fast and reliable features. Social media refers to websites and applications that are designed to allow people to share content quickly, efficiently, and in real-time (Hudson, 2019). It allows the users not only to communicate but to interact and engage (Fotis, 2015).

SOCIAL MEDIA NETWORKING SITES

There are numerous social media networking sites used by 2.7 billion Filipino social media users. Morallo (2014) stated that considering the creation of Social Media Networking Sites (SNSs), they have quickly become a pervasive way for people to connect and interact on-line all over the world. It includes Facebook, Twitter, Instagram, Whatsapp, Tumblr, SnapChat and other networking sites. Facebook remains as the top social media networking site in the Philippines with 91.58% based on the social media stats in the Philippines made by StatCounter Global Stats for September 2019. To be followed by Twitter with 4.62%, Pinterest with 1.78%, YouTube with 1.42%, Instagram with 0.32% and Tumblr with 0.15%.
Social Media Marketing

Through emerging technologies nowadays, traditional marketing has become less effective. A company must cope with what is trending today to become active in the customer's perspective. Social media has become common as a useful marketing tool to provide brand communication with consumers. Pacquette (2013) selected the definition of Chi of social media marketing in her article, as Chi (2011, 46) defined social media marketing as a “connection between brands and consumers, [while] offering a personal channel and currency for user-centered networking and social interaction.” Social media marketing is the appropriate marketing tool to use for improving the strategy and communicating with consumers of the business due to social media emergence. Companies must learn how to use social media in a way that is consistent with their business plan (Mangold and Faulds, 2009). A company will gain a competitive advantage if they effectively use social media as one of their business tactics. Consumers are spending more time online, leading to the increase in use of social media for marketers as they are able to reach a greater number of consumers (Tuten, 2008). Moreover, "Social media guides Filipino marketer's brand strategy" (2016) stated that social media monitoring emerged as the 'top' strategy used by the Philippine marketing people to guide their planning process and measure the performance of brand campaigns, according to a study by Global consultant Talyor Nelson Sofres (TNS).

Social Media Users

The Philippines is the top country worldwide for the most time spent on the internet (Aguilar, 2019). Filipinos spend an average of 10 hours and 2 minutes on the internet, which proved that we are reigning as the top social media user. According to StatCounter (2019), as of September 2019, 91.58% of the social media users in the Philippines use Facebook as their primary social media platform. Based on the data, businesses must put their effort into utilizing Facebook Advertising. One of the fundamental features of Facebook is the Facebook Ads, which helps small and medium enterprises (SMEs) to promote their business in an efficient and inexpensive as possible. Due to the largest network of Facebook, it can reach thousands of Filipino social media users informing about the businesses' products. Additionally, Facebook shows customer's feedback about particular products and services of the company which assist other customers in perceiving the quality of the business. According to Smith (2019), 73% of online marketers agree that their efforts in implementing social media marketing strategy for their business have
been effective. He additionally added that 2 million businesses today use Facebook Advertising for promoting their products and services.

**SMALL BUSINESS SOCIAL MEDIA USE**

Businesses use the opportunity of emerging social media in the Philippines to reach a wider market to engage interaction with their customers. It allows the businesses for easier transactions and more connection, not only in the Philippines, but also worldwide. Social media contributes for the improvement of performance of small businesses. It is important for a small business to engage with customers to gain their loyalty and continuously purchases. Post (n.d.) stated that using social media helps you build brand awareness, increase your customer base, and connect with current customers. According to a study done by Broekemier, Chau, and Seshadri, small businesses should be made more aware of the benefits of using social media to increase brand awareness and expand their geographic reach at low cost (Bittner and Albinsson, 2016). They added that social media platforms are a significant tool to establish relationships with their customers and target market. Compared to large businesses, small businesses tend to get more attraction and purchases from customers because these businesses are individual-focused and community-friendly. In order for the small businesses to gain more customers, their social media pages should actively and simultaneously posting and sharing contents about the businesses' products and services. In the article "Why small businesses have the Social Media Marketing advantage", Post (n.d.) mentioned a survey found that 53% of the consumers want to shop at small businesses because of personalized attention.

**Young Adults and Social Media**

Obviously, the target of this study is to know the effectiveness of social media interaction of local businesses to young adults. They are more likely to use social media compared to other aged groups. Adel (2019) stated in her article "Filipinos spend 'most time' on social media in the world", which Global Index said that "younger groups are the more enthusiastic about social media". Furthermore, she added that majority of the social media users across the world are aged between 16-24 years old. The purchasing power of young consumers is increasing due to the fact that these consumers have their own money to acquire products or services. Moreover, as Filipinos spend an average of 10 hours on social media and young adults are most likely to use it, marketers use this opportunity to promote brand awareness and develop their social media profiles for the companies. The large amount of time young adults are spending on social media is a huge opportunity for marketers to reach this audience (Tuten, 2008). Social media marketing is increasing word of mouth in young consumers when young consumers post an image and tag a brand (Carroll, 2015). It shows that businesses must focus on targeting young adults in promoting their products or services through their social media use. Bittner and Albinsson (2016) stated that social media can be a valuable tool in building relationships of the customers with companies.

**Development of Hypotheses**

The research question is to determine if social media interaction between young adults, ages 17-25 and local businesses on social media leads to a perceived relationship with each other and whether that has an effect on purchase decisions of young consumers. Based on the above literature review, the following is hypothesized:

H1: Young consumers who spend more than 2 hours daily on social media will perceive to have closer relationships with local businesses than young consumers who spend less than 2 hours.

H2: Interaction on social media will lead to stronger relationships with local businesses.

H2a: Liking/sharing giveaway posts will lead to stronger relationships.

H2b: Taking surveys will lead to stronger relationships.
H2c: Giving feedback/reviews will lead to stronger relationships.

H2d: Gaining information on sales and promotions will lead to stronger relationships.

H2e: Asking questions about the company and their products/services will lead to stronger relationships.

H3: Young consumers’ interactions with local businesses on social media will lead to an increase in purchase intentions.

H3a: Liking/sharing giveaway posts will lead to stronger relationships.

H3b: Taking surveys will lead to stronger relationships.

H3c: Giving feedback/reviews will lead to stronger relationships.

H3d: Gaining information on sales and promotions will lead to stronger relationships.

H3e: Asking questions about the company and their products/services will lead to stronger relationships.

H4: Young consumers’ interactions with local businesses on social media will lead to feeling like they have access to information others may not.

H4a: Liking/sharing giveaway posts will lead to increased access to information.

H4b: Taking surveys will lead to increased access to information.

H4c: Giving feedback/reviews will lead to increased access to information.

H4d: Gaining information on sales and promotions will lead to increased access to information.

H4e: Asking questions about the company and their products/services will lead to increased access to information.

Method

The research took place in Sta. Mesa, Manila. The respondents were located at the Main campus of Polytechnic University of the Philippines under College of Business Administration. All respondents were between the ages of 17-25. The survey sample size was 337.

Survey Design

A formal list of questionnaire is used from the research entitled "Targeting Young Adults: The Effectiveness of Social Media Use for Local Businesses" by Amy Bitner. It contained eighteen questions and took approximately ten to fifteen minutes to complete. The survey contained questions regarding time spent daily on social media, which social media networks are used, and questions regarding the interaction with local businesses on social media.

Sample

The survey used a simple random sampling using mainly students on the campus of Polytechnic University of the Philippines-Main. Responses were first solicited by giving questionnaires to the chosen respondents. The survey was distributed to various departments of College of Business Administration. In total, 357 survey responses were collected. However, 337 responses are needed so others were eliminated.
The survey respondents’ age range from seventeen to twenty-five, with 49% with age of 19, followed by 29% age 18, 17% age 20, 3% age 21 and 1% both ages 22 and 24. The majority of respondents were from the Department of Marketing Management, followed by Human Resource Management, Office Administration and Entrepreneurship. Approximately 70% of respondents were female and 30% male.

Dependent Variables

The dependent variables tested include relationships with companies interacted with on social media, increased purchases, and access to information.

These variables were tested using the following questions, asking respondents to indicate their degree of agreement/disagreement on a five point Likert scale:

“I feel like I have a relationship with the companies I interact with on social media.” “Interacting with companies on social media has led me to make purchases I would not normally make/increase my purchases.”

“Interacting with businesses on social media gives me access to things, such as sales and promotions.”

Results

The survey was completed by 337 respondents, 2% reported spending 0-30 minutes on social media daily, 6% reported 30-60 minutes, 12% reported 1-2 hours, 25% reported 3-4 hours, and 55% reported spending over 4 hours daily.
The next set of questions regarded the frequency of use of different social media sites, with 337 completed responses. Regarding the use of Facebook, only 1 respondent (0.10%) reported never using the site, 7% said rarely, 13% use it occasionally/sometimes, 27% use it a moderate amount, and 53% use it a great deal. Regarding the use of Twitter, 12% stated they never use the site, 19% rarely use, 17% use it occasionally/sometimes, 22% use it a moderate amount, and 30% use Twitter a great deal. 13% of respondents never use Instagram, 17% use the site rarely, 23% use it occasionally/sometimes, 24% use it a moderate amount, and 23% use it a great deal. With regards to YouTube, only 1 respondent answered never use it, 2% rarely, 13% occasionally/sometimes use, 29% use it a moderate amount, and 56% use it a great deal. Finally, regarding the use of the social media site Pinterest, 46% of respondents never use, 28% rarely use, 14% use occasionally/sometimes, 6% use both moderate amount and a great deal.

Based on these results, Facebook and Youtube are used most often by young adults ages 17-25. Pinterest reported to never be used by over a half of respondents, with a majority of other respondents using only rarely or never. A majority of the respondents using Twitter and Instagram use it mostly at moderate amount or occasionally.
Respondents were also asked whether they interact with local businesses on social media networks. 67% of the sample (226 people) responded yes and 33% (111) responded no. The next set of questions regarded the frequency of various types of engagement with local businesses on social media. 31% of respondents reported occasionally liking/sharing giveaway posts, 21% reported rarely, and 15% reported frequently. With regards to taking surveys, 11% reported frequently, 35% reported rarely, and 24% reported occasionally.
Regarding giving feedback/reviews, 31% responded rarely and 14% responded frequently. 22% of respondents reported gaining information on sales and promotions frequently, 29% occasionally and 25% rarely. Regarding using social media networks to ask questions about the company and their products/services, 24% responded rarely and 18% responded frequently.

Based on these results, young adults report using social media mainly to gain information on sales and promotions, occasionally to like or share giveaway posts, but rarely to take surveys, give reviews, or ask questions.

Hypothesis testing.

The final set of questions regarded the level of agreement that social media interaction has on the previously mentioned dependent variables. Respondents were asked if they share/repost content from local businesses to their own social media profiles, with 21% agreeing, 16% disagreeing, and 42% neither agreeing nor disagreeing. Respondents were then asked their level of agreement that social media interaction has led to an increase in their purchases, with 27% agreeing, 39% neither agreeing nor disagreeing, and 17% disagreeing. When asked their level of agreement that interaction with businesses on social media gives access to things, such as sales and promotions, 34% agreed and 10% disagree. Finally, respondents were asked their level of agreement that they have a relationship with the companies they interact with on social media. 38% neither agreed nor disagreed, while 24% agreed and 19% disagreed.

The following hypotheses were tested:

<p>| Table 1. |</p>
<table>
<thead>
<tr>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>5.034</td>
<td>4</td>
<td>1.259</td>
<td>1.129</td>
</tr>
<tr>
<td>Within Groups</td>
<td>369.986</td>
<td>332</td>
<td>1.114</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>375.021</td>
<td>336</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

H1: Young consumers who spend more than 2 hours daily on social media will perceive to have closer relationships with local businesses than young consumers who spend less than 2 hours. Using a one-way anova with the independent variable being amount of time spent on social media daily and the dependent variable “perceived relationship,” the hypothesis was not found to be significant (F=1.129, p=.342). The amount of time spent daily on social media has no impact on feeling like one has a relationship with local businesses they interact with on social media.

| Table 2. |
|---|---|---|---|---|---|
| Model | Unstandardized Coefficients | Standardized Coefficients |
| | B | Std. Error | Beta | t | Sig. |
| 1 | (Constant) | 1.573 | .162 | | 9.726 | .000 |
| Liking/sharing giveaway posts | .078 | .050 | .095 | 1.559 | .120 |
| Taking surveys | .217 | .072 | .219 | 2.997 | .003 |
| Giving feedback reviews | .076 | .077 | .081 | .992 | .322 |
| Gaining info on sales and promotion | -.002 | .057 | -.003 | -.041 | .968 |
Asking questions about the company and their products/services

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1.634</td>
<td>.159</td>
<td>10.307</td>
</tr>
<tr>
<td></td>
<td>Liking/sharing giveaway posts</td>
<td>.132</td>
<td>.049</td>
<td>.161</td>
</tr>
<tr>
<td></td>
<td>Taking surveys</td>
<td>-.007</td>
<td>.071</td>
<td>-.007</td>
</tr>
<tr>
<td></td>
<td>Giving feedback reviews</td>
<td>.164</td>
<td>.075</td>
<td>.176</td>
</tr>
<tr>
<td></td>
<td>Gaining info on sales and promotion</td>
<td>.055</td>
<td>.056</td>
<td>.061</td>
</tr>
<tr>
<td></td>
<td>Asking questions about the company and their products/services</td>
<td>.144</td>
<td>.056</td>
<td>.170</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Interacting with companies on social media has led me to make purchases I would not normally make/increase my purchases

H2: Interaction on social media will lead to stronger relationships with local businesses.

\( R^2 = .180, F = 14.556, p = .000 \)

H2a: Liking/sharing giveaway posts will lead to stronger relationships. \( \beta = .095, p = .120 \)

**H2b: Taking surveys will lead to stronger relationships. \( \beta = .219, p = .003 \)**

H2c: Giving feedback/reviews will lead to stronger relationships. \( \beta = .081, p = .322 \)

H2d: Gaining information on sales and promotions will lead to stronger relationships. \( \beta = -.003, p = .968 \)

H2e: Asking questions about the company and their products/services will lead to stronger relationships. \( \beta = .127, p = .061 \)

Multiple regression analysis was used to test if various interactions on social media significantly predicted perception of a relationship with businesses. The results of the regression analysis indicated a linear relationship. It was found that taking surveys is a significant predictor to have a relationship with businesses on social media.

**Table 3.**

H3: Young consumer’s interactions with local businesses on social media will lead to an increase in purchase intentions. \( R^2 = .203, F = 16.823, p = .000 \)

**H3a: Liking/sharing giveaway posts will lead to an increase in purchase intentions. \( \beta = .161, p = .008 \)**
H3b: Taking surveys will lead to an increase in purchase intentions. $\beta=-.007$, $p=.923$  

H3c: Giving feedback/reviews will lead to an increase in purchase intentions. $\beta=.176$, $p=.030$

H3d: Gaining information on sales and promotions will lead to an increase in purchase intentions. $\beta=.061$, $p=.333$

H3e: Asking questions about the company and their products/services will lead to an increase in purchase intentions. $\beta=.170$, $p=.011$

Multiple regression analysis was used to test if various interactions on social media significantly predicted increased purchase intentions. The results of the regression indicated a linear relationship. It was found that interaction in social media such as liking/sharing giveaway posts, giving feedback/reviews and asking questions about the company and their products/services are significant predictor of increased purchase intentions.

Table 4.

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1.989</td>
</tr>
<tr>
<td></td>
<td>Liking/sharing giveaway posts</td>
<td>.101</td>
</tr>
<tr>
<td></td>
<td>Taking surveys</td>
<td>-.014</td>
</tr>
<tr>
<td></td>
<td>Giving feedback reviews</td>
<td>.045</td>
</tr>
<tr>
<td></td>
<td>Gaining info on sales and promotion</td>
<td>.122</td>
</tr>
<tr>
<td></td>
<td>Asking questions about the company and their products/services</td>
<td>.180</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Interacting with business on social media gives me access to things such as sales and promotions

H4: Young consumers’ interactions with local businesses on social media will lead to feeling like they have access to information others may not. $R^2=.168$, $F=13.363$, $p=.000$

H4a: Liking/sharing giveaway posts will lead to increased access to information. $\beta=.124$, $p=.043$

H4b: Taking surveys will lead to increased access to information. $\beta=-.014$, $p=.847$

H4c: Giving feedback/reviews will lead to increased access to information. $\beta=.048$, $p=.559$

H4d: Gaining information on sales and promotions will lead to increased access to information. $\beta=.136$, $p=.033$

H4e: Asking questions about the company and their products/services will lead to increased access to information. $\beta=.215$, $p=.002$

Multiple regression analysis was used to test if various interactions on social media significantly predicted feeling like one has access to information that others may not know about. The results of the regression indicated a linear
relationship. It was found that liking/sharing giveaway posts, as well as gaining information on sales and promotions and asking questions about the company and their products/services are significant predictors of feeling like one has access to information that others may not.

Additional Analysis

The researcher did additional testing to determine if gender has significant relation in perceiving a relationship with local businesses they interact with on social media. Using a t-test with the independent variable being gender and the dependent variable “perceived relationship,” the researcher tested the following:

<table>
<thead>
<tr>
<th></th>
<th>Levene's Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td>I feel like i have a relationship with the companies I interact in social media</td>
<td>Equal variances assumed</td>
<td>.238</td>
</tr>
<tr>
<td></td>
<td>Equal variances not assumed</td>
<td>2.157</td>
</tr>
</tbody>
</table>

Gender has significant impact to perceived relationship with local businesses they interact with on social media. t=2.217, p=.027

The researcher found that gender has impact on feeling like one has a relationship with the companies they interact with on social media.

Discussion

Of the five types of interaction/predictors, only using social media to take surveys was found to significantly predict a relationship between young consumers and local businesses they interact with on social media. Testing specific forms of interaction and finding that the other forms were not significant predictors of a relationship with local businesses on social media and young consumers.

Taking surveys was found to be a significant predictor of the dependent variable while giving reviews/feedback was not found to be significant. This contradicts previous findings of Mangold & Faulds (2009) that polls, reviews, and feedback can increase engagement with consumers on social media. However, liking/sharing giveaway posts, was found to significantly predict feeling like one has access to information others may not, supporting research that contests can also increase engagement in consumers (Mangold & Faulds, 2009).

Increased purchase intentions was found to be affected by the frequency of using social media to liking/sharing giveaway posts, giving feedback/reviews and asking questions about the company and their
products/services, supporting previous research that special offers and promotions can be used to incent purchases and increase word of mouth (Saravanakumar & SuganthaLakshmi, 2012).

Increased frequency of using social media to gain information on sales/promotions and to like/share giveaway posts were both found to be predictors of feeling like one has access to information that others may not know about. This supports previous Instagram specific research that users are responsive to “back stage” content (Bergstrom & Backman, 2013). This builds on the previous research and may be generalized to other social media platforms.

Conclusion

As the results mentioned above, local businesses should actively posting information about the company, and their products and services to increase engagement with their customers, as well as making them feel that they have access on the information. Through giveaway posts, feedback/reviews, and questions from the customers, it can increase their purchase intentions. Additionally, They can also put effort in providing surveys since the researchers perceived significant relationship between taking surveys and building a stronger relationship with local businesses. Equally important that both genders should be targeting by businesses on social media.

Young consumers usually use YouTube and Facebook as their primary social media platform. Social media is constantly evolving, and it affects the growth of the businesses. The companies must cope with social media for continuous improvement and benefits. It serve as an opportunities for the businesses to use YouTube and Facebook to promote products and services to reach a large audience. They must be active on social media to consistently engaging clients. Hudson (2019) stated that it is better to not have a social media icon on your website if you are not going to actively engage with it—and actively means on a daily basis. Additionally, males and females are equally responsive to local businesses on social media, meaning that businesses should place an equal focus on targeting both genders (Bitner and Albinsson, 2016).

Social Media has been continuously changing and improving. Future research could look onto new developments and innovations in social media regarding ways of interaction and information dissemination that may probably affect consumer's behaviour and purchase decision. Other social media platforms should be seen also as an opportunity for broader study of these topics. Technological changes and innovations like applications and sites in mobile devices and discussions similar with these kinds should also be studied thoroughly. Research focusing on a specific platform engaged with studies on consumer's interactions, and online buying-behaviour will help differentiating the effectiveness of one platform to another, further extending this research.

References


