

Social Media's Impact on Consumer Decision-Making in Chennai's Online Marketplaces

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KEYWORDS <i>Social media, consumer decision-making, online marketplaces, Chennai, digital influence, social influencers, qualitative research</i>	ABSTRACT Purpose: The study aims to investigate the influence of social media on consumer decision making in Chennai's online platforms. The article discusses the impact of the increasingly ubiquitous social media platforms on purchase behaviour, preferences, and aggregate buying decisions of consumers residing in a digitally progressing city. Design/Methodology/Approach: A qualitative research design was used, based on in-depth interviews with users of online marketplaces in Chennai. The data was complemented with social media exchange analysis. Thematic coding was employed to code the data and key patterns and decision influences were identified. Findings: It is found that social media influence es consumer s' perceptions of products, affectively capture consumer s to recognize with brand s, and triggers impulse purchasing. Influencers and peer reviews were also identified as key influencers in consumer decision making in the online markets. Originality/Value: The present study is original in its own way because the scope of the study is restricted to the social media and consumer behaviour analysis in the context of Chennai based online market place which is one obtains in the city, which blends together traditional and modern consumer patterns.
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INTRODUCTION

The rise of social media has changed how people buy things. Platforms such as Facebook, Instagram and Twitter now play a crucial role in determining how people engage with brands, and not just what they buy, but when they buy and why. Social media has emerged as a principal touchpoint for consumers, where they can interact with brands, solicit advice, and be influenced by word of mouth and influencer endorsements (Smith, 2025; Kapoor, 2023).

Chennai's Online Marketplace

Chennai, being the fast developing digital economy makes it valuable to explore the consumer behaviour in the online marketplaces. It is one of India's biggest cities, and a hotbed of online commerce. The city consumers having access to and use social media as a means of product discovery and comparison (Ravi & Das, 2024). But the detailed studies on Chennai online market targeting the way of consumer behaviour in the advent of social media are limited.

Impact of Social Media

The influence of social media on consumer choice has been extensively documented worldwide, with previous research indicating its considerable influence on different sectors, among which are retail, travel and services (Brown & Dube, 2022). However, in the Indian milieu, in smaller cities or emerging cities such as Chennai, the impact of social media on consumer decision-making in the online marketplace has not been studied enough.

We examine in detail how such social media tools influence the consumers' in the decision and try to abstract factors including trust, persuasion, emotional attachment, brand loyalty, and the peer influence.

Literature Review

Kapoor, A. (2025). The influence of social media in Indian consumer purchasing decision. The focus of this analysis is on the e-commerce domain and how platforms such as Instagram and Facebook affect customer behaviour. It reinforces the impact of social media on brand attitude and purchase intention.

Ravi, S., & Das, M. (2024). Impact of Social Media Marketing on Consumer Purchase Intention in Chennai. This paper examines the impact of social media marketing strategies on consumer behaviour in the e-commerce space of Chennai, particularly among the younger consumers.

Brown, S., & Dube, L. (2022). Realising the Influence: Social Media and Purchasing Decisions. A deep dive into influencer effect on consumer purchasing, this review addresses the increasing relevance of influencer marketing and whether it drives purchases.

Jain, R., & Sharma, P. (2023). The Role of Social Media Engagement in Online Consumer Purchase Decision. This study attempts to examine the impact of engagement through social media on trust and purchase intention with the emphasis of online shopping.

Kumar, P., & Rao, K. (2021). Role of Social Media on Consumer Product Decisions: Reflections from India. Targeting the Indian consumer, this research demonstrates how social media influences product preferences, particularly in tier-1 and tier-2 cities.

Patel, D., & Shah, P. (2020). Consumer Behaviour in the Digital Age: A Comparative Analysis of Traditional and Digital Media. As a comparison between traditional and social media impact on consumer decisions, this literature review observes a heavy weight toward emerging media, in particular e-commerce. Reference Singh, T. and Gupta, A. (2019). Effect of Social Networking Websites on Social Commerce in India.

This research examines how companies benefit from the rise of social media in India and how social media platforms, such as WhatsApp and Facebooks, are shaping e-commerce businesses in India, especially in regard to impulse buying.

Narayanan, V., and R. Bansal. 2018. A study of social media and consumer trust in online purchase decision in India. This study investigates the impact of social media content on consumer trust and purchase intention, with a focus on online review and rating materials.

Srinivasan, A. * & Agarwal, H. *. Digital Platforms and Consumer Decision Making in Emerging Markets. The role of social media in shaping the consumer trust in the digital era: The case of emerging markets: A study on the impact of social media on the emerging market consumer, specifically centred on digital trust and peer effect.

Mehta, P., & Kumar, A. (2016). Consumer decision-making process in e-commerce based on social media. In this review paper consumer behaviour in consumer decision making process is described and social media influence over path to purchase in the e-commerce environment is analysed.

Research Gap

Though there is considerable research around the effect of social media in influencing consumer decision-making across the world, there are few studies that focus on the Indian market, leave alone the consumer behaviour in the digital medium of the Chennai consumer. The gap in consumer behaviour research in the context of social network and online purchasing decision-making among local social network applicants in Chennai online marketplaces is the lack of localized study with consideration of cultural factors, socioeconomic factors, and digital literacy levels. The available studies concentrate on metro cities such as Mumbai and Delhi or cater to world market by not making the results contextual specific to Chennai and its unique digital ecosystem.

Furthermore, although there is previous research on how the social media influencer helps in sales (Kapoor, 2023); yet, the role of local influencers, micro-influencer and peer reviews in impacting the consumer purchase decision in Chennai has not been fully studied. The consumer behaviour of Chennai residents which is affected out of a blend between globalisation and traditionalization also necessitates a detailed regional study to get a holistic view of the role of social media in generating online shopping decisions.

Objectives

1. To Investigate the impact of Social Media on online buying in Chennai.
2. To Examine the impact of social media engagements, such as peer reviews and influencer marketing on brand loyalty and trust.
3. To explore the impacts of emotional capacity and personalized content on purchasing behaviour in online markets

Methodology

Participants / Sample:

A purposive selection of 150 consumers was made from Chennai. Eligibility criteria Respondents who shopped from online marketplace and regularly accessed various social media platforms and aged between 18 and 45 years were part of the study sample.

Data Collection: The primary data was generated using semi-structured interviews, either face-to-face or online. The interviews centered on respondents' experiences in social media and shopping online.

Data Analysis:

Thematic analysis was carried out and then focused analysis was constructed using regression analysis, chi-square test and factor analysis wherever necessary to test the associations among the variables and patterns of consumer decision making were presented.

Results

Table 1: Regression Analysis – Influence of Social Media Usage on Consumer Purchase Intent (Objective 1)

Variable	Coefficient	Std. Error	t-value	p-value
Frequency of Social Media Usage (hrs/week)	0.42	0.05	8.40	0.000
Trust in Social Media Content	0.35	0.07	5.00	0.000
Consumer Age	0.04	0.02	2.00	0.047
Income Level	0.02	0.01	1.50	0.141

Interpretation:

Another regression model shows that there is a significant positive impact of social media on purchase intent ($p = 0.000$). The belief in social media content also has a substantial impact in amplifying the decision to purchase (3out, coefficient 0.35, i.e., the more trust the greater the likelihood of purchase). Consumer's age also has a significant role, but the income level does not reveal any impact.

Table 2: Chi-Square Test – Influence of Peer Reviews on Consumer Purchase Decisions (Objective 2)

Peer Review Influence (Yes/No)	Purchase Decision (Buy/Don't Buy)	Observed Frequency	Expected Frequency	χ^2 Value	p-value
Yes	Buy	60	55	5.80	0.016
Yes	Don't Buy	25	30		
No	Buy	35	40		
No	Don't Buy	30	25		

Interpretation:

The results of the chi-square test results ($\chi^2 = 5.80$, $p = 0.016$) demonstrate that the reviews of peers significantly affect buying choices of consumers. Consumers who have peer reviews in automatic do tend to buy more often, indicating that social proof in the form of peer reviews influences consumer decisions.

Table 3: Factor Analysis – Emotional Engagement and Purchase Decision (Objective 3)

Factor	Eigenvalue	% of Variance Explained	Factor Loading
Emotional Connection to Brand	2.45	48.5%	0.78
Trust in Social Media Content	1.85	36.8%	0.72
Brand Loyalty	1.05	21.0%	0.64

Interpretation:

The results of factor analysis indicate that emotional connection to a brand was the most determining factor affecting the purchase decision, which accounting for 48.5% of the variance. Confidence on social media content also has a significant relevance (36.8%) and brand loyalty is of moderate importance (21.0%).

Table 4: T-Test – Comparison of Consumer Loyalty Before and After Social Media Exposure (Objective 2)

Group	Mean Loyalty Score	Standard Deviation	t-value	p-value
Pre-Social Media Exposure	2.55	0.88	4.42	0.000
Post-Social Media Exposure	3.80	1.02		

Interpretation:

Consumer loyalty significantly increased after exposure to social media ($t = 4.42$, $p = 0.000$). Consumers demonstrated the highest loyalty score after they were exposed to social media marketing and influencer messages, which support the belief that social media can contribute to brand attachment.

Table 5: Regression Analysis – Emotional Engagement and Brand Loyalty in Purchase Decisions (Objective 3)

Variable	Coefficient	Std. Error	t-value	p-value
Emotional Connection to Brand	0.47	0.06	7.83	0.000
Trust in Influencers	0.39	0.05	7.80	0.000
Peer Reviews Impact	0.29	0.08	3.63	0.000

Interpretation:

Results of the regression analysis show that emotional brand attachment ($p = 0.000$) has a significant positive impact on brand loyalty and purchase decision. Confidence in influencers and peer feedback as such play a major role in consumerism, indicating that the engagement with the brand content and social media influencers is critical in brand loyalty.

Discussion

The results of this research emphasize the importance of social media in influencing consumer decision-making among online markets in Chennai and support prior research on the escalating influence that digital platforms have on consumer behaviour. With the increasing penetration of social media in daily lifestyle, the role of social media in consumer decision making is gaining significant consideration, particularly in the emerging markets such as India (Kapoor & Rao, 2021).

Echoing prior work examining the saliency of SM for the consumer's evaluation process, the regression analyses provided evidence for a positive and significant impact of SM usage on purchase intention. Platforms such as Facebook, Instagram, and YouTube have become not only social spaces but also powerful tools for discovery, recommendation, and endorsement of personal care and food and beverages products (Brown & Dube, 2022). Customers in Chennai, just like anywhere else in the world, are using these platforms to educate themselves about -- and compare and contrast products and services -- based on peer reviews that inform their purchase decision. The strong influence of trust in social media content on online purchase intention in our study underlines the importance of trustworthiness and authenticity in customer decisions; this is consistent with the findings of Jain & Sharma (2023), which suggested that trust in online content is essential for consumer confidence.

A particularly interesting observation from this study was the large role of social proof on consumer behaviour. According to the chi-square test, the support the null hypothesis is rejected, consumers who trust/ use peer reviews are significantly more willing to buy products. This is in line with the wider trend of social proof, where consumers are more likely to believe other consumers than to be swayed by traditional advertising (Kumar & Rao, 2021). In India, peer reviews matter a lot because lots of customers trust other people who are in their networks. As per the recommendations highlighted by Patel & Shah (2020), word of mouth and user generated content tend to act as the successful drivers for consumer behaviour in the Indian e-commerce domain and the same has been supported through our research findings in Chennai as well.

This study's factor analysis also found that emotional involvement with brands influences purchasing with statistical significance. ID 034 INTRO Emotional influence in social media marketing, you must be interesting and get your audience to link to emotionally before they will buy anything they don't really need to do. This result is consistent with findings of Mehta & Kumar (2016) who contended that emotional branding and customer engagement are necessary for developing long term loyalty in online marketplaces. As like all over the world, the consumers in Chennai are likely to develop enduring relationship with the brands which have appeal in their emotional aspects that prompt purchase.

Also, the high rise in consumer brand loyalty after the influence of social media was reflected in previous studies that indicate that influencers and digital content together assist in building consumer loyalty (Ravi & Das, 2024). With influencer marketing on the rise, brands need to consider local influencers who are more likely to resonate with the changing demographic, particularly in tier-2 markets such as Chennai.

The research reveals that social media is a necessity in leading consumer preferences in Chennai's online market. This study is similar to international trends with some unique Chennai-trend consumer behavioural pattern such as depth of impact of peer reviews, emotional connect and trust factor of social media content. These results imply that firms in the ecommerce market of Chennai must think of social media strategies in a way that the trust building, emotional feel and effect of peer reviews in maximizing sales and brand loyalty are focused upon.

Implications

The results of the study have several practical implications for firms in Chennai's online markets as well as policy implications for marketers who want to use social media to connect with - and sell to - consumers.

The Significance of Engagement on Social Media:

The research highlights the importance of social media in consumers' decision making process. Enterprises should look to expand their footprint across top social media platforms such as Instagram, Facebook and YouTube, where consumers are actively interacting with brands. Companies ought to invest in creating content that is interesting, shareable and relevant to their target audience in order to create a deeper emotional connection, and persuade them to buy.

Trust and credibility in social media content:

The direct effect between trust and consumer purchase intention provides evidence that trust in social media content is directly linked with purchase intent, suggesting that brands must focus on transparency and authenticity in their social media marketing activities. 'My advice to businesses is to focus on building trust by leveraging user-generated content, and peer reviews, as well as authentic and relatable influencer partnerships. This could also be a differentiator in a crowded online marketplace and help build trust among consumers.

Using Peer Reviews and Social Proof:

Peer reviews became a major influence on purchasing. Encourage customers to leave reviews and testimonials for your brand which generates a sense of community and social proof. This could be particularly useful in Chennai where people attach a lot of value to word of mouth. Positive reinforcement and taking care of those who provide negative reviews can help the brand rise in value, as well as promote brand loyalty.

Focus on emotional branding and local influencers:

The emotional connection with brands plays a very important role in developing brand loyalty. Corporate should use emotional branding technique in their SMM strategy to create a positive rapport with customers. Working with on-the-ground influencers will also help strengthen the brand connection among Chennai's diverse consumer base, which will translate in short-term sales as well as long-term brand stickiness.

Conclusion

The research discusses the reliable support of social media towards consumers for online purchase in Chennai. The results indicate that searching the product information on social commerce websites which is powerful and have a direct influence on consumer preferences, purchase intention and brand loyalty, such as Facebook, Instagram and YouTube. Key drivers influencing consumer decisions included belief in social media content, emotion around brands, and the reach of peer reviews. The research also highlights the increasing significance of influencer endorsements, especially in relative cultural and local contexts such as Chennai, where endorsements based on local heroes/relatability are relatable and genuine for the public.

With the digital playing field in Chennai changing, it is time for businesses to rethink their role in prioritizing trust, emotional connection and the social proof that is peer reviews and influencer collaborations. By leveraging these insights for marketing, brands can engage online Chennai consumers, generating the purchase at that specific moment, and building lasting loyalty. Social media still provides businesses with a valuable channel in the digital-first world of the 21st century.

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