International Journal of Engineering and Advanced Technology (IJEAT)
ISSN: 2249-8958 (Online), Volume-8 Issue-5, June 2019

# Students Perception on Purchase Intention by Information Seeking in SNSs: Moderating Effect of Tie-Strength

**S. Aswini Priya, Pulidindi Venugopal**

***Abstract*: Online social shopping serves consumers to stay connected with their friends, gains opinions about the product, helps to find the right choice of products and enables them to share their shopping experiences with others. This enriches the e-retailing to better reach out and connects with the consumers. Applying Engel-Kollat and Blackwell model of consumer behaviour, this research examined whether tie-strength altered the link between information seeking in SNSs and purchase intention. The Indian social networking sites users (n=180) were attained from panel of consumers. Consumers who seek information in SNS were intent to purchase through SNSs. Also when the level of tie-strength is high, consumers incline to purchase in SNSs by seeking information.***

***Index Terms: Consumer behavior, information seeking, purchase intention, social networking sites, tie-strength.***

## I. INTRODUCTION

Today in technically advanced world, consumers' shopping experience is enhanced by means of technology. Reputation of Web 2.0 and swift evolution of the internet have delivered different sources to the contacts in SNS and communities, greatly expanding the communication and collaboration probability of consumers [1]. Social media platform transforms the consumers from passive spectators to active participants of brand oriented Word of Mouth [2]. WOM also happens in online context, where interaction happens through social media platform is termed to be as eWOM. The number of social network users is also rapidly increased from 168.1 million in 2016 to 196.02 million in 2017. Among all the SNS, facebook bangs the highest ranking in usage of the site and the statistical data also shows that users in the age group of 18-26 uses facebook more than other SNS (Digital in 2017 report). Therefore from the statistical data reveals that SNS plays a very important in day to day life of consumers and other users. Retailers make use of this platform to attract and create awareness about products and services. Further the study included IS in SNS to the model because sharing of information about products/brands and an event with other consumer or user is one of the key functions of SNS. Hence the study aims to determine whether TS alters the relationship between IS in SNSs and PI.

**Manuscript published on 30 June 2019.**
* Correspondence Author (s)
**S. Aswini Priya***, VIT Business School, Vellore Institute of Technology, Vellore, India.
**Dr. Pulidindi Venugopal,** Department of Technology Management, Vellore Institute of Technology, Vellore, India.



## II. THEORETICAL BACKGROUND

The theoretical basis for this study is established upon EKB framework of consumer behaviour [3][4]. The model has been widely tested in both traditional and internet market space as it covers entire variables that explains the complete process of consumer behaviour [4]. EKB model makes it tranquil for the researcher to measure the link between the constructs and to enhance the interpretation of the findings. The model has been revised many times by the scholar's information so that it is deliberated to be the perfect model of consumer behaviour [5].The model contains five essential phases of process of decision making such as recognition of the problem, information search, evaluating the alternatives, purchasing the product, outcomes with the external factor such as individual characteristics. This study employed search, alternative evaluation, and purchase stage. In the perspective of e-shopping in social networking platform, search and alternative evaluation phase theorized as information seeking in SNS and tie-strength. Also purchase stage is theorized as intention to purchase using SNS.

## III. LITERATURE REVIEW

### A. *Information seeking in SNSs*

Consumers use internet to acquire product or brand information and to make a purchase in online. To augment the probability of success in selection of product, consumers tend to ask opinions or information from their contacts [6][1]. When consumers altercate about brand or products, information seekers take a chance to build up their ties with a social group [7]. The authors [6][8][1] found that in Socialization process, information seeking makes individual to attain a need and satisfaction in augmenting product choice and mitigates perceived risk. The researcher [9] found that there is a positive impact of interpersonal communication such as information seeking and leadership on brand choice and product sales. It is also prominent that individuals who recite product recommendations in online were double likely to select the products recommended by other online consumers [10]. It is validated that buyers who exchange information in online regarding product choice and service is analogous to those who exchanges information in person. This impacts sales for most of the varied kinds of sellers [6].

The author [11] specifies that utilitarian shoppers attains more cognitive benefits such as obtaining information about products or services form other's experiences. Social e-shoppers also access, search, spots out the information, and obtain the information from consumer reviews to upgrade themselves before taking purchase judgment [12]. Consumers who seek information via Social Networking Sites were probably to engross and purchase through SNS [12][8][13][1]. Based upon the findings of previous researchers, it is suggested that consumers who rely on other's information in SNS may intend to make purchase through SNSs. $H_1$: IS in SNSs is positively related to PI

### B. *Tie Strength*

By employing network analysis framework as a base, the initial study done by the author [14] analyzed the creation of tie in SNSs and established the influence of TS in SNSs on proliferation of WOM. Social ties are of two kind namely weak and strong tie [15]. Strong ties are the individuals from the person's network such as friends and family possessing a strong bond and who are capable enough to provide emotional and substantive support. On the other hand, weak ties are the individuals who possessing lesser bond with their social relationships such as colleagues and acquaintances and also assists for seeking information on diverse topics [16]. Weak ties enable the information to flow across distinct groups worldwide and whereas at a restricted level, information is disseminated within and among small social groups. Conversely the author [14] stated that strong ties were likely motivated for the need of referral behavior. In social networks, intimate and stable strong tie connections as well as remotely and randomly linked weak tie connections persuades the consumers' choice of products. When compared with strong tie, weak tie connections are powerful in expanding the network of individuals and it speeds up eWOM discussions in social network. Weak and strong tie connections enlarged through SNSs motivates the consumer to communicate and spread product information which in turn stimulates eWOM behavior. The researcher [2] found that TS and IS in SNSs is positively related. Studies has found that TS is related to PI [13][17].$H_2$: TS alters the relationship between IS in SNS and PI.Based on the hypotheses, the research model is framed

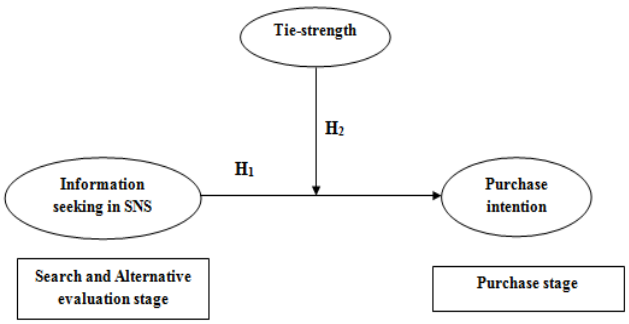


**Figure 1: Research model**

## IV. METHODOLOGY

The sampling technique employed in this study is purposive sampling as the study targets on the college students who are the dominant SNS users. The questionnaire is administered to 200 college students from Vellore district. Out of 200, a valid sample of 180 is taken for analysis. Due to response bias and incomplete response from the respondents 9 samples were ignored for the analysis. The instrument encompasses of two sections. First section comprised of demographic details of respondents and second section consisted of three constructs such as IS in SNS, TS, and PI. Five-point Likert scale is adopted to measure the constructs. The IS in SNS consisted of ten items is espoused from [12], TS consisted of three items that is adapted from [2], and PI consists of four items is adopted from [18]. In order to determine the direct effect of TS on the link between IS in SNS and PI, interaction effect is performed using process macro in SPSS.

## V. RESEARCH FINDINGS

### A. *Demographic details of respondents*

**Table 1: Profile of respondents**

| Profile | N | % |
|---|---|---|
| Gender | | |
| Male | 102 | 57 |
| Female | 78 | 43 |
| Age | | |
| 18-20 | 65 | 36 |
| 21-23 | 68 | 38 |
| 23-25 | 47 | 26 |
| Educational Qualification | | |
| UG | 80 | 44 |
| PG | 71 | 40 |
| Doctorate | 29 | 16 |
| Are you a user in SNS? | | |
| Yes | 138 | 77 |
| No | 42 | 23 |
| Frequency of shopping in a month | | |
| 1-2 times | 62 | 34 |
| 3-4 times | 71 | 40 |
| 5-6 times | 38 | 21 |
| More than 6 times | 9 | 5 |
| Amount spent for shopping | | |
| Rs. 0-1000 | 77 | 42 |
| Rs. 1001-2000 | 75 | 42 |
| Rs. 2001-3000 | 16 | 9 |
| Above Rs. 3000 | 12 | 7 |

Note: Figures above zero are rounded up for convenience

The above mentioned Table 1 depicts the demographic details of respondents. Majority of respondents are male consumers (57%) who are in an age group of 21-23 (38%). These consumers hold a Undergraduate degree (44%) and they are the users (77%) of Social Networking Sites (SNS).

Consumers also often shop through SNS more than 3-4 times in a month (40%) and they spend below Rs. 1000 for their shopping (42%).


Published By:
Blue Eyes Intelligence Engineering
& Sciences Publication (BEIESP)

### B. *Reliability and correlation analysis*

**Table 2: Reliability and correlation results**

| Constructs | Cronbach's Alpha | IS in SNS | TS | PI |
|---|---|---|---|---|
| IS in SNS | 0.805 | 1 | | |
| TS | 0.928 | 0.740** | 1 | |
| PI | 0.951 | 0.698** | 0.976** | 1 |

** Significant at 0.01 level

Table 2 depicts the reliability and correlation values. From the table, it is clear that the reliability values are above the threshold value (0.7) which indicates that the value is high and acceptable [19]. The reliability values for IS in SNS, TS and PI are above 0.8 which specifies high level of internal stability of the scale and it is good and acceptable (Hair et al., 2006). The findings also shows that IS in SNS and PI is positively associated ($r=0.698$, $p<0.01$) and also TS is positively linked with IS in SNS ($r=0.740$, $p<0.01$). Also there is a positive relation between TS ($r=0.976$, $p<0.01$) and PI.

### C. *Relationship testing*

**Table 3: Predictor of PI**

| Predictor Variable | Beta Value | t-statistic | Sig |
|---|---|---|---|
| IS in SNS | 0.698 | 9.653 | 0.000 |

Constant (Beta) = 0.882
$R^2$= 0.487
Sig. change=0.000 ($p<0.05$)

*PI = 0.882 + (0.698*IS in SNS)* (1)

The equation (1) shows that for every one unit change in IS in SNS will result in 0.698 unit change in PI. Table 3 shows the impact of IS in SNS on PI. It clearly shows that there is a positive impact of IS in SNS on PI ($\beta=0.698$). The relationships are significant at 5% level. The $R^2$ value reveals that the model containing IS in SNS variable predicts 48.7% of dependent variable i.e. PI. It also specifies that 48.7% of the variation in PI is explained by IS in SNS.

### D. *Moderation analysis*

**Table 4: Moderation results**

| Moderation | Beta Value | t-statistic | Sig |
|---|---|---|---|
| IS in SNS*TS | 0.0429 | 2.5792 | 0.0114 |

$R^2$= 0.925
Sig. change=0.0114 ($p<0.05$)

Here to determine the interaction effect of TS, moderated regression is applied. Table 4 shows the interaction effect of TS on the link between IS in SNS and PI. The significant interaction was predicted in case of IS in SNS. The $R^2$ value illustrates that before interaction the effect explained 48.7% of variance in PI. Whereas after interaction, the $R^2$ value is increased to 92.5% of variance in PI ($R^2=0.925$, $p<0.05$). Also TS alters the connection between IS in SNS and PI ($\beta=0.0429$, $t=2.5792$, $p<0.05$). The PI is predicted at low and high level of TS with low and high level of IS in SNS.

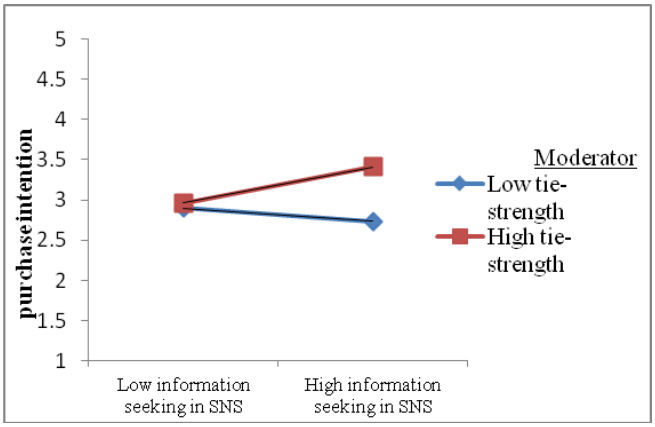


**Figure 2: Diagrammatic representation of interaction effect of TS on IS in SNS and PI relationship**

Figure 2 shows the visual depiction of conditional effect of IS in SNS on PI at low and high levels of TS. The simple slope shows that at low level of TS, the PI is decreased even if IS in SNS is higher. But PI is increased with high level of IS in SNS at high level of TS. Therefore, TS moderates the relationship between IS in SNS and PI.

## VI. DISCUSSIONS AND IMPLICATIONS OF THE STUDY

Relationship with SNSs makes it social but the relationship made with the contacts in SNSs plays a varied role in sharing of opinions or information about products and/or brands. This study determined the direct effect of TS on IS in SNSs and PI relationship. The resulting empirical work satisfies the hypotheses framed for this study. The results of hypotheses is given below

**Table 5: Hypotheses results**

| S.NO | Hypotheses | Result |
|---|---|---|
| $H_1$ | IS in SNSs is positively related to PI | Accepted |
| $H_2$ | TS alters the relationship between IS in SNS and PI. | Accepted |

As IS in SNSs is one of the significant determinant of eWOM behavior, it theaters a very vital role in predicting PI in SNS. From table 5 it shows that IS in SNSs positively impacts PI. This result emphasizes that consumers tend to gather information about products or brands from consumer reviews or comments to make purchase decisions. Hence the hypothesis H1 is accepted. The research finding is reliable with the results of previous studies [12][8][13][1] where information seeking positively impacts purchase intention. The study also found that TS influences PI in SNSs. This finding is in line with the previous studies [13][17] where tie-strength in SNS positively impacts purchase intention. Also TS alters IS in SNSs and PI relationship. Significant interaction is predicted when the level of TS is high. This signifies that IS in SNSs and PI relationship is sturdy for those users who recognize that the contacts in SNSs are very close and significant (i.e. strong TS). Conceivably, high level of TS motivates the individual to interact with others and hunt for product information that enhances the PI of consumers.


Published By:
Blue Eyes Intelligence Engineering
& Sciences Publication (BEIESP)

These findings is in line with studies of [2][13] where the researchers revealed that if TS
level is high, they incline to engross in eWOM actions that in turn augments the PI of consumers the findings provide insights for the marketing organizations to place a spotlight on the TS of consumers' friends who shares the opinions about the brands and products. The consumers' judgment about purchasing products is solely depends on the message communicated by close tie friend. Firms can identify suitable users to suggest particular products to their friends which in turn enhance the PI of consumers. For instance, companies can give their products to consumers' closely tied friends and soliciting to suggest the products and/or brands to their strong bonded friends. In some cases, rather than opting for traditional method of advertising, companies tend to offer free sample to right cluster of individuals which is less pricey. The marketers should formulate appropriate strategies for products which have less and high risk. In case of high risk products, companies should encourage consumers' close tie friends to suggest the products to their friends. In case of low risk products, there will be lesser impact of social relationships on purchase decision of consumers.

## VII. CONCLUSIONS

The trend that consumers' searching for information in SNSs about the product or brand is developing in the past recent years. The usage of SNSs is increasing every year and consumers became more shopaholic towards online purchasing. Also opinion given by other consumers is driving the purchase intention and attitude of consumers irrespective of close or weak tie friends. This study also found that IS in SNSs is positively linked to PI and TS alters the link between IS in SNSs and PI. If consumers seek for more information in SNSs, the PI is increased at the high level of tie strength i.e. if they get information from close tie friends in SNSs. Hence tie-strength of consumers plays a important role in the PI of consumers in SNSs.

## VIII. LIMITATIONS AND DIRECTIONS FOR FURTHER RESEARCH

As this study was carried out among college students in Vellore district across the age range of 18-25, further research can be carried out with other age groups in Vellore district and also in other countries across varied product categories to generalize the results of present study. Also the study determined the impact of only one shopping motive i.e. IS in SNS on PI with TS as a moderator. Future research should determine the influence of other shopping motive i.e. socializing gratification, entertainment etc on PI and moderators can be added to the mentioned link.

**Abbreviations**

IS-Information Seeking, SNS-Social Networking Sites, PI-Purchase Intention, TS-Tie-Strength, WOM-Word of Mouth, eWOM-electronic Word-Of-Mouth, SPSS-Statistical Package for Social Sciences, EKB-Engel, Kollat, Blackwell.

## REFERENCES


1. Hajli, N., Sims, J., Zadeh, A. H., & Richard, M. O. (2017). A social commerce investigation of the role of trust in a social networking site on purchase intentions. *Journal of Business Research*, *71*, 133-141.
2. Chu, S. C., & Kim, Y. (2011). Determinants of consumer engagement in electronic word-of-mouth (eWOM) in social networking sites. *International journal of Advertising*, *30*(1), 47-75.
3. Engel, J. F., Blackwell, R. D., & Miniard, P. W. (1978). Consumer behavior, 1995. *New York: Dryden*.
4. Fletcher, K. A. P., & Emmanuel-Stephen, C. M. (2018). Social Media Engagement: Reshaping the Consumption Patterns of Generation Y Caribbean and Latin American Consumers. In *Digital Marketing and Consumer Engagement: Concepts, Methodologies, Tools, and Applications* (pp. 1070-1090). IGI Global.
5. Lehtonen, R. (2018). The Consumer Buying Process on Online Era.
6. Goldsmith, R. E., & Horowitz, D. (2006). Measuring motivations for online opinion seeking. *Journal of interactive advertising*, *6*(2), 2-14.
7. Brown, S., Chen, L., & O'Donnell, E. (2017). Organizational opinion leader charisma, rolemodeling, and relationships. *International Journal of Organizational Analysis*, *25*(1), 80-102.
8. M. Kang, J. Y., KP Johnson, K., & Wu, J. (2014). Consumer style inventory and intent to social shop online for apparel using social networking sites. *Journal of fashion marketing and management*, *18*(3), 301-320.
9. Holleschovsky, N. I. (2015). The social influence factor: Impact of online product review characteristics on consumer purchasing decisions (Bachelor's thesis, University of Twente).
10. Senecal, S., Kalczynski, P. J., & Nantel, J. (2005). Consumers' decision-making process and their online shopping behavior: a clickstream analysis. *Journal of Business Research*, *58*(11), 1599-1608.
11. Dennis, C., Morgan, A., Wright, L. T., & Jayawardhena, C. (2010). The influences of social e-shopping in enhancing young women's online shopping behaviour. *Journal of Customer Behaviour*, *9*(2), 151-174.
12. Yun, Z. S. (2011). Testing a Theoretical Model to Examine the Relationships Among E-social Shopping Motivation, Perception, and Behavioral Intention. Michigan State University. Retailing.
13. Kang, J. Y. M., & Johnson, K. K. (2015). F-Commerce platform for apparel online social shopping: Testing a Mowen's 3M model. *International Journal of Information Management*, *35*(6), 691-701.
14. Brown, J. J., & Reingen, P. H. (1987). Social ties and word-of-mouth referral behavior. *Journal of Consumer research*, *14*(3), 350-362.
15. Phua, J., Jin, S. V., & Kim, J. J. (2017). Gratifications of using Facebook, Twitter, Instagram, or Snapchat to follow brands: The moderating effect of social comparison, trust, tie strength, and network homophily on brand identification, brand engagement, brand commitment, and membership intention. *Telematics and Informatics*, *34*(1), 412-424.
16. Kim, M., & Fernandez, R. M. (2017). Strength matters: Tie strength as a causal driver of networks' information benefits. *Social science research*, *65*, 268-281.
17. Wang, J. J., Wang, L. Y., & Wang, M. M. (2018). Understanding the effects of eWOM social ties on purchase intentions: A moderated mediation investigation. *Electronic Commerce Research and Applications*, *28*, 54-62.
18. Lu, H. P., & Yu-Jen Su, P. (2009). Factors affecting purchase intention on mobile shopping web sites. *Internet Research*, *19*(4), 442-458.
19. Nunnally, J. C., & Bernstein, I. H. (1994). Validity. *Psychometric theory*, 99-132.
20. Hair, J. F., Black, W. C., Babin, B. J., Anderson, R. E., & Tatham, R. L. (2006). SEM: confirmatory factor analysis. *Multivariate data analysis. Pearson Prentice Hall, Upper Saddle River*, 770-842.


## AUTHORS PROFILE

**S. Aswini Priya** Research Associate
VIT Business School Vellore Institute of Technology Vellore-632014. S. Aswini Priya is a Research Associate in VIT Business School, VIT. She pursued Integrated MBA in VIT Business School and started to pursue her doctorate in 2015. She worked as Project Associate in ICSSR funded project for two years and published 10 research papers in top reputed journals and 3 book chapters till 2019.

**Dr. Pulidindi Venugopal** Professor Department of Technology Management
School of Mechanical Engineering Vellore Institute of Technology Vellore-632014 Dr. Pulidindi Venugopal is an enthusiastic marketing professor and a researcher. He started his teaching profession at VIT in 2009. He published 63 research articles in top rated journals, Case studies in top rated case centers and 'holds more than 15 Book chapters till 2019. He also produced 7 doctorates till date and holds two funded research projects given by Indian Council of Social Science and Research (ICSSR).