Social Media and Reference Groups Influence on Buyers Decision

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CHAPTER I

INTRODUCTION:

Nowadays consumers are changing their purchasing behaviour they are more dynamic than past. This dynamism affects their lifestyle. Eligibility of online shopping without going out of their houses they can reach millions billions of products and services via Internet, product reviews, intensive advertising channels (via TV, radio channels, Internet, celebrity endorsement, etc.) word of mouth communications and change their habits about purchasing. Social media and urbanization (colleagues friends family neighbours internet friends etc.) are increased the communication between people that affected the influence on consumer their habits on purchasing. Therefore consumers have more information and desire about products. Consumers can influence each other by physical word of mouth or digital word of mouth (social media tools) Gillin (2007, p.4) states that "Conventional marketing wisdom has long held that a dissatisfied customer tells ten people. But that is out of date. In the new age of social media, he or she has the tools to tell 10 million".

Influence on consumers purchase decision is an important subject for marketers. To understand if there is an influence or not will help the marketers to change their strategies towards to this situation. "Consumers are influenced by several levels of society – subcultures, social classes, reference groups, and face to face groups. The challenge to the marketer is to determine which of these social levels are the most important in influencing the demands for his product." (Kotler, 1965, p.43) For this reason the researcher wanted to evaluate the influence by social media tools and reference groups on consumer's purchase decision process. The research aim is to understand whether there is an influence or not by social media (only information that conducted by the other consumers these can be product reviews by consumers, product review videos, blogs that are not advertising via producers or marketers.) and reference groups that the consumer belong to or the consumer inspires (celebrities, sportsmen, etc.)

Research objectives are;

- Do social media influence consumer purchase decision process?
- Do reference groups influence consumer purchase decision process?
- Do consumers purchase a product that they do not need because of influence?

To evaluate these objectives the researcher worked on these chapters:

Chapter II Literature review: In this chapter the researcher collected secondary data related to research aim and objectives and critically reviewed. The data is considered in two parts literature review 1 and literature review 2. Literature review 2 includes theory of consumer behaviour theory up to date, consumer purchase decision process and explanation of reference groups and word of mouth. In literature review 2 recent studies and reports that are related to this research are examined. Literature review gained to the researcher to have extensive information on the subject that will help to conduct research design evaluate information and analysis.

Chapter III Conceptual Framework: In this chapter the researcher explains the research aim and objectives related to literature review. This chapter is a linkage between literature review and research aim. This chapter indicates that the research is related to theory and studies that have researched recently.

Chapter IV Research Methodology: In this chapter the researcher explains the research design and its reasons. Research approach, research ethics, research techniques sample method and target groups are explained by researcher and the researcher explains why these are chosen and their appropriateness will be clarified. Survey questions are shown and clarified. The research design will help the researcher to collect primary data according to the research methods and research ethics.

Chapter V Primary Data Analysis: In this chapter the raw data collected from the respondents is analysed by SPSS version 16.0. The demographic aspects frequencies is shown and according to the research aim and objectives six crosstabulations are used for dependency between variables.

Chapter VI Conclusion, Limitations and Recommendations: In this chapter the researcher concludes the research under effects of primary and secondary data. The limitations are indicated and the researcher tells how they prevent the researcher while studying on this research. Recommendations are given for future researches.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction:

In this chapter the researcher evaluate the consumer behaviour theory consumer purchase decision process and the influencers in the literature review 2. The recent studies and reports which are related research aim are examined in literature review 1.

Consumer behaviour is a vast subject to understand consumers' purchasing activities. Social media and social environment of the consumers are effective on consumers' purchasing decision. Social media is newly started to research by researchers. For this reason the majority of literature review 1 includes reference groups' effects.

2.2 Literature Review I:

In this part social media and reference groups are defined, recent researches and reports are referred that are related to research aim and objectives.

2.2.1 Social Media:

Social media defines as "Websites and applications used for social networking (social networking; the use of dedicated websites and applications to communicate with others, or to find people with similar interests to one's own" by Oxford English Dictionary Online (2011). These tools are stated as "These include blogs, social networking websites, wikis, tagging and other social bookmarking sites, audio blogging and post casting, multimedia sharing, and syndications" (Boxen, 2008). Examples for social media can be Facebook, Wikipedia, Twitter, Youtube and Blogger. "Although an array of comprehensive social networking websites exists, the most common sites are Facebook and Myspace. Facebook has matched MySpace in the United States, with about 70 million members."(Arango, 2009)

Social media's importance in people's life is explained by Shepherd (2011) as "Social media are certainly in the public eye at the moment. That is not surprising when you consider that Facebook now has 500 million members and that the average Internet users spends six hours on this site alone every month; there are more than 3 million English – language articles on

Wikipedia; and 20 hours of video is uploaded to YouTube every minute of every day; there's even a Hollywood movie, The Social Network, telling the story of the birth of Facebook. Yes, social media are already practically ubiquitous and this is only the beginning." The 21st century is witnessing an explosion of Internet-based messages transmitted through these media. They have become a major factor in influencing various aspects of consumer behaviour including awareness, information acquisition, opinions, attitudes, purchase behaviour, and post-purchase communication and evaluation. (Mangold & Faulds, 2009).

Blackshaw & Nazzaro (2006) states that " Consumer generated media describes a variety of new and emerging sources of online information that are created, initiated, circulated and used by consumers intent on educating each other about products, brands, services, personalities and issues". They said that "Ninety percent, in fact, have used an Internet search engine to research a product or service (Source: Pew Internet & American life Project, December 2005). More than 75% of car buyers cited word of mouth recommendations as most influential in their purchase decisions, and many of those recommendations emanate from thousands of online car forums and discussion boards. Moreover, they use Internet to consult with other consumers by reading opinion sites where consumers post reviews and personal experiences about specific products, companies or brands. They browse or engage in discussion boards where active consumers share information freely, sometimes daily and frequently with passion and influence".

Social media is perceived by consumers as a more trustworthy source of information regarding products and services than corporate-sponsored communications transmitted via the traditional elements of the promotion mix (Foux, 2006). Social networks like Facebook and Twitter are increasingly emerging as important shopping tools for both retailers and shoppers. Deloitte found that many consumers are planning to use their mobile phones to obtain information on pricing, advertisements, coupons and sales. Nearly 30% of the respondents said social networking is likely to play a major part in their shopping decisions (Gardner, 2010). "A recent study of social media usage makes it quite clear that people who become Facebook fans and Twitter followers of a brand are more likely to not only recommend, but they are also more likely to buy from those brands than they were before becoming fans/followers. While social media is not the silver bullet that some pundits claim it to be, it is an extremely important and relatively low cost touch point that has a direct impact on sales and positive word of mouth, commented by Josh Mendelsohn a vice president at Chadwick Martin Balley" (Falkow, 2010). Forrester research and GSI Commerce

analysed data captured from online retailers between November 12 and December 20, 2010. The research shows that social media rarely leads directly to purchase online – data indicates that less than 2% of orders were the result of shoppers coming from social network. The report found email and search advertising were much effective vehicles for turning browsers into buyers (Wasserman, 2011).

According to these reports and researches there is an influence on consumers by social media via non marketer sources and marketer sources. The researcher will evaluate this through the respondents collecting primary data.

2.2.2 Reference Groups:

Reference group is defines as "those groups to which the individual relates himself as a part or to which he aspires to relate himself psychologically" (Sherif, 1953, p.206)

Other people whether as individuals or in groups, exert enormous influence on consumers. Belonging to groups, trying to "fit in," and striving to please others affects every stage of the consumer decision process. (Blackwell et al. 2006, p.522) According to Court, Elzinga, Mulder & Vetvik (2009) the decision process is not linear that mentioned in the theories it is circular. They said that "Consumer driven marketing is important such as customers seize control of the process and actively pull information helpful to them. Their research found that two - thirds of the touch points during the active - evaluation phase involve customer- driven marketing activities such as Internet reviews and word of mouth recommendations from friend and family, as well as in store interactions and recollections of past experiences".

From marketing and consumer behaviour perspectives, the influence groups on individual behaviour are often manifested in the types of products and brands purchased by individuals. Referents with high credibility, such as those having presumed expertise, will often serve as sources of information based influence for uncertain or uninformed consumers, utilitarian influence will be reflected in attempts to comply with the wishes of a reference group to avoid punishment or receive a reward, while value – expressive influence will be reflected in the need for psychological affiliation with the reference group (Childers & Rao, 1982). In their research they focused on family and peer group influence on consumer especially product and brand choice of consumer. They classified product in four types these are; publicly consumed luxuries, privately consumed luxuries, publicly consumed necessities and privately consumed necessities to evaluate the differences between influences of reference

groups on consumer when they are buying these products. The premise of their research was that, for decisions that were not influenced by peers, the family would exercise an influence.

The other research is conducted by Bearden, Netmeyer and Teel (1989) that is about consumer susceptibility to interpersonal influence. They stated that "Recent research on manifest susceptibility to interpersonal influence has suggested that it is a multidimensional construct." They developed a two dimensional measure of informational and normative interpersonal influence and examined its reliability and validity.

Burnkrant & Cousineau (1975) conducted a research on informational and normative influence in buyer behaviour. They conducted an experiment to clarify the nature of the influence active in most prior marketing research on the social influence process. After analysing they stated that "Evidence was provided to indicate that people use others product evaluations as a source of information about the product. It appears that, after observing others evaluating a product favourably, people perceive the product more favourably themselves than they would have in the absence of this observation. They use the evaluations of others as a basis for inferring that the product is, indeed, a better product."

According to the studies and there is influence on consumer decision process by reference groups. The researcher will evaluate whether there is or not influence in sample.

2.3 Literature Review II

In this part the theory is considered in relation with the research aim and objectives. Consumer behaviour and its' theories will be reviewed up to date. Consumer purchase decision process is explained in detail especially the researcher is given importance to information search step to define external information search that is related to reference groups' influence.

2.3.1 Consumer Behaviour:

Consumer behaviour is not old subject that is started to research on it. The first university courses appeared in mid-1960: and the first textbook on consumer behaviour, by James Engel, David Kollat, and Roger Blackwell, was published in 1969. (Horton c1984, p. 4) These show that consumer behaviour is a new area related to human psychology and vast area to reach new findings about consumer.

Definition of consumer behaviour is important to understand what consumer behaviour refers and how supports the marketing to increase sales of products and services. Walters (1974, p.7) defines consumer behaviour as "...the process whereby individuals decide whether, what, when, how, and from whom to purchase goods and services." According to Walter,s definition consumer behaviour is a process focusing on purchasing. Mowen (1993, p. 6) defines consumer behaviour as "the study of buying units and exchange processes involved in acquiring, consuming, and disposing of goods, services, experiences, and ideas." Schiffman & Kanuk (1997, p. 648) defines as "The behaviour that consumers displays in searching for, purchasing, using, evaluating, and disposing of products, services and ideas." Engel, Blackwell& Miniard (2006, p.4) defines that "activities people undertake when obtaining, consuming and disposing of products and services. Consumer behaviour has traditionally been thought of as the study of why people buy with the premise that it becomes easier to develop strategies to influence consumer once a marketer knows the reasons people buy specific products or brands. "Consumer behaviour reflects the totality of consumers' decisions with respect to the acquisition, consumption, and disposition of goods, services, activities, and ideas by (human) decision-making units (over time)" defined by Hoyer & MacInnis (2007, p.3).

2.3.1.1 Behavioural Models

Firstly the behavioural models are explained to have a view of behaviour of individuals. Behavioural models recognise general of human behaviour. These behavioural models are summarised from Kotler's (1965) work that is named "Behavioural models for analysing buyers". Kotler explained behavioural models clearly and added market implications on these models. There are five most useful behavioural models that are accepted by marketing associations. These are the Marshallian model, economic man; the Pavlovian model, learning; the Freudian model, psychoanalytic motivations; the Veblenian model, social-psychological factors; and the Hobbesian model, organizational factors. Hobbesian Model is related to organisational buying behaviour for this reason the other four models are tried to explain.

2.3.1.1.1 The Marshallian Economic Model (An Economic View):

Economists were the first professional group to construct a specific theory about consumer behaviour. The theory holds that purchasing decisions are the results of largely "rational" and conscious economic calculations. (Kotler, 1965 p.39) He said that "His theoretical work aimed at realism but his method was to start with simplifying assumptions and to examine the effect of a change in a single variable (say, price) when all other variables were held constant. Over the years his methods and assumptions have been refined into what is known utility theory as modern utility theory: economic man bent on maximizing his utility, and does this by carefully calculating the "felicitic" consequences of any purchase.

He states that the model suggest useful behavioural hypotheses such as: (a) The lower the price of the product, he higher the sales, (b) The lower the price of substitute products, the lower the sales of this product: and the lower the price of complementary products, the higher the sales of this product, (c) The higher the real income, the higher the sales of this product, provided that it is not an "inferior" good, (d) The higher the promotional expenditures, the higher the sales.

According to him the model's assumptions are acceptable in some situations and also there can be opposite approach by consumers on price reductions like they can believe that the product's quality is getting lower after the reduction. And he states that economic factors alone cannot explain all variations in sales. The Marshallian model ignores the fundamental question of how product and brand preferences are formed. It represents a useful frame of reference for analyzing only one small corner of the "black box".

According to Schiffman & Kanuk (2004, p.550) "Consumer researches argued that the classical economic model of an all-rational consumer is unrealistic for the following reasons: (a) people are limited by their existing skills, habits, and reflexes; (b) people are limited by their existing values and goals: and (c) people are limited by the extent of their knowledge. For this reason, the economic model is often rejected as too idealistic and simplistic".

2.3.1.1.2 The Pavlovian Learning Model (A Cognitive View):

This model has for central concepts these are; drive, cue, response, and reinforcement.Drive; refers to strong stimuli internal to the individual which impels action. Cue; is weaker stimuli in the environment and/or in the individual which determine when, where, and how the subject responds. Response; is the organism's reaction to the configuration of cues.

Reinforcement; if the experiment is rewarding, a particular response is reinforced; that is, strengthened and there is a tendency for it to be repeated when the same configuration of cues appears again.

Cue configurations are constantly changing. Experimental psychologists have found that the same learned response will be elicited by similar patterns of cues; that is, learned responses are generalised. A counter-tendency to generalization is discrimination. Discrimination increases the specificity of the cue-response connection, while generalisation decreases the specificity.

According to him this model had not concrete a behaviour model but Pavlov's model referred phonemes as perception, interpersonal influence and subconscious.

Schiffman & Kanuk (2004, p.551) states that "The cognitive view describes a consumer who falls somewhere between the extremes of the economic view and passive views (which explained below), who does not have total knowledge about available product alternatives and, therefore, cannot make perfect decisions, but who nonetheless actively seeks information and attempts to make satisfactory decisions.

2.3.1.1.3 The Freudian Psychoanalytic Model (An Emotional Model):

According to Freud, the child enters the world driven by instinctual needs which he cannot gratify by himself. He tries to get others to gratify his needs through a variety of blatant means, including intimidation and supplication. As he grows his psyche-the id- remains the reservoir of his strong drives and urges. Another part-the ego- becomes his conscious planning centre for finding outlets for his drives. And a third part-his super ego- channels his instinctive drives into social approved outlets to avoid the pain of guilt or shame.

The individual's behaviour is never simple. His motivational wellsprings are not obvious to a casual observer nor deeply understood by the individual himself. Instead of the role of sexual urge in psychic development it emphasized the urge of power and how its thwarting manifests itself in superiority and complexes; cultural mechanisms; the role of existential crises in personality development.

He states that the most important marketing implication of this model is that buyers are motivated by symbolic as well as economic-functional product concerns. Motivation research can lead to useful insights and provide inspiration to creative men in the advertising and

packaging world. Appeals aimed at the buyer's private world of hopes, dreams, and fears van often is as effective in stimulating purchase as more rationally-directed appeals.

Schiffman & Kanuk (2004, p.552) points that "When a consumer makes what is basically an emotional purchase decision, less emphasis is placed on the search for prepurchase information. Instead, more emphasis is placed on current mood and feelings. This is not to say that emotional decisions are not rational. Buying products that afford emotional satisfaction is a perfectly rational consumer decision. For instance many consumers buy designer-label clothing, not because they look any better in it, but because status labels make them feel better. This is a rational decision.

2.3.1.1.4 The Veblenian Social-psychological Model (A Passive View):

Kotler explained that Thorstein Veblen saw man as primarily a social animal conforming to the general forms of his larger culture and to the more specific standard of the subcultures and face-to-face groupings to which his life is bound. His wants and behaviour are largely moulded by his present group-memberships and his aspired group-memberships. He emphasised the strong emulative factors operating in the choice of conspicuous goods like clothes, cars, and houses.

The early field-work in primitive societies by social anthropologists and the later field-work in urban societies contributed much to understanding the influence of society and culture. The research of early Gestalt psychologists into the mechanisms of perception led eventually to investigations of small-group influence on perception.

Man's attitudes and behaviour are influenced by several levels of society- culture, subcultures, social classes, reference groups, and face-to-face groups. Culture indicates man buying behaviour mostly until man changes his environment and starts to live in a new culture or there are some changes in his culture. Regional cultures are defined subcultures that have specific identity. Man behaviour is more effective to influence the other members and for his influence. Social classes develop in which the members feel empathy with others sharing similar values and economic circumstances. By social class the market segmentation is getting easier to focus on markets for marketers. Reference groups are groups that the individual has no membership but he identifies and may aspire to them like celebrities and sportsmen. Reference groups are become influencing factor in the individual consuming preferences. Face-to-face groups include all small societies that man contact very frequently;

his family, close friends, colleagues, neighbours ...etc. Face-to-face groups are important influencers in individual's consuming preferences.

Schiffman & Kanuk (2004, p.550) explains that "The principal limitation of the passive model is that it fails to plays an equal, if not dominant, role in many buying situations sometimes by seeking information about product alternatives and selecting the product that appears to offer the greatest satisfaction and at other times by impulsively selecting a product that satisfies the mood or emotion of the moment. All that we have studied about motivation, selective perception learning, attitudes, communication, and opinion leadership serves to support the proposition that consumers are rarely objects of manipulation. Therefore, this simple and single-minded view should also be rejected as unrealistic.

2.3.1.2 Earlier Consumer Behaviour Models:

These models are helpful for construct consumer behaviour theories for marketing researchers. These earlier theories help researchers to evaluate beginning of consumer behaviour researches.

2.3.1.2.1 The Andreasen Model

Alan Andreasen (1965) focuses on the problem that is related to consumer purchasing decision on a new product. The information is really important for this model in purchasing process that can change attitudes towards to the products. Attitudes are the centre of the model attitudes are shaped by information and affects consumer decision. The model lack of connections between its variables however this model helped the other models to improve new models. (Horton c1984 p.29)

2.3.1.2.2 The Nicosia Model

Francesco Nicosia's (1966) model concerns about purchasing a new product primarily like Andreasen's model. However the model has different approaches than the other model. His model focuses on both individuals and organisational purchasing decision process. According to him the decision process has an important role in purchase. Besides he shows his model as a computer stimulation model to explain the structure of consumer decision-making. His model has on-going decision process-the earlier models' flow in one direction - that gives his model the circulation of information and evaluation. (Horton c1984 p.31)

2.3.1.2.3 The Howard-Sheth Theory of Consumer Behaviour Model

This theory is widely recognised as a comprehensive consumer behaviour theory. As Horton (c1984, p.33) states that "The Howard-Sheth theory is somewhat unique because it is more directly based on reasonably well-developed psychological theories than any other comprehensive theory of consumer behaviour". Howard and Sheth (1969) are concerned with individual purchasing decision. The focus is on repeating in purchase for this reason the model includes the dynamics of purchasing behaviour over time. The model has five components; inputs to include products and social factors; perceptual and learning constructs; output response variables; and exogenous variables to include environment, financial status, and culture.

Inputs, according to them there are three types of information. These are significative stimuli; the object itself, Symbolic stimuli; gives information about object via symbols, and social stimuli; recommendations from reference groups, media etc.

Perceptual Constructs, the buyer perceive the information and will act upon on it. Perceptual process consists of two mechanisms: attention and overt search. Horton (c1984, p.37) explains these two mechanism as "Attention is passive; that is , for some reason the buyer develops a heightened receptivity to specific types of stimuli. Overt search is active. The buyer consciously and actively scans magazine ads, asks friends, reads consumer reports, or engages in some other activity designed to acquire information relevant to the brand choice decision".

Learning Constructs, after perception the behaviour is motivated and the behaviour energised by motives on the other hand motives do not change the behaviour directly. After that there are brand comprehension-the consumer can identify the brand-choice criteria; the consumer evaluates the brand. Attitude defines in this theory as the satisfaction expected from the brand after purchasing. They states that attitude gives rise to intention. Intention influences by confidence as well as attitudes. Confidence indicates two buyers can have the exactly same attitude and not feel confident equally to buy a new product. The last learning construct is satisfaction that is a post purchase phenomenon, related pre purchase expectation and post purchase experiences.

Outputs, are shown as attention, brand comprehension, attitude, intention and purchase in their model. All of the outputs are hypothetical instead of purchase. Purchase is observable on the other hand the other outputs are intangible.

Exogenous Variables, These variables influence the buyer while they are in decision making but the model has not got a clear explanation about them.

There are some criticisms about this theory that there are some limitations that can inhibit the explanation of buyer behaviour, On the other hand this theory give a clue to followers to improve the theory of consumer behaviour. (Horton c1984 pp. 32-44)

2.3.1.2.4 The Engel Kollat and Blackwell (EKB) Model

This model represents an organizational framework that shows high involvement decisions. There are some similarities between this model and Howard-Sheth model. On the other hand there are clear differences between them. EKB model clearly presents the decision process instead of the other model.

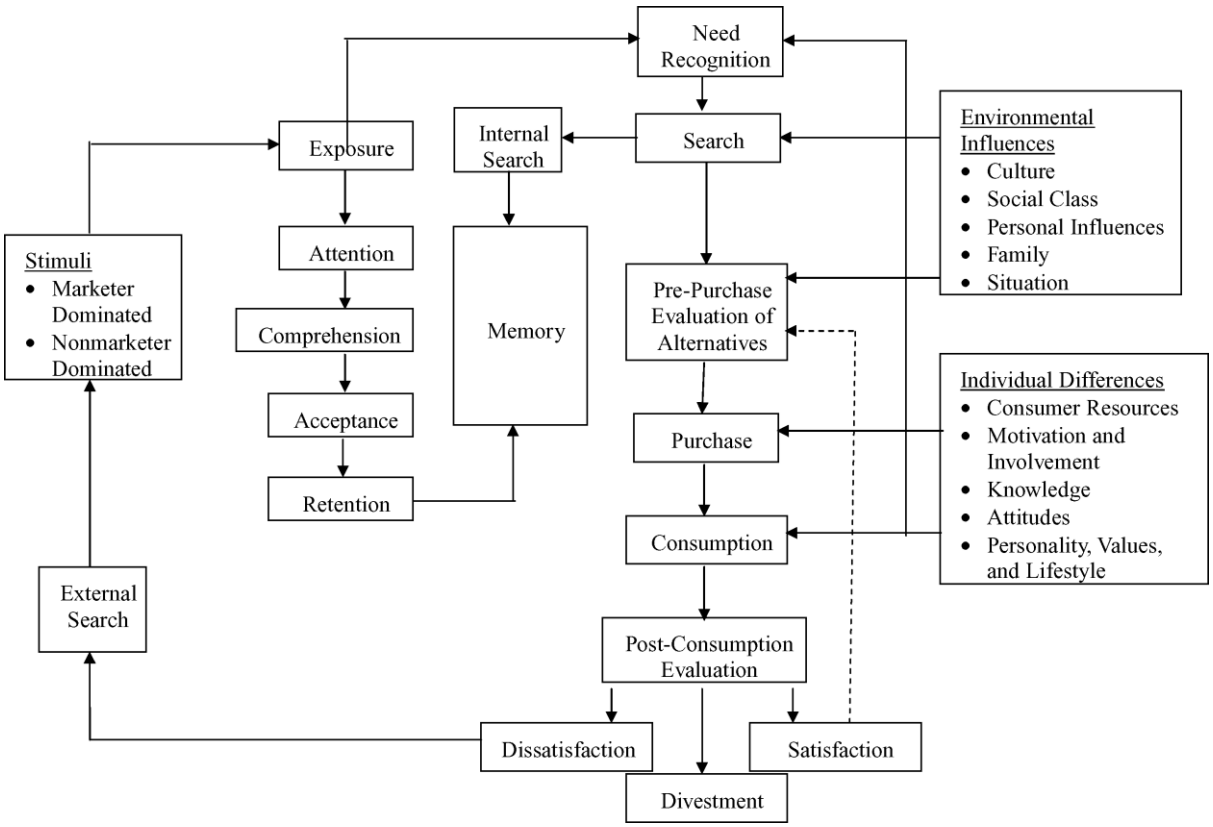

Figure 1: A more detailed representation of the consumer decision process. Adapted from Blackwell et al. 2006.

2.3.1.3 Consumer Purchase Decision Process Model

Schiffman & Kanuk (2004, p.847) decision define as "is the selection of an option from two or more alternative choices. In other words, for a person to make a decision, a choice of alternatives must be available". Blackwell, Miniard & Engel (2006, p.70) states that "The consumer decision process (CDP) model, represents a road map of consumers' minds that marketers and managers can use to help guide product mix, communication, and sales strategies"

Figure 2: Consumer decision process model

2.3.1.3.1 Need/Problem Recognition:

Problem/Need recognition is the first stage in consumer decision process. According to Blackwell, Miniard & Engel (2006, p.71) "Need recognition occurs when an individual senses a difference between what he or she perceives to be the ideal versus the actual state of affairs". Hawkins, Best & Coney (2004, p.504) defines problem recognition as "... is the result of a discrepancy between a desired state and an actual state that is sufficient to arouse and activate the decision process. An actual size is the way an individual perceives his or her feelings and situation to be at present time. A desired state is the way an individual wants to feel or be at the present time". "The need might be simple and caused by an internal stimuli, e.g. hunger, thirst or might be in response to an external marketing stimulus, e.g. attraction by advertisements, smells of products" (Wright, 2006, p.27). And also the need can arise from a change of buyer's life, e.g. marriage the birth of child. (Dubois, 2000).

If there is not discrepancy the consumer has not have a problem or need however if there is consumer have a need or problem this route consumer to information search.

2.3.1.3.2 Information Search:

Information search step especially external information search is important to understand social media and social environment effects reach consumer in which step of the consumer decision process model.

Consumers start to search for information to solve their problems or satisfy their needs. The search may be internal, retrieving knowledge from memory or perhaps genetic tendencies, or may it be external, collecting information from peers, family and the market place (Blackwell, Miniard & Engel, 2006, p.74). Consumers have limited capacity or ability to process information because memory traces can decay over time. Consumers are likely to recall a small subset of stored information when they engage in internal search. Researchers have examined the recall of four major types of information: brands, attributes, evaluations and experiences (Hoyer & MacInnis, 2007, p.198)

There are two types of external search; pre purchase search and ongoing search. Pre purchase search occurs in response to the activation of problem recognition. Ongoing search occurs on a regular and continual basis, even when problem recognition is not activated (Hoyer & MacInnis, 2007)

Consumer can acquire information from five major categories of external sources:

*Interpersonal search. The opinions, attitudes, behaviours, and feelings of friends, neighbours, relatives, other consumers, and increasingly, strangers contacted on the Internet.

*Independent search. Professional information that is provided in pamphlnets, articles, books, websites, and personal contacts.

*Experimental search. Direct experiences with the product through inspection, trial, or observation.

*Media search. Marketer-generated information presented in advertisements, websites, and displays, and by sales personnel

*Retailer search. Visits or calls to stores or dealers, including the examination of package information or pamphlets about brands. (Hawkins, Best & Coney, 2004, p.525) and (Hoyer & MacInnis, 2007, p.206)

Blackwell, Miniard & Engel (2006) categorised external search as marketer-dominated; refers to anything that the supplier does for purposes of information and persuasion, such as using advertising, salespeople, infomercials, websites, and point-of-sale materials, and non-marketer- dominated sources include friends, family, opinion leaders and the media.

Many consumer decisions are based on a combination of past experience (internal sources) and marketing and non commercial information (external sources). The degree of perceived risk can also influence this stage of the decision process. In high risk situations, consumers are likely to engage in complex and extensive information search an evaluation; in low risk situations, they are likely to use very simple or limited search and evaluation tactics (Schiffman & Kanuk, 2004, p.556). They stated that "The external search effort was greatest for consumers who had the least amount of product category knowledge. It follows that the less consumers know about a product category and the more important the purchase is to them, the more time the will make available and the more extensive their pre purchase search activity is likely to be.

2.3.1.3.2.1 Information Processing:

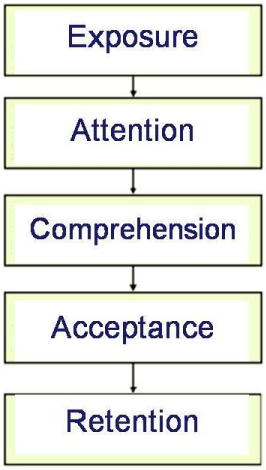

Figure3: Information processing. Source: http://forum.belmont.edu/business/2008/02/

Exposure; information and persuasive communication reach the consumer. Exposure induces senses.

Attention; the consumer will pay attention the more relevant the message and its content. Consumers frequently ignore commercial persuasion at this stage and engage in selective attention.

Comprehension; if attention is attracted, the message is further analysed against categories of meaning stored in memory. The marketer hopes that accurate comprehension will occur.

Acceptance; after comprehension, the message can be either dismissed as unacceptable or accepted. The goal of message is to modify or change existing beliefs and attitudes, but the message must be accepted before this can happen.

Retention; the goal of any persuader is for this new information to be accepted and stored in memory in such a way that is accessible for future use (Blackwell, Miniard & Engel, 2006, pp.77-79).

2.3.1.3.3 Evaluation of alternatives:

Schiffman & Kanuk (2004, p.559) explains that "When evaluating potential alternatives, consumers tend to use two types of information: a list of brands (or models) from which they plan to make their selection (the evoked set) and the criteria they will use to evaluate each brand (or model). The evoke set consists of the small number of brands the consumer is familiar with, remembers and finds acceptable.

Consumer compare what they know about different products and brands with what they consider most important, to narrowing the field of alternatives before they finally resolve to buy one of them (Blackwell, Miniard & Engel, 2006, p.80).

2.3.1.3.4 Purchase:

Wright (2006, p.28) explains that "Information will have been chewed over, benefits optimised, expert and others' opinions canvassed, and the customer is ready to buy". Hawkins, Best & Coney (2004, p.615) states that "Once the consumer has selected the brand and store, he or she must complete the transaction. This involves what is normally called purchasing or renting the product". "After deciding whether or not to purchase, consumers move through two phases. In the first phase, consumers choose one retailer over another retailer (or some other form of retailing such as catalogs, Internet, or direct sales). The second phase involves in store choices, influenced by salespersons, product displays, electronic media, and point-of-purchase (POP) advertising" (Blackwell, Miniard & Engel, 2006, p.81).

Consumers make three types of purchases: trial purchases, repeat purchases, and long-term commitment purchases. When a consumer purchases a product (or brand) for the first time and buys a smaller quantity than usual, this purchase would be considered a trial. Thus trial is

the exploratory phase of purchase behaviour in which consumers attempt to evaluate a product through direct use. Repeat purchase behaviour is closely related to the concept of brand loyalty, which most firms try to encourage because it contributes to greater stability in the marketplace. With most durable goods (refrigerators, washing machines, or electrical ranges), a consumer usually moves directly from evaluation to a long-term commitment (through purchase) without the opportunity for an actual trial (Schiffman & Kanuk, 2004, p.569).

2.3.1.3.5 Post Purchase Evaluation:

According to Hoyer & MacInnis (2007) in post decision process there are four outcomes. These are Dissonance and regret, Consumer learning, Satisfaction or dissatisfaction, and Disposition. They explained that the decision does not end after consumers make a choice or a purchase. Consumers can experience dissonance (anxiety over whether the correct decision was made) or regret after a purchase, learn about the offering by using it, experience satisfaction or dissatisfaction with it, and eventually dispose of it.

Dubois (2000) explains that a consumer most often experiences a feeling of either satisfaction or discontent when in contact with the product. Satisfaction may be defined as a psychological state induced by an absence of difference between expectations and the product's actual performance. If satisfaction often (but not always) leads to loyalty, dissatisfaction, usually due to performance below expectations, leads to a feeling a deception provoking in turn complaints, which can go as far as a boycott. The psychological state of satisfaction or dissatisfaction can be more or less transient, depending on the nature of the situation encountered. The main scenarios are summarised in figure below.

Performance	Expectations: High	Expectations: Low
High	Stable satisfaction (Good Product)	Transient Satisfaction (Luck)
Low	Transient Dissatisfaction (Bad Luck)	Stable Dissatisfaction (Bad product)

Figure 4: Satisfaction and dissatisfaction. Dubois (2000, p.248)

According to Schiffman & Kanuk (2004) there are three possible outcomes of evaluation of purchased product's performance in light of their own expectations: (1) actual performance matches expectations, leading to a neutral feeling; (2) performance exceeds expectations, causing what is known as positive disconfirmation of expectations (which leads to satisfaction); and (3) performance is below expectations, causing negative disconfirmation of expectations and dissatisfaction.

2.3.1.4 Reference Groups' Influence:

Social influence is defined as change in individual's thoughts, feelings, attitudes, or behaviours that results from interaction with another individual or group (Rashotte, 2006). In this definition group is refers to reference group in consumer behaviour. Reference group is defined as "is a group whose presumed perspectives or values are being used by an individual as the basis for his or her current behaviour. We may belong to many groups simultaneously, but we generally use only one group as our primary point of reference in any given situation" (Hawkins et. Al, 2004) Blackwell et al. (2006, p.522) defines reference group as "is any person or group of people who significantly influences an individual's behaviour". Reference groups might be individuals, such as celebrities,athletes, and political leaders, or might be groups with which individuals identify, such as rock bands, political parties, and support teams.

Marketers classified reference groups to (1) membership, (2) type of contact, and (3) attraction. Type of contact refers to how much interpersonal contact the group members have with each other. As group size increases, interpersonal contact tends to decrease. Attraction refers to the desirability that membership in a given group has for the individual. This can range from negative to positive. Groups with negative desirability - dissociative reference groups - can influence behaviour just as do those with positive desirability. Non-membership groups with a positive attraction - aspiration reference groups – also exert a strong influence. Individuals frequently purchase products thought to be used by a desired group in order to achieve actual or symbolic membership in the group. (Hawkins et al, 2004). Blackwell et al. (2006) states that there are eight types of reference groups: (1) primary groups; a social aggregation that is sufficiently intimate to permit and facilitate unrestricted direct interaction (for example family), (2) secondary groups; have direct interaction, but it is more sporadic, less comprehensive, and less influential in shaping thought and behaviour (for example professional associations and trade unions), (3) formal groups; are characterised by a defined

structure (often written) and a known list of members and requirements for membership (for example religious groups), (4) informal groups; have far less structure and are likely to be based on friendship or interests, (5) membership; refers to when individuals are recognised as member of a group, having achieved formal acceptance status in the group (for example peers and family), (6) aspirational groups; exhibit a desire to adopt the norms, values, and behaviour of others with whom the individual aspires to associate, (7) dissociative groups; groups from which an individual tried to avoid association, and (8) virtual membership groups; have evolved through chat rooms and other associations on the Internet, as virtual communities rather than geographic ones (such as chat rooms, social network websites and weblogs).

Reference groups affect individual consumers in different ways and to different degrees, depending on individual characteristics and product purchase situations. First reference groups create socialisation of individuals. Second, they are important in developing and evaluating one's self concept and provide a benchmark for comparing oneself to others. Third, reference groups are a device for obtaining compliance with norm in a society. (Blackwell et al. 2006).

2.3.1.4.1 Dyadic Exchanges:

Group influences are transmitted to individuals in many ways. Although the media transmit group influences and the Internet can accomplish transmission very fast, the most effective is still person to- person exchange. Individuals may choose to adopt a new behaviour, and then decide to continue it or drop it based on the opinions of their peers and other primary reference groups. These exchanges of resources (in this instance, opinions and comments) between two individuals that influence these individual's behaviour or beliefs represent dyadic exchanges. Word of mouth is an important dyadic exchange to be explained.

2.3.1.4.1.1 Word of Mouth Communication:

Word of mouth communication is the informal transmission of ideas, comments, opinions, and information between two people, neither one of which is a marketer. In the word of mouth process, there exists a sender and a receiver, each of whom gains something from the exchange. The receiver gains information about behaviours and choices, which is valuable to the receiver in the decision process. The sender increases his or her confidence in the personal product or behaviour choice by persuading the others to do the same.

2.3.1.4.2 Celebrities as a Reference Group:

Celebrities, especially movie stars, television actors, entertainers, and sport figures, can be powerful assets to marketing and advertising campaigns. Celebrities grab attention, create awareness, and communicate effectively with consumers who admire them or aspire to be like them. Consumers may relate to a common problem they share with the celebrity in the ad, or they may hope to emulate him or her by using the endorsed product. (Blackwell et al. 2006, p.531).

CHAPTER 3

CONCEPTUAL DEVELOPMENT

3.1 Introduction:

In this chapter the researcher explains the research aim and objectives based on the literature review. The purpose of this chapter is clarifying research aim and objectives and gives an explanation how to find answers to research aim and objectives. Firstly the researcher will explain the research aim and objectives, and then related to literature review extracts that are important for the research aim and objectives.

3.2 Research Aim:

As mentioned in the introduction section the research aim is to understand whether there is an influence or not by social media (only information that conducted by the other consumers these can be product reviews by consumers, product review videos, blogs that are not advertising via producers or marketers.) and reference groups that the consumer belong to or the consumer inspires (celebrities, sportsmen, etc.)

The world is changing every day, technologic innovations are getting enormous that you can communicate a person from the other side of the world. Communication is really important and it's getting digitalised. People may live apart however they can use Internet, social media tools such as Facebook, Youtube and Blogger and connected each other. This situation make easier to share opinions and reach information.

In consuming world digital world has different effects. Consumers are exposed to many advertisements by marketers; on the other hand consumers can reach a lot of similar brand easily. The competition is harder than before. Furthermore digital word of mouth communication is visible to everyone. If one of the consumers shares his dissatisfaction about a product in websites such as video sharing, blogging and product review websites, it will be shared to every consumer who is searching for this product. If they enter the product name to one of searching engines like Google they can find product's main webpage, online shopping websites that sells this product, besides the blogs, reviews, pictures and videos about the product.

According to these changes in people's life the researcher wants to evaluate the influence of social media reviews by consumers (digital word of mouth) and old word of mouth asking opinions of the reference groups about a product. The researcher believes that the subject is important for marketing strategies to understand consumers' behaviour towards to external influence and consider this when making decisions. For example they can focus on brand ambassadors and opinion leaders.

To understand consumers the researcher firstly wanted to know the behavioural models. According to these models; The Freudian psychoanalytic model (emotional model) the Veblenian social psychological model (passive model) and the Pavlovian learning models (cognitive view) are indicated that the behaviour of human may be shaped by instincts, external information and social environment. According to this the researcher can consider that consumer may have the influence by instinct, external information and social environment. The consumers can purchase a product because of recommendation, involving a social class or only instinctive desires.

Then consumer behaviour models are explained these theories have steps that includes information search. Information search step is related to influence of reference groups and social media. This explains that where the influence takes part in consumers' behaviour towards to purchase a product.

Under the consumer behaviour theory consumer purchase decision process appear in purchase process. The five steps of the consumer purchase decision are; need / problem recognition, information search, evaluate the alternatives, purchase and post purchase evaluation. All these steps explained in detail especially information search because of its importance for research aim. External search is important for the researcher because interpersonal sources are related to this part of information search. Acquisition of information can obtained from interpersonal source that are the opinions, attitudes, behaviours, and feelings of friends, neighbours, relatives, other consumers, and increasingly, strangers contacted on the Internet. This indicates that the consumers ask opinions of reference groups and as above mentioned strangers that they contact on the Internet. The researcher wants to evaluate if there is any influence of interpersonal source on consumer purchase decision process.

3.3 Research Objectives:

According to the research aim the researcher sets the objectives for clarifying the aim and finding answers to the objectives.

Research objectives are;

1) Do social media influence consumer purchase decision process?
2) Do reference groups influence consumer purchase decision process?
3) Do consumers purchase a product that they do not need because of influence?

According to these objectives the researcher searched for secondary data and critically reviewed the data related to the subject.

3.3.1 Social Media Influence:

The researcher wants to understand the social media influence on consumer decision process. The researcher does not focus on advertisements that are conducted by marketers. The researcher focuses on products reviews by consumers, non marketers that to understand digital word of mouth communication influence on consumers' decisions.

For this reason the reference groups explained in detail the researcher mentioned about the word of communication that is informal transmission of ideas, comments, opinions, and information between two people, neither one of which is a marketer.

Recent studies on social media influence on consumer decision making indicates that Internet based messages become a major factor in influencing consumer behaviour on purchasing (Mangold & Faulds, 2009). The other study found out that more than %75 of car buyers mostly influenced by word of mouth recommendations and online car forums and discussion boards (Blackshaw & Nazzaro, 2006). Social media and social networking have an important role on consumer decision making (Foux, 2006), (Gardber,2010).

3.3.2 Reference Group Influence:

Interpersonal sources are important for this subject because the researcher wants to evaluate the reference groups' influence on consumer decision process.

In the literature review the reference groups are defined in detail and the reference groups and reference groups' types. According to Blackwell et al. (2006) there are eight types of reference groups; primary groups, secondary groups, formal groups, informal groups, memberships, aspirational groups, dissociative groups and virtual membership groups. According to them there are three different ways that reference groups affect consumers on individual characteristics and product purchase situations. First, the reference groups create

socialisation of individuals. Second, reference groups are important their life to evaluating one's self concept and provide a benchmark for comparing. Third, they are a device for obtaining compliance with norm in society. Burnkrant & Cousineau (1975) states that "the consumers use the evaluations of others as a basis for inferring that the product is, indeed, a better product".

3.3.3 Reference Groups Create Awareness:

The third objective is related to creating awareness. The researcher wants to understand whether there is or not an influence by reference groups that create awareness or route consumer to need / problem recognition step in consumer decision process. In literature review I and II the researcher refers this situation.

Mangold and Faulds (2009) mentioned that Internet based messages influence the consumers purchase behaviour and creates awareness. According to the passive view, men is affected by his society and his social class when he purchased a product.

In the need / problem recognition step of consumer decision process Wright (2006) states that the need might be an external marketing stimulus that the consumer is exposed to a good recommendation from reference group or inspiring group. And Blackwell et al. (2006) states that belonging to groups and trying to fit in affects every stage of consumer decision process.

CHAPTER 4

RESEARCH METHODOLOGY

4.1 Introduction:

In this chapter, the researcher explains how primary data (will be appear in the next chapter) and secondary data (in the past chapter) are collected. To understand primary and secondary data collection will help reader to evaluate the research approach that is chosen by researcher.

4.2 Primary and Secondary Data Collection:

Secondary data collection will be explained to show how the literature review is written under secondary data effect. Primary data collection's steps will be explained why exploratory research, quantitative research and surveys are chosen beside these approach and instruments will be defined.

Primary data collection is vital part of research to have general knowledge about the research subject. "The collection and analysis of secondary data help to define the marketing research problem and develop and approach. In addition, before collecting primary data, the researcher should locate and analyse relevant secondary data" (Malhotra & Birks, 2007, p.93). Saunders, Lewis and Thornhill (2009, p.59) states that "Project assessment criteria usually require you to demonstrate awareness of current state of knowledge in your subject, its limitations, and how your research fits in this wider context".

Two part of literature review is undertaken in this research. Literature review I include the past researches related to research subject and reports about social media and reference groups influences on consumer decision making. In literature review market review does not mentioned because the subject does not includes specific market. Literature review II includes general theory of consumer behaviour, consumer decision process and influencers on consumer. To reach extensive knowledge of theory and up to date data numbers of books, journals, articles online resources are searched and evaluated to write literature review.

4.3 The Research Design:

A research design is a framework or blueprint for conducting a marketing research project (Malhotra et al. 2007, p.64). There are two types of primary research design; exploratory design and conclusive design. Under the Conclusive design there two sub types; Descriptive research and Casual research. Descriptive design is the most appropriate design for research aim and objectives. Descriptive design defines as "A research design characterised by more formal and structured approach to understand marketing phenomena with measuring" (Malhotra et al. 2007). This research design is selected to describe the characteristics of relevant groups especially consumers behaviour about social media and reference groups influence. Instead of longitudinal studies – are repeated over an extended period – cross sectional studies – are carried out once and represent a snapshot of one point in time – will be used for the time dimension of the research.

Quantitative exploration will be used to collect primary data. According to Blumberg, Cooper & Schindler (2008, p.192) a new investigation often starts with qualitative studies exploring new phenomena and, later on, quantitative studies follow to test the validity of propositions formulated in previous qualitative studies. They stated that this is not the same in all situations. To have more specific data quantitative exploration is chosen to research on aim and objectives.

Surveys and quantitative observations are vital techniques in descriptive research design (Malhotra et al. 2007).Surveys will be used for collecting primary data under consideration of evaluating research aim and objectives. Survey techniques can classified as telephone interviews, computer assisted telephone interviews, personal in home or office interviews, street interviews, computer assisted personal interviews, postal surveys, mail panels, email and Internet surveys. (Malhotra et al. 2007, p.265) Street interviews are the most appropriate technique for research aim and objectives. Street interview will be used for finding consumers that are into purchasing a product. Respondents are intercepted while they are shopping in town centres or shopping centres to fill the questionnaire.

Malhotra et al. (2007 p.371) defines questionnaire as "... whether it is called a schedule, interview form or measuring instrument, is a formalised set of questions for obtaining information from respondents". The questionnaire is one of the most widely used data collection techniques within the survey strategy. Because each person (respondent) is asked to respond to the same set of questions, it provides an efficient way of collecting responses

from a large sample prior to quantitative analysis (Saunders et al. 2009, p.361). Recent studies in reference group influences on consumer decision and social media report used quantitative exploration to find out specific data on the subject. Bearden and Etzel (1982, p.186) states that in their methodology "A questionnaire was constructed to assess perceptions of the individual products as publicly or privately consumed and as luxuries or necessities".

4.3.1 The Questionnaire:

The questionnaire will be designed as structured questionnaire to make easier for respondent to reply. Structured questionnaire is appropriate to collect primary data via street interviews Because respondents can easily fill out the questionnaire without getting bored. The structured questions specify the set of response alternatives and the response format. A structured question may be multiple choices, dichotomous o a scale. (Malhotra et al 2007, p.382) All this types of structured questions are used in designing the questionnaire. This may balance all types' disadvantages.

The questions are:

1) Gender; to evaluate differences between genders. Are there any similarities or differences in the sample group? This will be examined.
2) Age; to consider influences between different ages range. Evaluate the differences and similarities.
3) What is your occupation; to evaluate differences and similarities between occupations.
4) If you would like to buy a product, will you search for information online; to understand how many of the respondents are related to product searching on the Internet. This will give a clue that they whether to use or Internet for their information search step in consumer decision process.
5) When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook; This question will clarify respondents' information search process relation with social media. Do they use these tools to make a decision for purchasing?

6) I am affected by these reviews about products that I read or watch on the Internet whether to buy or not; this phrase is given to respondent to rate the relativity to themselves by Likert scale. By this the influence on consumer will be considered.
7) I find these reviews helpful; this phrase is given to respondents to rate the relativity to themselves. This will indicate their trustiness on these tools.
8) If you would like to buy a product will you ask people that you know (family member friends colleagues peers etc.) about their opinions about the product; this question will help the researcher to show their respondents are connected with the reference groups while they are searching for information.
9) Please rate in terms of how important their opinions are about the product on your purchase decision; Respondents ratings will explain their influence by reference groups.
10) Have you ever bought a product that you did not need because of good reviews (that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportsmen etc. that you are fan of); This question is asked if is there any situation that the consumers are influenced and this situation route them to need/problem recognition step of consumer decision process. This will help the researcher to find out the respondents have this situation before or not.
11) "I often buy products that I do not need actually because of good recommendations, good reviews or aspiration"; this phrase is given to respondents to rate the relativity to themselves. By this researcher may be able to understand the frequency of repetition.

The collection of questionnaires will be structured interviews refers to those questionnaires where interviewers physically meet respondents and ask the questions face to face (Saunders et al. 2009, p.363).

4.3.2 Sampling

Sampling will be used because census could not be possible to collect data from every individual. Blumberg et al. (2008, p.228) explains that “There are several compelling reasons for sampling, including: lower cost, greater accuracy of results, and greater speed of data collection and availability of population elements”. Their explanation supports this research has to be have sampling.

Sample size will be 200 respondents. According to Malthotra et al. (2007, p.409) problem solving researches minimum sample size is 200 respondents. The target group is will be 100

male and 100 women will be asked to fill out the survey. Equality between genders will indicate the differences in their behaviour towards to social media and reference groups' influence. The age range is between 18 and 50; to evaluate differences about influence degree by social media and reference groups on respondents purchase decision. Majority of the respondents are expected to be working that spends their own money on purchasing.

One of the non- probability sampling technique, Convenience sampling is chosen. This technique is explained by Malhotra et al. (2007, p.411) "... attempts to obtain a sample of convenient elements. The selection of sampling units is left primarily to the interviewer. Street interviews without qualifying the respondents, is an example of this sampling technique". The primary data is planning to collect via street interviews for this reason convenience sampling is appropriate sampling technique.

4.4 Data Collection Process:

The primary data is collected in two days between 30th of April and 1st of May. The location is Westfield shopping centre in Shepherd Bush, London. This shopping centre is chosen because the shopping centre is a huge shopping mall with 280 shops (Wallop, 2008) and the interviewer can find respondents from different backgrounds. According to the shopping centre's website every year over 20 million people are expected to visit the shopping centre. For these reasons this shopping centre is appropriate for finding respondents. Firstly the interviewer explained the respondent the purpose of data collection and the questions asked to the respondent. If there is a doubt on questions, they are explained briefly to have reliable data.

4.5 Analysing Data:

For analysis Statistical Package for Social Sciences (SPSS) was used for analysing the primary data. After entering raw data frequencies will be measured to show respondents answers. Furthermore some of the questions' answers will be compared to each other to show if there is an association between them. This will be undertaken under the light of research aim and objectives. Chi- Square and Cramer's V. ratios will determine whether to have association or not.

4.6 Ethics of the Research:

Saunders et al. (2009, p.160) states that "The general ethical issue here is that the research design should not subject those you are searching (the research population) to embarrassment, harm or any other material disadvantage. Research ethics therefore relates to questions about how we formulate and clarify our research topic, design our research and gain access, collect data, process and store our data, analyse data and write up our research findings in a moral and responsible way". According to this research aim and objectives are clarified morally. During data collection interviewer explained to every respondent the purpose of data collection politely and how will their data will be saved and protected. Primary data collection, secondary data collection and analysis are design methodologically sound.

CHAPTER 5

FINDINGS AND ANALYSIS

5.1 Introduction:

In this chapter analysis of raw data that was collected from 200 respondents will be represented besides comparisons will be explained related to research aim and objectives. As mentioned before SPSS version 16.0 was used for data analysing.

5.2 Demographic Aspects:

In chapter IV research methods for this research explained that the researcher set the sample size for 200 respondents. General demographic information about this respondents are gender, age and occupation.

5.2.1 Gender:

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	100	50.0	50.0	50.0
	Male	100	50.0	50.0	100.0
	Total	200	100.0	100.0	

Researcher targeted 100 males and 100 females for evaluating differences according to their behaviour towards to influence of social media and reference groups on their purchase decisions.

5.2.2 Age:

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-27	81	40.5	40.5	40.5
	28-37	76	38.0	38.0	78.5
	38-47	43	21.5	21.5	100.0
	Total	200	100.0	100.0	

Target group's age range is between 18 and 50. The researcher's raw data age group is between 18 and 47. For this reason when entering data researcher set the variables between 18 and 47. The age question is designed as multiple choice answers. There are three choices these are; 18 – 27, 28 – 37 and 38 – 47. Majority of the respondents are aged between 18 and 37.

5.2.3 Occupation:

What is your occupation?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Student	35	17.5	17.5	17.5
	Employed	139	69.5	69.5	87.0
	Unemployed	23	11.5	11.5	98.5
	Retired	3	1.5	1.5	100.0
	Total	200	100.0	100.0	

In the questionnaire the respondents were asked under occupation question they are a student, employed, unemployed, or retired. The researcher targeted the majority of the respondents are employed or have their own business who spend their own money on purchasing products as mentioned in research methodology. % 69.5 of the respondents (139 of 200) is employed or has their own business.

5.3 Influence Ratios:

According to the research aim and objectives the researcher wants to evaluate if there is any influence on consumers by social media and reference groups in their purchase decision process. For this reason the researcher designed the questions 6, 9 and 10. In this section these questions and the data will be represented.

5.3.1 Influenced by social media (product reviews, product review videos)

I am affected by these reviews about products that I read or watch on the Internet whether to buy or not

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	33	16.5	18.2	18.2
	Agree	80	40.0	44.2	62.4
	Neutral	38	19.0	21.0	83.4
	Disagree	28	14.0	15.5	98.9
	Strongly disagree	2	1.0	1.1	100.0
	Total	181	90.5	100.0	
Missing	99	19	9.5		
Total		200	100.0		

%18.2 of the respondents is strongly agreed with the statement and %44.2 of the respondents is agreed with the statement. This indicates that %62.4 of the respondents is accepted that they are influenced by product reviews via social media. (Valid percent is taken into attention because there are 19 answers that are missing or wrong.)

5.3.2 Influenced by Reference Groups:

Please rate in terms of how important their opinions are about the product on your purchase decision.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	8	4.0	4.0	4.0
	2	24	12.0	12.1	16.1
	3	72	36.0	36.2	52.3
	4	75	37.5	37.7	89.9
	5	20	10.0	10.1	100.0
	Total	199	99.5	100.0	
Missing	99	1	.5		
Total		200	100.0		

In this question researcher asked respondents to rate the importance of reference groups opinions' on their purchase decision. "1" is equal to "not at all" and "5" is equal to "quite". According to this rating "3, 4 and 5" indicates medium to high importance of reference groups opinions. %37.7 of respondents is rated as "4", %36.2 of them is rated as "3" and %10.1 of them is rated "5". This means that %47.8 of the respondents is given high importance to reference groups' opinions and %36.2 of them is given moderate importance to reference groups' opinions on purchase decision. (Valid percent is taken into attention because there is one answer that is missing or wrong.)

5.3.3 Purchase a Product because of Recommendation, Aspiration or Reviews:

Have you ever bought a product that you did not need because of good reviews (that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportsmen etc. that you are fan of)?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	76	38.0	38.0	38.0
	No	88	44.0	44.0	82.0
	I do not know	36	18.0	18.0	100.0
	Total	200	100.0	100.0	

The researcher asked this question to respondents to evaluate if there is an influence by reference or social media that can create the demand of purchase that they do not need. %44.0 of the respondents is answered as "No" and %38.0 of the respondents is answered as "Yes". This indicated that the most of the respondents are not likely to influence if they are not planning to purchase a product. Furthermore the ratio of respondents, who are influenced by reference groups and social media, is close to the respondents who are not influenced. %38.0 represents that respondents can purchase products that they do not need because of influence.

5.4 Crostabulations:

Association between variables is measured by crosstabulations. Firstly the researcher considers the Pearson Chi- square that the ratio is below 0.05 or not. Below 0.05 represent there is association between two variables. The variables are dependent.

Cramer's V is also a measure of association based on chi- square and lies between 0 (variables are independent) and 1 (variables are dependent). Cramer's V is represents the strength of the association between two variables. For this reason after checking chi – square if there is no association, Cramer's V is not undertaken.

The Phi statics may lie between 1 and -1 inclusive; indicate of positive and negative association.

These variables will be examined:

1) If you would like to buy a product, will you search information online* When you are searching online about a product or a service do you watch product reviews videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?
2) When you are searching online about a product or a service do you watch product review videos , read comments about the products by using social media websites such as Youtube, Twitter and Facebook? * I am affected by these reviews about products that I read or watch on the Internet whether to buy or not?
3) If you would like to buy a product will you ask people that you know (family member friends colleagues peers etc.) about their opinions about the product? * Please rate in terms of how important their opinions are about the product on your purchase decision.
4) Have you ever bought a product that you did not need because of good reviews (that you read online), recommendations (from your family, friends etc.) or aspirations (products using by celebrities, stars, sportsmen etc. That you are fan of)? * I often buy products that i do not need actually because of good recommendations, good reviews or aspiration.
5) Gender * Have you ever bought a product that you did not need because of good reviews (that you read online), recommendations (from your family, friends, etc) or aspirations (products using by celebrities, stars, sportsmen etc. That you are fan of)?
6) Age * I am affected by these reviews about products that I read or watch the Internet whether to buy or not.

5.4.1 Crosstabulation 1:

If you would like to buy a product, will you search for information online * When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook? Crosstabulation

			When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?			
			Yes	No	I do not know	Total
If you would like to buy a product, will you search for information online	Yes	Count	138	30	6	174
		% within If you would like to buy a product, will you search for information online	79.3%	17.2%	3.4%	100.0%

	% within When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?	97.9%	62.5%	85.7%	88.8%
	% of Total	70.4%	15.3%	3.1%	88.8%
No	Count	3	14	1	18
	% within If you would like to buy a product, will you search for information online	16.7%	77.8%	5.6%	100.0%

	% within When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?	2.1%	29.2%	14.3%	9.2%
	% of Total	1.5%	7.1%	.5%	9.2%
I do not know	Count	0	4	0	4
	% within If you would like to buy a product, will you search for information online	.0%	100.0%	.0%	100.0%

	% within When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?	.0%	8.3%	.0%	2.0%
	% of Total	.0%	2.0%	.0%	2.0%
Total	Count	141	48	7	196
	% within If you would like to buy a product, will you search for information online	71.9%	24.5%	3.6%	100.0%

	% within When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?	100.0%	100.0%	100.0%	100.0%
	% of Total	71.9%	24.5%	3.6%	100.0%

The researcher compare these two variables to indicate association between information searching online about a product and reading and watching reviews about the product.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	46.102[a]	4	.000
Likelihood Ratio	41.168	4	.000
Linear-by-Linear Association	28.170	1	.000
N of Valid Cases	196		

a. 5 cells (55.6%) have expected count less than 5. The minimum expected count is .14.

0.000 is below than 0.05 that indicates there is an association between two variables. Cramer's V will be checked for strength of this association.

Symmetric Measures

		Value	Approx. Sig.
Nominal by Nominal	Phi	.485	.000
	Cramer's V	.343	.000
N of Valid Cases		196	

Cramer's V value 0.343 is indicated there is low association between two variables.

5.4.2 Crosstabulation 2:

When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook? * I am affected by these reviews about products that I read or watch on the Internet whether to buy or not Crosstabulation

			I am affected by these reviews about products that I read or watch on the Internet whether to buy or not					
			Strongly Agree	Agree	Neutral	Disagree	Strongly disagree	Total
When you	Yes	Count	31	72	16	10	0	129

are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?	% within When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?	24.0%	55.8%	12.4%	7.8%	.0%	100.0%
	% within I am affected by these reviews about products that I read or watch on the Internet whether to buy or not	96.9%	92.3%	42.1%	35.7%	.0%	72.5%
	% of Total	17.4%	40.4%	9.0%	5.6%	.0%	72.5%

	No	Count	1	1	20	18	2	42
		% within When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?	2.4%	2.4%	47.6%	42.9%	4.8%	100.0%
		% within I am affected by these reviews about products that I read or watch on the Internet whether to buy or not	3.1%	1.3%	52.6%	64.3%	100.0%	23.6%

	% of Total	.6%	.6%	11.2%	10.1%	1.1%	23.6%
I do not know	Count	0	5	2	0	0	7
	% within When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?	.0%	71.4%	28.6%	.0%	.0%	100.0%

	% within I am affected by these reviews about products that I read or watch on the Internet whether to buy or not	.0%	6.4%	5.3%	.0%	.0%	3.9%
	% of Total	.0%	2.8%	1.1%	.0%	.0%	3.9%
Total	Count	32	78	38	28	2	178

	% within When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?	18.0%	43.8%	21.3%	15.7%	1.1%	100.0%
	% within I am affected by these reviews about products that I read or watch on the Internet whether to buy or not	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	% of Total	18.0%	43.8%	21.3%	15.7%	1.1%	100.0%

The researcher wants to indicate relation between influence and searching information online about products.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	82.511[a]	8	.000
Likelihood Ratio	91.434	8	.000
Linear-by-Linear Association	36.923	1	.000
N of Valid Cases	178		

a. 7 cells (46.7%) have expected count less than 5. The minimum expected count is .08.

0.000 is below 0.05 for this reason there is an association between two variables.

Symmetric Measures

		Value	Approx. Sig.
Nominal by Nominal	Phi	.681	.000
	Cramer's V	.481	.000
N of Valid Cases		178	

Cramer's V value is 0.481 is indicated there is moderate strength of association. Phi square value 0.681 is indicated there is positive association.

5.4.3 Crosstabulation 3:

If you would like to buy a product will you ask people that you know (family member friends collegues peers etc.) about their opinions about the product ? * Please rate in terms of how important their opinions are about the product on your purchase decision. Crosstabulation

			Please rate in terms of how important their opinions are about the product on your purchase decision.					
			1	2	3	4	5	Total
If you would like to buy a product will you ask people that you know (family member friends collegues peers etc.) about their opinions about the product ?	Yes	Count	2	17	60	70	17	166
		% within If you would like to buy a product will you ask people that you know (family member friends collegues peers etc.) about their opinions about the product ?	1.2%	10.2%	36.1%	42.2%	10.2%	100.0%

	% within Please rate in terms of how important their opinions are about the product on your purchase decision.	25.0%	70.8%	83.3%	93.3%	85.0%	83.4%
	% of Total	1.0%	8.5%	30.2%	35.2%	8.5%	83.4%
No	Count	5	5	6	1	1	18
	% within If you would like to buy a product will you ask people that you know (family member friends collegues peers etc.) about their opinions about the product ?	27.8%	27.8%	33.3%	5.6%	5.6%	100.0%

	% within Please rate in terms of how important their opinions are about the product on your purchase decision.	62.5%	20.8%	8.3%	1.3%	5.0%	9.0%
	% of Total	2.5%	2.5%	3.0%	.5%	.5%	9.0%
I do not know	Count	1	2	6	4	2	15
	% within If you would like to buy a product will you ask people that you know (family member friends collegues peers etc.) about their opinions about the product ?	6.7%	13.3%	40.0%	26.7%	13.3%	100.0%

	% within Please rate in terms of how important their opinions are about the product on your purchase decision.	12.5%	8.3%	8.3%	5.3%	10.0%	7.5%
	% of Total	.5%	1.0%	3.0%	2.0%	1.0%	7.5%
Total	Count	8	24	72	75	20	199
	% within If you would like to buy a product will you ask people that you know (family member friends collegues peers etc.) about their opinions about the product ?	4.0%	12.1%	36.2%	37.7%	10.1%	100.0%

	% within Please rate in terms of how important their opinions are about the product on your purchase decision.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	% of Total	4.0%	12.1%	36.2%	37.7%	10.1%	100.0%

This crosstabulation shows if there is association between reference groups' influences and asking their opinions.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	39.898[a]	8	.000
Likelihood Ratio	28.519	8	.000
Linear-by-Linear Association	7.961	1	.005
N of Valid Cases	199		

a. 6 cells (40.0%) have expected count less than 5. The minimum expected count is .60.

0.0 is below 0.05, this shows there is association between two variables.

Symmetric Measures

		Value	Approx. Sig.
Nominal by Nominal	Phi	.448	.000
	Cramer's V	.317	.000
N of Valid Cases		199	

Cramer's V value is 0.317; there is low association between two variables. Phi value shows that there is positive association between two variables.

5.4.4 Crosstabulation 4:

Have you ever bought a product that you did not need because of good reviews (that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportsmen etc. that you are fan of)? * " I often buy products that I do not need actually because of good recommendations, good reviews or aspiration" Crosstabulation

			" I often buy products that I do not need actually because of good recommendations, good reviews or aspiration"					
			Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
Have you ever	Yes	Count	6	19	14	32	2	73

bought a product that you did not need because of good reviews(that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportmen etc. that you are fan of)?		% within Have you ever bought a product that you did not need because of good reviews(that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportmen etc. that you are fan of)?	8.2%	26.0%	19.2%	43.8%	2.7%	100.0%
		% within " I often buy products that I do not need actually because of good recommendations, good reviews or aspiration"	100.0%	76.0%	25.5%	35.2%	16.7%	38.6%
		% of Total	3.2%	10.1%	7.4%	16.9%	1.1%	38.6%
	No	Count	0	4	21	47	8	80

	% within Have you ever bought a product that you did not need because of good reviews(that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportmen etc. that you are fan of)?	.0%	5.0%	26.3%	58.8%	10.0%	100.0%
	% within " I often buy products that I do not need actually because of good recommendations, good reviews or aspiration"	.0%	16.0%	38.2%	51.6%	66.7%	42.3%
	% of Total	.0%	2.1%	11.1%	24.9%	4.2%	42.3%
I do	Count	0	2	20	12	2	36

	not know	% within Have you ever bought a product that you did not need because of good reviews(that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportmen etc. that you are fan of)?	.0%	5.6%	55.6%	33.3%	5.6%	100.0%
		% within " I often buy products that I do not need actually because of good recommendations, good reviews or aspiration"	.0%	8.0%	36.4%	13.2%	16.7%	19.0%
		% of Total	.0%	1.1%	10.6%	6.3%	1.1%	19.0%
Total		Count	6	25	55	91	12	189

	% within Have you ever bought a product that you did not need because of good reviews(that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportmen etc. that you are fan of)?	3.2%	13.2%	29.1%	48.1%	6.3%	100.0%
	% within " I often buy products that I do not need actually because of good recommendations, good reviews or aspiration"	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	% of Total	3.2%	13.2%	29.1%	48.1%	6.3%	100.0%

This crosstabulation is measured for association between happening of this situation (purchasing a product that the respondent does not need) and frequency of this situation.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	42.627[a]	8	.000
Likelihood Ratio	42.990	8	.000
Linear-by-Linear Association	6.984	1	.008
N of Valid Cases	189		

a. 6 cells (40.0%) have expected count less than 5. The minimum expected count is 1.14.

There is connection between two variables that the ratio is below 0.05.

Symmetric Measures

		Value	Approx. Sig.
Nominal by Nominal	Phi	.475	.000
	Cramer's V	.336	.000
N of Valid Cases		189	

There is low strength of association between two variables it is not so strong. The association between the variables is positive according to Phi value.

5.4.5 Crostabulation 5:

Gender * Have you ever bought a product that you did not need because of good reviews (that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportsmen etc. that you are fan of)? Crosstabulation

			Have you ever bought a product that you did not need because of good reviews(that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportmen etc. that you are fan of)?			
			Yes	No	I do not know	Total
Gender	Female	Count	39	44	17	100
		% within Gender	39.0%	44.0%	17.0%	100.0%
		% within Have you ever bought a product that you did not need because of good reviews(that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportmen etc. that you are fan of)?	51.3%	50.0%	47.2%	50.0%
		% of Total	19.5%	22.0%	8.5%	50.0%
	Male	Count	37	44	19	100
		% within Gender	37.0%	44.0%	19.0%	100.0%

	% within Have you ever bought a product that you did not need because of good reviews(that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportmen etc. that you are fan of)?	48.7%	50.0%	52.8%	50.0%
	% of Total	18.5%	22.0%	9.5%	50.0%
Total	Count	76	88	36	200
	% within Gender	38.0%	44.0%	18.0%	100.0%
	% within Have you ever bought a product that you did not need because of good reviews(that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportmen etc. that you are fan of)?	100.0%	100.0%	100.0%	100.0%
	% of Total	38.0%	44.0%	18.0%	100.0%

The researcher wanted to show gender behaviour differences towards to influence. %19.5 of the female respondents is answered “Yes” that they bought a product because of influence.

Male respondents have close percentage with %18.5. Furthermore both genders have same percentage of answer "No" with %22. This can explain that according to these respondents genders do not seem to have differences.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.164[a]	2	.921
Likelihood Ratio	.164	2	.921
Linear-by-Linear Association	.153	1	.696
N of Valid Cases	200		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 18.00.

0.921 shows that there is no association between two variables. The variables are independent. For this reason Cramer's V is not evaluated.

5.4.6 Crosstabulation 6:

Age * I am affected by these reviews about products that I read or watch on the Internet whether to buy or not Crosstabulation

			I am affected by these reviews about products that I read or watch on the Internet whether to buy or not					
			Strongly Agree	Agree	Neutral	Disagree	Strongly disagree	Total
Age	18-27	Count	20	29	11	7	2	69
		% within Age	29.0%	42.0%	15.9%	10.1%	2.9%	100.0%

	% within I am affected by these reviews about products that I read or watch on the Internet whether to buy or not	60.6%	36.3%	28.9%	25.0%	100.0%	38.1%
	% of Total	11.0%	16.0%	6.1%	3.9%	1.1%	38.1%
28-37	Count	9	35	14	13	0	71
	% within Age	12.7%	49.3%	19.7%	18.3%	.0%	100.0%
	% within I am affected by these reviews about products that I read or watch on the Internet whether to buy or not	27.3%	43.8%	36.8%	46.4%	.0%	39.2%
	% of Total	5.0%	19.3%	7.7%	7.2%	.0%	39.2%
38-47	Count	4	16	13	8	0	41
	% within Age	9.8%	39.0%	31.7%	19.5%	.0%	100.0%
	% within I am affected by these reviews about products that I read or watch on the Internet whether to buy or not	12.1%	20.0%	34.2%	28.6%	.0%	22.7%
	% of Total	2.2%	8.8%	7.2%	4.4%	.0%	22.7%
Total	Count	33	80	38	28	2	181

	% within Age	18.2%	44.2%	21.0%	15.5%	1.1%	100.0%
	% within I am affected by these reviews about products that I read or watch on the Internet whether to buy or not	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	% of Total	18.2%	44.2%	21.0%	15.5%	1.1%	100.0%

The researcher wanted to evaluate is there any differences between age groups and their influence by social media. According to the table age groups 28 – 37 and 18 - 27 are more influenced than age group 38 – 47. This may indicate that the age group under forties is more likely to influence by social media.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.383[a]	8	.037
Likelihood Ratio	16.691	8	.033
Linear-by-Linear Association	5.739	1	.017
N of Valid Cases	181		

a. 3 cells (20.0%) have expected count less than 5. The minimum expected count is .45.

There is association between these two variables that shown with 0.037 is below 0.05.

Symmetric Measures

		Value	Approx. Sig.
Nominal by Nominal	Phi	.301	.037
	Cramer's V	.213	.037
N of Valid Cases		181	

The association is low strength. That is not strong.

CHAPTER 6

CONCLUSION:

6.1 Introduction:

In this chapter findings will be summarised and will be linked to literature review to evaluate if there are similarities between literature review and findings. Research limitations will be explained that prevents the researcher to research on this subject. Relevant future research advices will be given for the researchers who are planning to research on relevance subject.

6.2 Summary of Findings:

In chapter 5 analysis the researcher has undertaken the analysis in three parts. These are demographic aspects, influence ratios and crosstabulations.

According to the sample size 200 respondents (100 males and 100 females) answers are analysed in Chapter 5. Age range is between 18 and 47. Normally researcher planned to have age range between 18 and 47 however the oldest respondent is 47. For this reason age range decreased three years. The researcher targeted majority of the respondents are employed or have their own business. Thus the majority have freedom how to spend their own money. (According to the findings 139 of 200 respondents are employed or have their own business).

When the respondents asked that they are influenced by reviews about a product that they read or watch on Internet, %56.6 of the respondents accepted that they are affected by these reviews. Blackshaw & Nazzaro (2006) points that the source from Pew Internet and American life project, car buyers mostly influenced by word of mouth recommendations that many of them read from thousands of online car forums and discussion boards.

If the consumers asked to rate the importance of reference groups opinions about a product , %47.5 of the respondents give high importance and %36.0 of the respondents give medium importance. This indicates that the reference group's influence is high in that sample group. According to Blackwell et al. (2006) belonging to groups, trying to fit in and striving to please others affects every stage of the consumer decision process.

The respondents are asked that they have bought a product that they did not need because of influence. %38.0 of the respondents said "Yes" and %44.0 answered "No". This indicates more than quarter of the respondents are influenced and can buy a product that that do not need. Schiffman and Kanuk (2004) states that when a consumer makes what is basically an emotional purchase decision more emphasis is placed on current mood and feelings. This indicates consumers can buy something because of emotions.

The researcher wants to understand the relation between researches online for a product and read or watch product reviews via crosstabulation 1. After checking the ratio of Chi-square, it seems that there is association between online product searching and reading reviews and watching videos. However according to the Cramer's V ratio, this association is low. This indicates the association is not so strong. According to Blackshaw and Nazzaro (2006) almost the consumers that are questioned in a recent research have used internet search engine to research product. Furthermore many of the consumers accepted that they influenced by product reviews on Internet.

The reason of conducting crosstabulation 2 is to understand if there is association between the read /watch the product reviews and influence by them. There is association between two variables and the association is moderate. That indicates that if the consumer read or watch product reviews they might be influenced by them. This is support by Blackshaw and Nazzaro's (2006) statement that the consumers are influenced by online forums and discussion boards.

Crosstabulation 3 shows if there is association between asking reference groups opinions about a product and the importance of the opinions on their purchase decision. There is association between them. However the association is low this means that the consumers ask their opinion but the importance of the opinions is not high. According to Childers & Rao (1982) there is not an influence by peer group but there is an influence of family groups on consumers purchase decisions.

Crosstabulation 4 is to indicate if there is association between buy a product because of influence that they do not need and frequency of this behaviour. There is association between them according to Chi-square ratio. However the strength of the association is low. This indicates that the consumers can buy a product because of reference groups influence that they do not need, by the way this behaviour is not often repeated.

Crosstabulation 5 is conducted to show if there is association between gender and reference groups influence on purchasing a product that they do not need. According to the Chi-square ratio, there is not an association. The variables are independent.

The reason for crosstabulation 6 is to understand if there is association between age and online product review reading or watching. The researcher wants to know the digital word of mouth communication influence and age range relation. According to the crosstabulation age range 18-37 is more likely to influence than age group 38-47. There is association between two variables and the strength of association is not strong. This means that the consumers' age and their influence from online sources are not so related.

6.3 Research Limitations:

To conduct a research requires a complex work. The researcher search for up to date secondary data to has extensive knowledge about the subject. The researcher has to design a fit in research design that can answer the research questions. The primary data has to be accurate and there has to be adequate sample size to generalise the findings. The analysis has to be methodically and morally considered. The research conducted with maximum effort that the researcher can make however according to these criteria there are limitations that prevent the researcher to study on the research aim.

The first limitation is that the researcher is a student. As a student the researcher could not able to reach all recent studies, researches published or unpublished works that are related to subject.

The second limitation is time. The time is not competence for conducting all chapters in appropriate way. Especially literature review, data collection and data analysis require more time.

The third limitation is sample size. Sample size is at least has to be 200 respondents for surveys. On the other hand the researchers contact respondents between 1500 and 2000. The researcher could not able to contact to at least 1000 respondents as a student. For this reason the researcher has to think smaller sample size.

6.4 Future Research Scope:

After analysing and link to the literature review the researcher can give some recommendations the researchers who are planning to research on this subject.

The researcher may focus on a product or product groups like Childers and Rao (1992) to have more specific data. The influence may vary on different products when the consumer is purchasing a product. This will help the researcher to generalise his findings when he is analysing. The researcher can choose only one types of reference group for example aspirational groups, family members and social media based reference groups. The researcher may reach more accurate data from sample group to generalise to the population.

In the research method the researcher may collect primary data both quantitative and qualitative to have more complex data. Interviews and questionnaires or focus groups and questionnaires may help the researcher to compare and analyse the information and have more accurate findings that can be generalise to the population.

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Appendix 1

Questionnaire

1) Gender (Tick the appropriate one)
   Female
   Male

2) Age (Tick the appropriate one)
   18-27
   28-37
   38-50

3) Occupation
   Student
   Employed/Own Business
   Unemployed
   Retired

4) If you would like to buy a product, will you search for information online?
   Yes
   No
   I do not know

5) When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?
   Yes
   No
   I do not know

6) "I am affected by these reviews about products that I read or watch on the Internet whether to buy or not." (Please choose appropriate one.)
   Strongly Agree
   Agree
   Neutral
   Disagree
   Strongly Disagree

7) "I find these reviews helpful." (Please choose appropriate one.)
   Strongly Agree
   Agree
   Neutral
   Disagree
   Strongly Disagree

8) If you would like to buy a product will you ask people that you know (family member friends colleagues peers etc.)?

   Yes
   No
   I do not know

9) Please rate in terms of how important their opinions are about the product on your purchase decision.

1 not at all
2
3
4
5 quite

10) Have you ever bought a product that you did not need because of good reviews (that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportsmen etc. that you are fan of)?

Yes
No
I do not know

11) "I often buy products that I do not need actually because of good recommendations, good reviews or aspiration." (Please choose appropriate one.)

Strongly Agree
Agree
Neutral
Disagree
Strongly Disagree

Appendix II

SPPS Findings

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	100	50.0	50.0	50.0
	Male	100	50.0	50.0	100.0
	Total	200	100.0	100.0	

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-27	81	40.5	40.5	40.5
	28-37	76	38.0	38.0	78.5
	38-47	43	21.5	21.5	100.0
	Total	200	100.0	100.0	

What is your occupation?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Student	35	17.5	17.5	17.5
	Employed	139	69.5	69.5	87.0
	Unemployed	23	11.5	11.5	98.5
	Retired	3	1.5	1.5	100.0
	Total	200	100.0	100.0	

If you would like to buy a product, will you search for information online

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	176	88.0	88.0	88.0
	No	20	10.0	10.0	98.0
	I do not know	4	2.0	2.0	100.0
	Total	200	100.0	100.0	

When you are searching online about a product or a service do you watch product review videos, read comments about the products by using social media websites such as Youtube, Twitter and Facebook?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	141	70.5	71.9	71.9
	No	48	24.0	24.5	96.4
	I do not know	7	3.5	3.6	100.0
	Total	196	98.0	100.0	
Missing	99	4	2.0		
Total		200	100.0		

I am affected by these reviews about products that I read or watch on the Internet whether to buy or not

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	33	16.5	18.2	18.2
	Agree	80	40.0	44.2	62.4
	Neutral	38	19.0	21.0	83.4
	Disagree	28	14.0	15.5	98.9
	Strongly disagree	2	1.0	1.1	100.0
	Total	181	90.5	100.0	
Missing	99	19	9.5		
Total		200	100.0		

I find these reviews helpful

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	30	15.0	16.5	16.5
	Agree	98	49.0	53.8	70.3
	Neutral	32	16.0	17.6	87.9
	Disagree	22	11.0	12.1	100.0
	Total	182	91.0	100.0	
Missing	99	18	9.0		
Total		200	100.0		

If you would like to buy a product will you ask people that you know (family member friends colleagues peers etc.) about their opinions about the product?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	167	83.5	83.5	83.5
	No	18	9.0	9.0	92.5
	I do not know	15	7.5	7.5	100.0
	Total	200	100.0	100.0	

Please rate in terms of how important their opinions are about the product on your purchase decision.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	8	4.0	4.0	4.0
	2	24	12.0	12.1	16.1
	3	72	36.0	36.2	52.3
	4	75	37.5	37.7	89.9
	5	20	10.0	10.1	100.0
	Total	199	99.5	100.0	
Missing	99	1	.5		
Total		200	100.0		

Have you ever bought a product that you did not need because of good reviews(that you read online), recommendations (from your family, friends etc) or aspirations (products using by celebrities, stars, sportsmen etc. that you are fan of)?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	76	38.0	38.0	38.0
	No	88	44.0	44.0	82.0
	I do not know	36	18.0	18.0	100.0
	Total	200	100.0	100.0	

" I often buy products that I do not need actually because of good recommendations, good reviews or aspiration"

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	6	3.0	3.2	3.2
	Agree	25	12.5	13.2	16.4
	Neutral	55	27.5	29.1	45.5
	Disagree	91	45.5	48.1	93.7
	Strongly Disagree	12	6.0	6.3	100.0
	Total	189	94.5	100.0	
Missing	99	11	5.5		
Total		200	100.0		