

The Impact of Social Media on Consumer Psychology and Behavior

Shiqi Xu^{1,a,*}

¹Durham University, Stockton Rd, Durham, The United Kingdom

a. xsq77221@outlook.com

**corresponding author*

Abstract: In the era of social media, the blurring of boundaries between online and offline spaces has transformed interpersonal relationship networks and modes of communication and collaboration. Against this backdrop, consumer psychology and behavior have also changed significantly. The increased engagement and control of social media users have strengthened consumers' social cognition and the effects of social influence. In social interactions, consumers observe and learn from the behaviors of others to develop purchase motivations and rely on the opinions and recommendations of others to make purchasing decisions. The interactive processes facilitated by social media, characterized by rapid information turnover and feedback mechanisms, make consumers more susceptible to the influence of others. This dynamic environment not only accelerates the dissemination of information but also amplifies the effects of social influence. Through interactions such as likes, comments, and shares, consumers can quickly receive feedback from other users, which further influences their attitudes and behavioral tendencies. Social media marketing, with its high-quality product showcases and personalized service systems, enhances consumers' purchase desires and prompts them to re-enter the purchasing process more swiftly. This paper explores the impact of social media on consumer psychology and behavior from two perspectives: first, by analyzing the influence of social media marketing on consumer psychology and behavior, and second, by discussing the changes in consumer psychological motivations under social media. Finally, based on the above analysis, the paper provides recommendations for businesses on how to effectively utilize social media marketing strategies.

Keywords: Social Media, Consumer Psychology, Consumer Behavior, Brand, Marketing Strategies.

1. Introduction

Social media is a platform that exists within social networks, allowing users to exchange information and interact. Traditional media disseminates content in a one-way manner, where users only receive information through the media, whereas social media emphasizes two-way interaction between users. Through social media, users acquire information, share opinions, exchange experiences, build relationships, and engage in in-depth interactions with other users and businesses. Companies focus on the diverse content conveyed on this digital platform, including identity, communication, sharing, location, connections, reputation, and groups, and based on this, they enhance interaction and communication with customers to establish emotional connections. With the growth of internet user

demographics and the shift in user demands, social media platforms are shifting their focus to mobile social networking. Short video platforms and specialized social networks have emerged, continuously enriching social functions and online consumption models. They combine diversified information output, operational services, and e-commerce activities to form an enterprise ecosystem. Through fragmented interaction models, they increase user engagement and convert traffic within social interactions.

Consumer psychology encompasses the mental processes that users experience during a series of consumer behaviors, including searching for, selecting, and purchasing products. Consumer behavior, in turn, is the direct outward manifestation of these psychological processes. The two are inextricably linked and inseparable. Numerous scholars have conducted research exploring the impact of social media on both consumer psychology and behavior. For instance, Reisenwitz focuses on the characteristics of the social media consumer and the non-social media consumer, and then compares the two groups[1]. Pandey et al. discuss the impact of social media marketing impact on the purchase intention of the millennial[2]. Stubb and Colliander find that impartiality product posts are less likely to be perceived as advertising compared to sponsored product posts or posts without sponsorship information, and therefore generate higher source and message credibility[3]. Grewal et al. demonstrate that posting products on social media that are framed as being identity-relevant can reduce a consumer's subsequent purchase intentions for the same and similar products, as this action allows consumers to virtually signal their identity, fulfilling identity-signaling needs[4]. Hamzah et al. indicate that consumers respond positively to interactive and/or novel posts and consumer engagement with brand posts positively influences all customer brand relationship facets including brand love and customer brand identification[5]. Castillo et al. point out that social networks facilitate interaction between brands and their followers, allowing the content and messages disseminated to achieve greater impact and commitment to the public and, therefore, increase the engagement between the brand and followers[6]. Ballerini et al. test if the content posted on the social media brand pages of supermarkets dealing with a topic of high social relevance drawing on regulatory fit theory and social sharing of emotions theory[7]. Fatmawati and Mawaddah learn the antecedents and consequences of consumer brand engagement in the Instagram account of luxury fashion brands[8].

Previous research has largely focused on two areas: the first primarily explores the impact of social media marketing on consumer psychology and behavior, while the second examines the subjective changes in consumer psychological motivation within the context of social media. This paper will provide a detailed analysis of both aspects.

2. The Impact of Social Media Marketing on Consumer Psychology and Behavior

Social media marketing is characterized by several distinct features: 1) Accessibility: Social media marketing enables marketers to disseminate information directly through these platforms. Consumers, in turn, can readily access product information, make purchase decisions, and complete transactions via social media. Upon receiving payment, marketers can deliver goods through logistics channels, with the entire process transcending the limitations of physical space and time. 2) Virtuality: The information encountered by consumers within social media environments is inherently virtual. 3) Broad Reach and Resource Efficiency: The scope of social media marketing extends as far as the internet reaches, allowing a single marketing resource to achieve comprehensive coverage of the target audience. Based on these characteristics of social media marketing, consumer psychology and behavior are influenced in the following ways:

2.1. Enhanced Consumer Proactiveness

In traditional marketing activities, consumers generally occupied a passive role. The types and quality of goods available were largely determined by marketers, who acted as both providers and sellers. Furthermore, due to the regional nature of past models, consumers often had limited choices within their immediate vicinity, typically purchasing from a small pool of marketers. This lack of options resulted in a passive consumer role, requiring marketers to actively engage with consumers to stimulate purchases. However, social media marketing has witnessed a reversal of roles between consumers and marketers. Consumers have become active agents in the consumption process, leading to more proactive consumer behavior. The vast reach of social media marketing allows for an influx of product information onto these platforms, including numerous options within the same product category. This expanded range of choices empowers consumers to select products based on their individual interests and preferences. If dissatisfied with a particular marketer, consumers can readily switch to another, demonstrating their newfound agency. In this empowered position, consumers independently determine whether to purchase, what to purchase, and from whom to purchase, leading to significantly more proactive consumer psychology.

2.2. Increasing Consumer Rationality

Most consumers exhibit a degree of rationality in their purchasing behavior, a phenomenon observed in traditional marketing. However, in the context of social media marketing, consumers demonstrate a heightened level of rationality. The fundamental reason for this enhanced rationality lies in the inherent virtuality of social media.

Due to this virtuality, product information disseminated through social media platforms possesses a virtual characteristic. While consumers can gain some understanding of products through this information, they are also aware that virtual product information can be misleading, embellished, or even entirely fabricated. In essence, there is a potential disconnect between the information presented on social media and the physical reality of the product. This discrepancy gives rise to several concerns among consumers. For instance, if a consumer suspects that product information has been embellished, they might worry that the actual product will fall short of expectations upon purchase. This potential for disappointment can lead to feelings of being deceived by the marketing efforts. Such concerns compel consumers to exercise greater caution in the social media marketing environment, leading to an increase in their rational decision-making processes. Consumers are unlikely to blindly purchase products based solely on the information presented on social media before establishing a sense of trust with the marketer. Instead, they tend to seek comprehensive information about the product from various sources to mitigate the risks associated with the virtuality of online product representations.

The rise of the digital economy has brought greater convenience to consumers in terms of product choices. Traditional physical stores are limited by space and cost, resulting in relatively limited options for consumers. However, driven by the digital economy, consumers can access products from around the world through the internet, especially well-known domestic and international brands, offering them more diverse and personalized choices. The internet further eliminates the information asymmetry between users and marketers, breaks the geographical boundaries in marketing, and creates a long tail market that can cater to the diverse needs of consumers. For marketers, this poses greater challenges and competition in the field of marketing.

2.3. Enhanced Consumer Loyalty

On the premise of increased consumer rationality, customer loyalty in social media marketing has significantly strengthened. Consumers maintain a high degree of rationality during the consumption process due to concerns about being deceived. Consequently, when consumers find a marketer they

perceive as trustworthy, they tend to make repeated purchases from that marketer, demonstrating enhanced loyalty.

2.4. Increasing Consumption Frequency

In the realm of social media marketing, a significant increase in daily consumption frequency has been observed among many consumers. This phenomenon can be attributed to several key factors:

Firstly, the high level of convenience offered by social media marketing reduces the perceived "hassle" associated with the consumption process. This, in turn, strengthens consumer desire, leading them to spend more time browsing product information and making purchases based on their individual needs.

Secondly, the virtual nature of social media marketing enables marketers to deliver a greater volume of product information to consumers within a shorter timeframe. This enhances the probability of successful marketing outcomes, as a larger pool of product information increases the likelihood of some items aligning with consumer preferences compared to traditional marketing approaches. Consequently, the observed increase in consumer consumption frequency suggests an amplified probability of marketing success.

Thirdly, consumers gain access to a vast amount of product information through social media platforms. This exposure allows them to discover items of interest within the extensive information pool. For instance, a consumer might encounter a previously unknown product and develop a strong interest, potentially leading to a purchase. Coupled with regular consumption driven by existing needs, this access to diverse product information further contributes to the heightened consumption frequency.

3. Changes in Consumer Psychological Motivations in the Context of Social Media

3.1. Consumer Psychological Motivations for Engaging in Participatory Culture

In the modern era of digital empowerment, facilitated by enhanced media access, fans are increasingly motivated to engage in participatory consumption. They have evolved beyond mere consumers of content, assuming new identities as content producers and creators of derivative works, effectively becoming "prosumers". Within the internet landscape, fan support for a brand can significantly boost its sales. The internet has empowered netizens to participate in the co-construction of brands. Netizens actively engage on social media, forwarding and creating trending topics related to the brand, generating considerable online buzz. This participatory experience enables fans to witness the content's journey to trending status, igniting their creative enthusiasm and fostering a sense of ownership. This continuous participation also instills a sense of pride among netizens, encouraging repeat purchases and promoting widespread brand advocacy.

3.2. Emotional Motivations of 'Uses and Gratifications'

The Uses and Gratifications theory posits that audiences are individuals with specific needs who engage with media based on motivations to "use" media in order to "gratify" or fulfill those needs. This perspective aligns with consumer behavior theory, which suggests that consumers are communities with fixed needs and their purchasing behavior is driven by corresponding motivations to engage in consumption activities that ultimately satisfy those needs. In the era of social media, the internet has empowered users with the ability to participate actively, elevating them to the primary subject within the industry chain. Users engage with content, consume products, and promote their favored items, deriving a sense of accomplishment and satisfaction from these actions. This dynamic represents a significant driver of consumer behavior within this demographic.

3.3. Consumption Influenced by Moral and Political Emotion Communication in Social Media

During social interactions facilitated by social media platforms, emotional exchanges and behavioral patterns among consumers can trigger similar experiences of moral or political sentiment, resulting in emotional contagion. The fission-like sharing of such moral or political sentiment on social media generates widespread influence, stimulating and awakening other users, and subsequently impacting their consumption attitudes and behaviors.

3.4. Conformity in Social Media Environment

When other netizens share their experiences of consuming a particular product on social media, expressing their fondness and loyalty towards it, consumers who also use the same product derive emotional value. Driven by this emotional value, consumers develop a strong sense of identity when purchasing the product. This sense of identity motivates them to continue purchasing, follow the crowd, participate in the frenzy, thereby gaining a sense of group identity and belonging, and ultimately enhancing their status within the fan community.

4. Recommendations for Enterprise Social Media Marketing Strategies

In response to the profound impact of social media on consumer psychology and behavior, enterprises must adapt to these substantial changes by implementing targeted strategies.

4.1. Enhancing Brand Perception Among Users Through Content Marketing"

The purchasing behavior of consumers begins with content discovery, which can be initiated by the consumers themselves or pushed through social media. In this phase, ensuring that the brand is recognized and acknowledged is a primary objective for companies engaged in marketing on social media. Implementing content marketing can effectively showcase relevant information related to products, thereby enhancing product awareness among the target audience. On the one hand, user profiling can be conducted to better understand the target audience. By creating valuable and engaging content, potential consumers can be attracted, ensuring that the output meets users' needs and allows for dynamic responsiveness. On the other hand, under the influence of the internet, multi-channel and diversified dissemination is crucial. Content penetration should occur through various formats on social media, such as live streaming, videos, promotional articles, and social media posts, while methods like SEO (Search Engine Optimization) and advertising campaigns should be utilized to increase content visibility.

4.2. Strengthening Consumer Communication through Brand Influence

The conversion of loyal users is inherently linked to the influence of brand power. After establishing interactions with the brand, it is essential to enhance the emotional connection between consumers and the brand, thereby building trust and resonance. Firstly, brands need to develop their own brand story and values, creating official accounts on mainstream social media platforms. Through these official accounts, brands can interact with consumers, maintain their existing user base, increase fan engagement, and strengthen brand influence. The enhancement of a company's visibility requires not only effective promotion and marketing of products but also the establishment of a brand value orientation. This involves deepening the integration of the brand with consumers and constructing a brand image that garners consumer recognition. Secondly, due to the interactive nature of social media, leveraging word-of-mouth marketing can be more effective for brand promotion and increasing brand influence. Brands should utilize the power of KOLs (Key Opinion Leaders),

including influencers, streamers, and prominent figures on various social media platforms, to guide customers toward experiential browsing. This approach fosters emotional resonance with potential consumer groups and strengthens the conversion from purchase intention to actual purchasing behavior, thereby achieving an upgrade in product and brand reputation.

4.3. Enhancing Post-Purchase Engagement with Consumers

On the one hand, in the era of consumer sovereignty where user experience sharing is fragmented, enterprises need to provide diverse interactive sharing methods to satisfy consumers' individualized needs. By leveraging topics, points of interest, user experience, and recommendations, businesses can strengthen post-purchase feedback mechanisms, enhance customer satisfaction, and encourage consumers to proactively engage in product trials and subsequent sharing, thereby attracting new customers into the purchase funnel.

On the other hand, enterprises can leverage social media platforms to establish and cultivate online communities. This facilitates the acquisition of more precise user behavior and preference data, thus enhancing customer loyalty through community engagement. Within these social media communities, businesses can increase content output, providing loyal customers with usage tips, troubleshooting assistance, and other value-added services. This approach delivers a superior post-purchase experience, fosters positive word-of-mouth marketing, cultivates long-term customer relationships, and ultimately increases the likelihood of repeat purchases.

5. Conclusion

The rapid development of social media has presented new opportunities and challenges for businesses and consumers alike. In this new social environment, consumer psychology and behavior are influenced by multiple factors. The deep engagement of consumers and their interactions with businesses have led to various changes in consumer psychology and behavior, such as increased consumer proactivity and loyalty, a more rational decision-making process, and influences from participatory culture and herd mentality. In response to these significant changes, businesses should continuously improve their social media marketing strategies to attract consumers to make purchases, enhance the conversion of loyal users, and elevate consumer awareness and recognition of the brand.

References

- [1] Reisenwitz, T. H. (2013). A comparison of the social media consumer and the non-social media consumer. *International Journal of Internet Marketing and Advertising*, 8(1), 19. <https://doi.org/10.1504/IJIMA.2013.056587>
- [2] Pandey, A., Sahu, R., & Dash, M. K. (2018). Social media marketing impact on the purchase intention of millennials. *International Journal of Business Information Systems*, 28(2), 147. <https://doi.org/10.1504/IJBIS.2018.091861>
- [3] Stubb, C., & Colliander, J. (2019). "This is not sponsored content" – The effects of impartiality disclosure and e-commerce landing pages on consumer responses to social media influencer posts. *Computers in Human Behavior*, 98, 210–222. <https://doi.org/10.1016/j.chb.2019.04.024>
- [4] Grewal, L., Stephen, A. T., & Coleman, N. V. (2019). When posting about products on social media backfires: The negative effects of consumer identity signaling on product interest. *Journal of Marketing Research*, 56(2), 197–210. <https://doi.org/10.1177/0022243718821960>
- [5] Hamzah, Z. L., Abdul Wahab, H., & Waqas, M. (2021). Unveiling drivers and brand relationship implications of consumer engagement with social media brand posts. *Journal of Research in Interactive Marketing*, 15(2), 336–358. <https://doi.org/10.1108/JRIM-05-2020-0113>
- [6] Castillo-Abdul, B., Bonilla-del-Río, M., & Núñez-Barriopedro, E. (2021). Influence and relationship between branded content and the social media consumer interactions of the luxury fashion brand manolo blahnik. *Publications*, 9(1), 10. <https://doi.org/10.3390/publications9010010>
- [7] Ballerini, J., Alam, G. M., Zvarikova, K., & Santoro, G. (2023). How emotions from content social relevance mediate social media engagement: Evidence from European supermarkets during the COVID-19 pandemic. *British Food Journal*, 125(5), 1698–1715. <https://doi.org/10.1108/BFJ-06-2021-0695>

- [8] Fatmawati, I., & Mawaddah, Z. Z. (2024). *Exploring luxury brand engagement in developing country: The role of social media consumer involvement*. *E3S Web of Conferences*, 571, 02006. <https://doi.org/10.1051/e3sconf/202457102006>