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IMPACT OF USER – GENERATED CONTENTS IN SOCIAL MEDIA ON CONSUMER BUYING BEHAVIOR WITH SPECIAL REFERENCE TO FAST-MOVING CONSUMER GOODS IN KANYAKUMARI DISTRICT

IMPACT FACTOR : 5.7631(UIF)

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### ABSTRACT

In today's digital world, where Social Media has conquered the entire world, there is no exception for the consumers and firms too. Consumers have started to turn towards Social Media for making their buying decisions not only for luxury goods but also for FMCGs. This has made the FMCG companies to take Social Media as a major marketing tool to gear up their sales. The study aims to analyse the impact of UGC in Social Media towards fast moving consumer goods in Kanyakumari District. The study is based on both primary and secondary data. Primary data was collected from 200 sample consumers using social media from various parts of Kanyakumari District using stratified random sampling. The study revealed that consumers are influenced by the User-Generated Contents in Social Media while making buying decisions related to FMCGs.

**KEYWORDS:** Social Media, Consumer Buying Behavior and Fast-Moving Consumer Goods.

### **1. INTRODUCTION:**

The robust growth of social media has significantly changed the way of communication from oneway to two-way, which has enabled the consumers to interact with the firms as well as among themselves also. Thus, Social media has removed the communication gap and the time constraints such that the consumers can communicate 24x7 both the firms as well as other consumers. This has made the consumers to be more articulate sharing their grievances and opinions and seeking remedies through Social Media. Thus Social media has paved way for the consumers to generate their own contents which we call as the User-generated content. As per Wikipedia, User Generated Content (UGC) is any form of content, such as images, videos, text and audio, that has been posted by users of online platforms such as social media and wikis. Technology has made the consumers a researcher by enabling him to ingress enormous information promulgated by both users and others about a company or product, and giving opportunity for him to make purchase decision not only for durables but also for FMCGs. Today's consumers are more conscious about their health, appearance and hygiene. This attitude change among the consumers has made the firms to use UGC as a marketing strategy.

### 2. SOCIAL MEDIA:

The dictionary meaning of social Media is that they are websites and applications that enable users to create and share content or to participate in social networking. It is a form of electronic communication that consists of Social Networking like facebook, LinkedIn, Micro blogging like Twitter, Photo sharing like Instagram, and video sharing like YouTube.

#### **3.FAST-MOVING CONSUMER GOODS:**

Fast-moving consumer goods sector is the fourth largest sector in the Indian economy. Fast-moving consumer goods (FMCG) are products that are inexpensive and are bought by the people on a regular basis. The sales volume of FMCGs is generally high. Fast-Moving Consumer Goods include processed foods, beverages, dry goods like coffee and tea, prepared meals, cosmetics, toiletries, over-the-counter medications, candies, baked goods, consumer electronics and clothing.

#### **4.STATEMENT OF THE PROBLEM**

No consumer makes a buying decision independently. Rather several internal and external factors influence the consumers before making buying decisions. Likewise, consumers today want to make optimum use their money and subsequently they wanted to make the best of their choices. As a consequence, consumers go in search for feedback and the experiences of other consumers that are pondered as a proof for the quality of the product which they want to buy thus, making the firms to turn towards UGC in social media. But the problem encountered here is whether the feedbacks and reviews in social media are completely reliable or if they are misleading. This study aims at analyzing how much consumers are relying upon UGC, which form of UGC is more considered by consumers and why do they go for UGC in social media.

### **5.OBJECTIVES**

1. To find out the factors contributing to the usage and non-usage of UGC for making buying decision.

2. To analyse the significant relationship between consumer characteristics and level of influence of UGC.

#### 6. METHODOLOGY

This research aims at studying the impact of UGC in social media on the consumer behavior related to fast-moving consumer goods. The population of the study shall comprise 200 consumers from various parts of Kanyakumari district selected using stratified random sampling. The study mainly based on primary data and secondary. Secondary data have been collected from records and documents obtained from various sources and primary data have been collected using questionnaires.

# 7.DATA ANALYSIS AND INTERPRETATION

# 7.1 Relationship between demographic characteristics of respondents and Level of Impact of User-**Generated Contents in Social Media:**

An attempt has been made to analyze the relationship between demographic characteristics of respondents and UGC in social media with the help of chi-square analysis. The chi-square value and its significance are calculated for each demographic profile variable separately by setting up the following hypothesis.

H<sub>01</sub>: There is no significant relationship between demographic variables of the respondents and level of impact of UGC in social media.

The results	are	presented	l in ta	ble.1
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Relationship between demographic variables of consumers and Level of Impact							
Calculated Chi- Square Value	Table Value at 5 per cent level	Significance					
18.97	15.507	Significant					
19.52	5.991	Significant					
1.53	5.991	Not Significant					
8.24	12.592	Not Significant					
26.07	9.488	Significant					
	Calculated Chi- Square Value 18.97 19.52 1.53 8.24	Calculated Chi- Square Value Table Value at 5 per cent level   18.97 15.507   19.52 5.991   1.53 5.991   8.24 12.592					

Table.1

Source: Computed data

From table.1, it has been inferred that the demographic variables such as age, gender and employment status are significantly associated with level of impact on consumers since their calculated chisquare values are greater than the respective chi-square table value at 5 per cent level. There is no significant relationship between the demographic variables such as marital status and education level and level of impact of UGC in social media.

#### **Testing of Hypotheses:**

It is clearly evident from table.1 that there is a significant relationship between age, gender and education and level of impact of UGC in social media. Hence, the null hypotheses are rejected. Therefore, it could be inferred that the demographic variables such as age, gender and education level influence the level of impact of UGC in making buying decisions related to FMCG.

#### 7.2 Factors that influence consumers to refer UGC before making Buying Decision related to FMCG:

To know why the consumers go for UGC, eight variables such as increase in awareness about the product, increase in purchase confidence, better understanding about the product, more engagement with the brand, stronger brand community, access to authentic content, can exchange information and ability to identify correct product are taken and ranked using Garret's Ranking Method.

	Factors influence	ng cor	sume	rs to r	efer U	GC :	Garret	's Ranl	cing Me	ethod	
SI. No.	Variables	I	11	щ	IV	v	VI	VII	VIII	Averag e Score	Ran k
1	Increased Awareness		16	13 2	28	24				58.02	
2	Increased Purchase Confidence			48	14 3	9				54.41	IV
3	Better Understanding					34	12 8	36	2	39.55	VI
4	More Engagement		$\sim$		17		2	28	153	24.68	VIII
5	Stronger Community						19	136	45	30.06	VII
6	Authentic Content	19 2	8							79.48	Ι
7	Can Exchange Information			4	12	13 3	51			45.83	V
8	Identify Correct Product	8	17 6	16						66.96	II

#### Table.2

Source: Computed data

Table.2 reveals that out of the eight factors that makes the consumers to refer UGC, Authentic content ranks first which shows that consumers trust UGC followed by identify correct product, increased awareness, increased purchase confidence, exchange information, better understanding, stronger community and more engagement.

#### 7.3 Form of UGC trusted the most

Analysis was made to know the form of UGC people trusted more and influenced them to make buying decisions regarding FMCG. For this, users' selfies with the product, question and answer participation, ratings, reviews and comments, blog posts, videos and recommendations from family and friends were considered.

SI. No.	Forms of UGC	No.of respondents	% of respondents	Rank
1	Selfies With The Product	1	0.5	VII
2	Question and Answer Participation	16	8	IV
3	Ratings	26	13	III
4	Reviews / Comments	55	27.5	
5	Blog Posts	14	7	V
6	Videos	2	1	VI
7	Recommendations From Family And Friends	86	43	

### Table.3 Form of UGC trusted the most

Source : Computed data

Table 4 shows that recommendations from friends and family are trusted the most and then comes reviews of other consumers who have used the product, ratings made by other customers, question and answer participation, blog posts, videos and the last trusted and considered one is selfies with the product.

## 8. FINDINGS

- The study shows that the demographic variables such as age, gender and employment status are significantly associated with level of impact of consumers and there is no significant relationship between the demographic variables such as marital status and education level and level of impact of UGC in social media.
- The study also depicts that out of the eight factors that makes the consumers to refer UGC, Authentic content ranks first which shows that consumers trust UGC followed by identify correct product, increased awareness, increased purchase confidence, exchange information, better understanding, stronger community and more engagement.
- While considering the most trustworthy form of UGC, it was found from the study recommendations from friends and family are trusted the most and then comes reviews of other consumers who have used the product, ratings made by other customers, question and answer participation, blog posts, videos and the last trusted and considered one is selfies with the product.

# **9.SUGGESTIONS**

- While coming to Social media, there are chances for even faulty messages to get shared, and so before making any decision under consideration of those shares, it would be better for the consumer to get experts' or users' advice and thereby analyse the trustworthiness of the messages.
- Government and Non-governmental organisations can also take necessary steps to monitor the messages that are passed through social media and filter fake messages if necessary.
- Cyber laws can also be made more stringent so that misleading information does not get passed on to the consumers.

# **10. CONCLUSION**

This study was conducted to find out the impact of UGC in social media on the buying behavior of the people in fast moving consumer goods. It was discovered from the study that people are considering more the user-generated contents and they also trust them. It significantly influences the people while making buying decisions related to FMCG and the best examples that can be said are increased awareness for organic food, avoidance of junk foods, change in fashion etc. Thus, the study concludes that UGC in social media influences more the people today when it comes to FMCG because of the changing attitude of the people.

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