

Revisiting Consumer Decision-Making in the Digital Era: A Conceptual Framework Integrating Social Media Influence and Behavioral Biases

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ABSTRACT

The present study deals to understand how behavioral economies has become very important for understanding how people make buying decisions, especially in today's digital world where social media platforms, algorithms, and instant interaction strongly shape consumer behavior. Unlike the traditional consumer decision-making theories that assume people always make logical decisions, behavioral economies explain how thinking patterns, emotions, mental shortcuts, and social media influence affect the choices people make. This paper will let to know how personal thoughts and feelings, social and technological influences, learning experiences, and the acceptance of new technologies together affect online buying decisions. Conceptual discussion also explores how psychological factors influence consumer decision-making in digital shopping environments. Following sections also provide detailed examples and real-world applications to show how these behavioral factors influence consumer behavior, supported by findings from recent studies on decision making in this digital era. Such complete approach improves the reliability and accuracy of the results, making them useful for both researchers and businesses working in consumer psychology and digital marketing. The study survey was conducted among 179 consumers to examine the consumer decision-making process integrating social media influence and behavioral biases. The study concludes that there is significant effect of social media influence and behavioral biases on consumer decision-making process.

Keywords: Behavioral economies, Consumer behavior, Psychological, Environments, Digital marketing.

INTRODUCTION

The digital era has completely changed the way of how people communicate, access information, and make decisions. From this digitalization what started as, a simple way to connect with friends and family has now grown into a powerful space where people share experiences, express their opinions, follow new trends, and often make buying decisions. Understanding consumer behavior has become important among both researchers and businesses as, digital commerce continues to grow. The move from traditional physical stores to connect with customers while, also making buying decisions more complex. Such change highlights the need to better understand the psychological factors that influence consumer behavior in online shopping environments. Understanding these factors is crucial for businesses who want to improve their digital strategies in digital era and for researchers studying consumer behavior.

Social media platforms such as-Instagram, Facebook, X (formerly known as Twitter), YouTube, and TikTok have changed the ways through which consumers connect with brands and make their buying decisions. These above-mentioned social networking platforms provide instant interaction, engaging visual content, personalized recommendations, and direct communication between businesses and consumers. In recent times as, marketing has shifted from traditional channels like-television, radio, and newspaper to interactive, personalized, and consumer-focused digital environments where social media influence and behavioral biases play an important role in shaping of purchasing decisions. According to Singh et.al. (2024), the process through which consumers make their purchasing decision has undergone tremendous changes due to the emergence of digital technology. New technologies such as-artificial intelligence, big data, digital payment systems, and personalized recommendation have not only

revolutionized the online shopping experience but also consumer behavior. These technologies along with social media influence and behavioral biases in the digital era play an important role in shaping of consumer decision-making. Antczak. (2024), stated social media platforms, personalized recommendation systems, and mobile payment service have made it easier to find product information and compare options while; also influencing consumer think, evaluate, and choose products. This current study helps marketers, strategists, and researchers to gain an insight into the impact of psychological variables on consumer behavior through the practical application of theoretical concepts. With respect to the digital age, the role played by social media influences and biases cannot be overlooked.

LITERATURE REVIEW

Bartoloni & Ancillai. (2024), mentioned over the past few decades, the connection between social-media and consumer decision making has received growing attention in the field of market research. While, traditional methods of shopping depended on advertising, store displays, and personal recommendation but the digital era has changed how consumers make decisions. Previous research was largely concerned with the impact of online discussion forums, e-commerce sites, and digital word-of-mouth on their purchasing behavior. However, today in contemporary times social media, e-commerce sites, and search engines make immediate product reviews, price comparison and brand information available, thus making the consumer decision process more informed, varied and complex. These digital influences, together with behavioral biases, play an important role in shaping of purchase decisions. Growth of digital platforms has provided consumers with many more choices than ever before. Through e-commerce websites, people are able to easily buy products and services from different corners of the world without the limits of traditional markets. One of the biggest changes in digital consumer behavior is the easy availability of information. Sung et.al. (2023), asserted that many consumers who access the market make use of search engines, online reviews, price comparison sites, and social media channels to obtain information and reduce uncertainties as a means of minimizing the risk of a wrong choice. Shukun & Loang. (2024), mentioned the word of mouth online, influencer suggestions, and user-generated content significantly impact consumer views and purchasing decisions. As a result, trust and credibility have become essential factors in consumer decision-making while, social media influence and behavioral biases continue to shape purchase decisions in this digital era. Similarly, one of the important topics in consumer decision-making research is decision fatigue, which occurs when people become mentally tired after making difficult choices over time. The quality of such decisions often declines as, the number and complexity of decisions increase. Such concept was first studied in cognitive psychology and behavioral economics, which explain that considering repeated decisions uses mental energy and reduces a person's ability to make careful and rational choices. According to Vashishth et.al. (2024), "Decision fatigue and behavioral biases have become key factors affecting purchase decisions in this digital era, where consumers face endless online options and constant social-media influence." Decision fatigue is especially common in digital shopping where, consumers are constantly exposed to a large number of products, offers, and information. Online shopping platforms provide almost unlimited choices, making it difficult among customers to compare every option. This overload of information can reduce the quality of decision-making, causing consumers to delay purchases or rely on behavioral biases and social media influence even when making their first buying decisions. Raji et.al. (2024), stated digital era has given the consumers with greater control and higher expectations for personalized shopping experiences. The consumer expects recommendations of products that fit his/her interest, ease of online experience and swift response across various digital channels. These include simple website navigation, a mobile responsive design, secure online transactions and a streamlined check-out experience. Also, artificial intelligence, personalised recommendations and chatbots is likely to improve brand experience among customers but, the continued influence of social media and behavioural bias is still impacting consumer buying decisions online. Patro. (2023), asserted easy access of information is also considered one of the most important features of this digital marketplace which has a strong influence on consumer decision making. Market consumers can freely get all the information about products: characteristics, price,

product information, reviews, rating before buying them. The increase in transparency will enable them to make better decisions. In such situations, social media influence and behavioral biases often, play an important role in shaping of final purchase decisions. Social factors in digital platforms have a strong influence on the consumer decision-making. Sahai et.al. (2024), introduced aspects like-social media sharing, customer reviews, ratings, and other forms of user-generated content help build trust among the consumers. In addition, research has also indicated that consumers prefer to purchase a product or service on the basis of word-of-mouth rather than advertisements. Instagram is really good at showing people pictures and videos which's why it is so popular for fashion, beauty and lifestyle. This website also lets people share what they think and talk to companies from around the world. Instagram helps companies to tell people what they are all about which is something that people can understand and like.

People look at the pictures and videos, on Instagram and it helps them decide what they want to buy. Instagram is a place for companies to show people what they have and it really works. Mogaji & Jain. (2024), stated visual engagements in this digital era together with social media influence and behavioral biases plays an important role in consumer decision-making. From the creation of product awareness and generation of interest to support purchase decisions and post-purchase feedback social media influences each and every stage of the consumer decision-making process. Nonetheless, modern consumers are not dependent solely on advertising. The consumers present in the market make efforts to search for information about different brands and products, compare the different products available in the market, and take help from their friends on social media as well before taking any buying decision.

These theories assist in getting better insights into the psychological, emotional, and behavioral processes. Gerlich. (2023), mentioned influencers of market also act as trusted brand promoters and play an important role in shaping consumer decision-making through social media influence, and behavioral biases in this digital age. Influencer marketing is mostly unidirectional in nature due to the fact that most customers trust the opinions of the influencers due to their authenticity, similarity in lifestyle, and interactions with the audience. The success of the influencer marketing campaign is not about how many people follow the influencer but also about how relevant and interactive the influencer is with the audience. This is why sometimes many small influencers have been able to get responses than famous people. This happens because small influencers are often seen as real and honest. Because of this these small influencers have power over what people decide to buy through social media and the way people think in this modern time. Chowdhury et.al. (2024), stated companies create connections with their customers by using branded hashtags mentioning customers running contests sharing content created by users and showing what happens behind the scenes. These actions make the companies seems really friendly and close, to their audience. When consumers of market counter regular interaction through these digital touch-points helps to increase consumer trust and brand loyalty as, people feel recognized and valued. The merging of e-commerce and social media applications like-Instagram has revolutionized the customer journey since consumers can discover as well as purchase products within the application.

Such capabilities include-stories, visual contents, shoppable posts, and reels where brands can tag their products allowing the consumers to learn about the products, and purchase them in one click. These smooth and convenient shopping process reduces the steps involved in buying, improves the overall customer experience, and strengthens the influence of social media and behavioral biases on consumer decision-making in this digital era. Overall, the reviewed studies show that consumer decision-making in the digital era is influenced by social media, technological developments, and behavioural biases working together. Accordingly, this gives rise to substantial opportunities to develop a coherent theoretical approach concerning the impact of digitalization on consumer decisions and buying behaviour process.

OBJECTIVE

To examine the consumer decision-making process integrating social media influence and behavioral biases.

METHODOLOGY

The study survey was conducted among 179 consumers to examine the consumer decision-making process integrating social media influence and behavioral biases. The survey was conducted with the help of a questionnaire. The researcher collected the primary data through random sampling method and analysed it using mean and t test statistical tools.

FINDINGS

Table 1: Consumer decision-making process integrating social media influence and behavioral biases

S. No.	Statements	Mean Value	t value	Sig.
1.	Trust and credibility have become essential factors in consumer decision-making	3.18	2.451	0.008
2.	Consumers prefer to purchase a product or service on the basis of word-of-mouth	3.13	1.781	0.038
3.	Social media influence and behavioral biases play an important role in consumer decision-making	3.16	2.227	0.014
4.	Digital era has given greater control for personalized shopping experiences	3.14	1.909	0.029
5.	Social media platforms have made it easier to find product information and compare options	3.19	2.634	0.005
6.	Digital influences and behavioral biases play an important role in shaping of purchase decisions	3.17	2.317	0.011
7.	Post-purchase feedback social media influences each and every stage of the consumer decision-making process	3.15	2.064	0.020
8.	Consumer decision-making in the digital era is influenced by technological developments	3.18	2.487	0.007

Table 1 shows Consumer decision-making process integrating social media influence and behavioral biases. The respondent says that social media platforms have made it easier to find product information and compare options (3.19), Trust and credibility have become essential factors in consumer decision-making (3.18), Consumer decision-making in the digital era is influenced by technological developments (3.18), Digital influences and behavioral biases play an important role in shaping of purchase decisions (3.17). The respondent also shares that social media influence and behavioral biases play an important role in consumer decision-making (3.16), post-purchase feedback social media influences each and every stage of the consumer decision-making process (3.15), Digital era has given greater control for personalized shopping experiences (3.14), and Consumers prefer to purchase a product or service on the basis of word-of-mouth (3.13).

CONCLUSION

The present research work concludes that behavioral economies in digital consumer decision-making provides important insight into how people respond to different social media platforms. Traditional economic theories assumed that consumers of market always consider logical decisions but, they are unable to fully explain the complex nature of consumer behavior on social media platforms. The

government needs to implement stringent data security laws to keep the private data of the consumers protected. Furthermore, online companies need to be lucid about why they need consumers' data. Consumers need to make a choice based on informative understanding of their private data privacy. Social media companies must allow online consumers to make conscious decisions regarding their digital privacy. Businesses are leveraging the use of visuals, influencers, and digital experiences on social media platforms in a bid to create buzz among customers and convert this interest into sales. The study results also indicate that brands must remain agile, authentic, and moral in their promotions since brand aspirations are forever shifting in response to digital advancements.

The study aims to examine the consumer decision-making process integrating social media influence and behavioral biases and found that social media platforms have made it easier to find product information and compare options, Trust and credibility have become essential factors in consumer decision-making, and Consumer decision-making in the digital era is influenced by technological developments. The study concludes that there is significant effect of social media influence and behavioral biases on consumer decision-making process.

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