The Influence of Social Media on Purchase Decision-making by Young Nigerians

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Abstract: The uptake of mobile communications in Nigeria has provided a platform for consumers to communicate with brands. This survey investigated the role of social media in the five different stages of the Engel-Kollat-Blackwell (EKB) consumer decision-making process in Nigerians aged 18-35. The factors of trust, gender and region were considered. Social media was used at all the stages of the purchase decision making process. Trust appears to be influential and warrants further investigation.

Keywords: Social Media, Nigeria, Consumer Decision-making Process, electronic   Word   of Mouth,   Trust, Gender, Culture.

1. Introduction

Electronic Word of Mouth (eWOM) has been defined as (Hennig-Thurau et al, 2004) *"any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet"*. A review of eWOM (King et al, 2014) identified eleven research questions, of which this research investigated three.

RQ1, *"how does eWOM differ cross-culturally"* (King et al, 2014). Both Ng's (2013) study of eWOM in East Asia vs Latin America, and Chu and Choi's (Chu and Choi 2011) comparison of the USA and China found cultural differences in responses to eWOM. This study was carried out in Nigeria. A search for social media marketing in Web of Science returned 1531 publications (up to 2017). None have Nigeria in the title or abstract and three mention Africa ((Shambare and Mvula, 2011)(Madichie and Hinton 2014)(Nelmapius and Bishoff, 2016)). None of those three concerned eWOM. Regional differences are potentially important in Nigeria. For example, Omonedo and Bocij (2016) identified regional differences in patterns of mCommerce adoption within Nigeria. The six geopolitical zones of Nigeria are used in this study, because culture and shared history were considered when the zones were originally defined. Gender is of interest as, in Nigeria, masculinity is culturally influential (Lindsay & Miescher 2003). In households, males' opinions are dominant (Asiyanbola, 2005) giving them influence on domestic purchases. Furthermore, Agbonifoh and Bakwenye (1986) report that females are more careful hagglers than males.

RQ2, *"how does trust change the power of eWOM"* (King et al, 2014). Higher levels of trust are associated with enhanced willingness to share information in a social network. For example, Ng (2013) found that closeness and familiarity were important for building trust in social networks in East Asian and Latin American consumers respectively. Chiemeke and Evwiekpaefe (2011) identify trust and security as important for eCommerce adoption in Nigeria.

RQ3, *"how does eWOM change the consumer decision journey"* (King et al, 2014). Different theories have been developed to understand consumer behaviour in a purchase decision-making process, for a review see Erasmus, Boshoff & Rousseau (2001). The work presented here replicated a study by Gros (2012) which applies the well-established Engel, Kollat and Blackwell (1968) model of consumer decision making. Engel et al (1968) proposed a model, called the EKB model, to illustrate consumer decision-making process in 5 steps, as shown in Figure 1.

In summary, in this study we investigated whether region, gender and trust influenced the behaviour of Nigerians aged 18-35 at the different stages of the EKB purchase decision process. This paper reports the initial analysis of the results of the survey data.
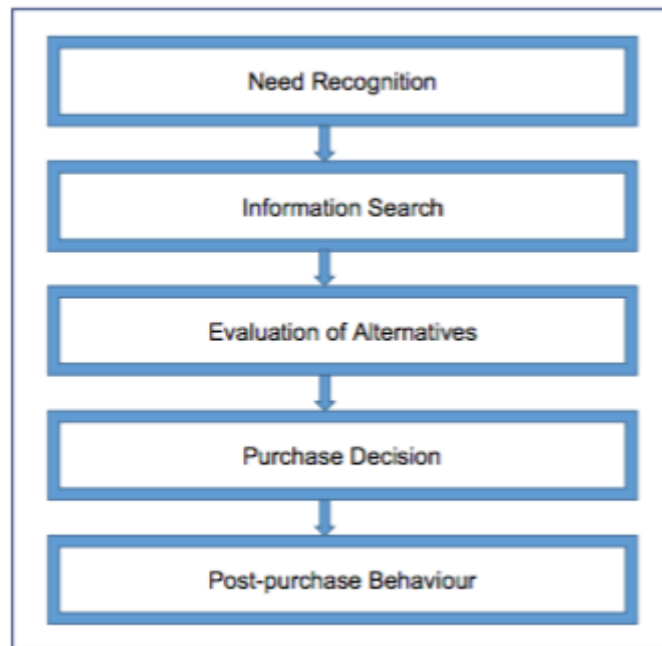
Figure 1. Engel, Kollat and Blackwell (EKB) Model (Silverman 2001)

2. Data collection

The survey presented here replicated one in Gros (2012). The first section confirmed that respondents belonged to the desired demographic (Nigerians aged 18-35, who have brand engagement via social media). The age range was selected because, in Nigeria, adults under 35 are the demographic most likely to have mobile access and to use social media (Broadcasting Board of Governors and Gallup, 2014). The remainder of the survey investigated the influence of social media on consumers in the five different stages of the EKB model, trust, i.e., influence of family and friends vs strangers, etc.

Responses were collected, via Google Forms, between 8 November 2017 and 2 January 2018, using a snowball method (Atkinson and Flint 2001). The snowball method introduces bias to samples, but was utilised due to its ability to access hard to reach populations (Atkinson and Flint 2001). 164 responses were collected, of which three were removed due to being either not in the 18-35 age range or not giving their consent to use their data in the survey, leaving a final sample size of n=161.

3. Results

Most participants were well established users of social media, who spent substantial periods of time using social media and typically followed brands (see figure 2). The most common uses were: to keep in touch with people (130), to find information about products/services/brands (114), to exchange documents or files (88).

3.1 Stages of the EKB Model

Need Recognition - Social media was selected by participants as their most influential information channel (83%). The categories of products/services found to be the main triggers of a need are: clothing (63%), health and beauty (41%) and electronics (39%). 81% of consumers agreed to being brand followers on social media for reasons such as: to get updates on products/services (71%) and to read comments and reviews on products/services (53%).

Information Search – 87% stated that they use social media when they want to search for information on products/services. The majority chose social networks (83%), followed by multimedia sharing (37%).

Evaluation of Alternatives – 62% agreed or strongly agreed that they use social media to assess alternatives. People reported higher levels of trust in the opinions of family and friends about products (60% strongly agree or agree to trusting their reviews or comments on product/services) as compared to unknown people (42%).

Purchase Decision – Positive reviews tend to influence consumers towards purchase (78% strongly agreed or agreed that they bought products/service after reading positive reviews) and negative reviews had the opposite effect (60% strongly agreed or agreed that reading negative reviews or comments on products/services dissuaded them from purchases) especially when it came from family/friends (63%) compared to unknown people (50%).

Post-purchase Decision – Consumers were more likely to share opinions with family and friends vs unknown people when they were satisfied (68% vs 47% respectively strongly agreed or agreed to share their opinions). The same preference occurred when dissatisfied (66% vs 41% respectively).
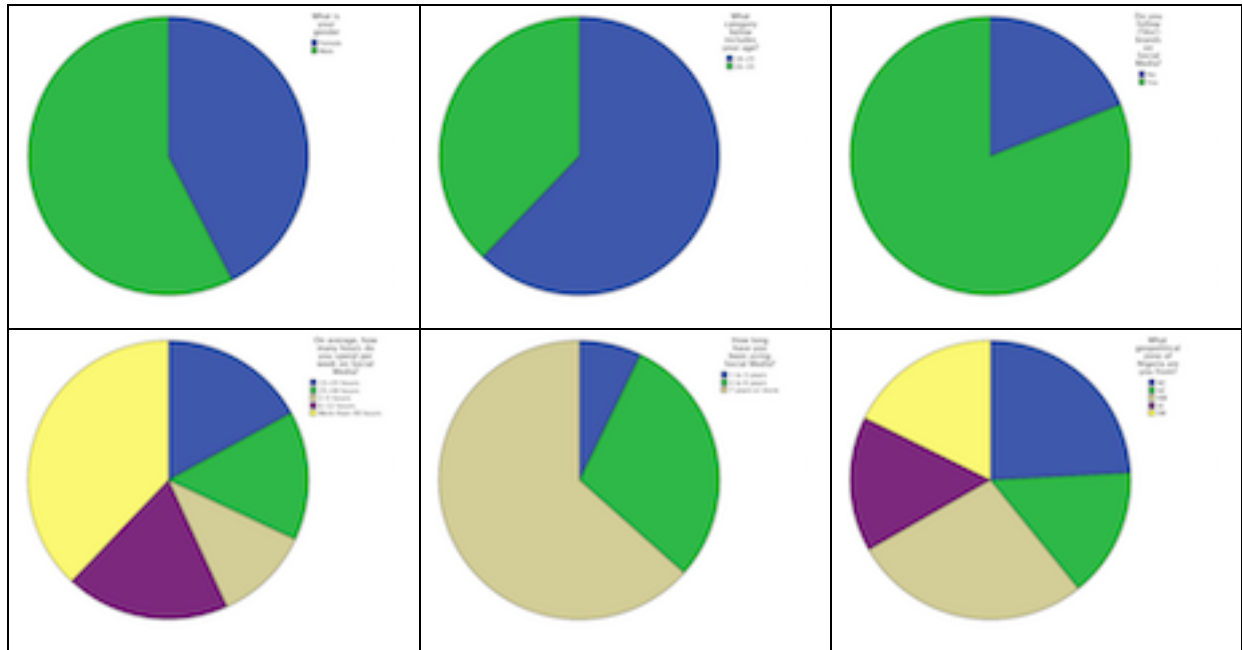

Figure 2: Demographics of the participants. Top row: gender (F blue, M green), age (18-25 blue, 26-35 green), Do you follow brands (no blue, yes green). Bottom row: hours per week on social media (clockwise in hours 13-24, 25-28, 2-5, 6-12, >48), experience of social media (clockwise in years 1-3, 4-6, >=7), geopolitical zone (clockwise NC, NE, NW, SE, SW).

3.2 Regional Variation

Five of the six Nigerian regions were represented sufficiently to be analysed (see Table 1). The SS region (8 responses) was excluded (n= 153).

Table 1: Responses per region

Region	Responses
SE	25
SW	27
SS	(8 excluded)
NW	43
NE	25
NC	37
Total	153

The Kruskal-Wallis H statistic (1952) was used to provide a non-parametric statistical test among the five groups. The null hypothesis was that there was no difference in consumer behaviour between the Nigerian regions. For brevity, we present details only of tests for which significant results were found (see Table 2). In all other cases, no significant difference between the regions was found.

Table 2: Output of Kruskal-Wallis H test on regions

Question	Inference Basis	Test Statistic (H)	p-value
1. You trust your friend's/family's reviews and comments on products/services/brands on social media	Mean ranks	11.490	.022
2. How long have you been using Social Media?	Mean ranks	10.507	.033

Where the Kruskal-Wallis test revealed significant differences, pairwise comparison between regions was conducted (2-sided tests).

1. No significant differences at the 0.05 level in ratings between the regions.

2. Statistically significant differences in ratings between the SE (Mean Rank 57.67) and NW (Mean Rank 88.14, p = .015).

3.3 Gender Difference

Differences in consumer behaviour between genders were tested using the Mann-Whitney U test (two tailed hypothesis). The null hypothesis was that there is no difference between the responses of male and female participants. As before, only of the tests with significant results ($p=<0.05$) are reported (see Table 3).

Table 3: Output of Mann-Whitney U test on gender

Question ID	Inference Basis	U	z	p-value
1. You seek your friends'/families' opinion(s) on social media before making a purchase decision	Sum of ranks	2182	-2.835	0.005
2. Negative reviews and comments from friends/ family on products/ services/ brands on social media can dissuade from making your purchase	Sum of ranks	2459	-2.267	0.023

1. Statistically significant differences in sum of ranks between female (6003) and male (7038) at $p < .05$.

2. Statistically significant differences in sum of ranks between female (6236) and male (7131) at $p < .05$.

4. Summary of Findings

The survey indicates that eWOM is affecting consumers' purchase decision-making for the 18-35 demographic in Nigeria. In answer to the three research questions we found:

- RQ1, regional differences in consumer buying behaviour in Nigeria were not found, but some regions report more experience of social media. There are indications that females are less decisive and more likely to be influenced by family and friends. This may reflect the gender imbalance in Nigerian society ((Asiyanbola, 2005) (Agbonifoh and Bakwenye, 1986)).

- RQ2, respondents preferred to interact with family and friends for reviews or advice, and for sharing their post-purchase opinions. These results indicate that trust may influence Nigerian consumers' interaction with eWOM, in line with ((Cantallops and Salvi, 2014) (Chu and Kim 2011) (Chiemeke and Evwiekpaefe, 2011)).

- RQ3, respondents used social media at all stages of the EKB model, particularly Need Recognition (83%), and Information Search (87%). They searched for information on products/services before purchase, but were not as keen to write reviews after purchase.

5. Limitations and Future Work

This study is based on a relatively small sample, collected via a snowball approach, which is known to introduce bias, and is therefore not reliably representative of the Nigerian population. In particular, only five geopolitical regions could be compared due to a low sample size for one of the regions. Nonetheless, these results indicate eWOM in Nigeria deserves further investigation. The results indicate that trust is an important factor in Nigerian consumers' decision-making, which warrants detailed study. Research from the organizational viewpoint would also be beneficial, perhaps in the form of case studies of the influence of social media communication on consumers and whether this affects the performance of the business.

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